



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, JANUARY 5, 2018

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
- Swearing in of Chair and Vice Chair for Terms January 2018 – January 2020
- Swearing in of Reappointed Board Members Judith Mitchell and Marion Ashley and Swearing in of Newly Appointed Board Member Hilda Solis **Burke**

Staff/Phone (909) 396-

CONSENT CALENDAR (Items 1 through 13)

Note: Consent Calendar items held for discussion will be moved to Item No. 14

1. Approve Minutes of December 1, 2017 Board Meeting **Garzaro/2500**

Budget/Fiscal Impact

2. Recognize Revenue and Appropriate Funds, Approve Positions, Amend Contracts, Issue Solicitations and Purchase Orders for AB 617 Implementation and Transfer and Appropriate Funds and Approve Positions for AB 134 Implementation **Whynot/3104**

Under AB 617, recently adopted by the state legislature, CARB is developing the Community Air Protection Program to reduce exposure in neighborhoods most impacted by air pollution. SCAQMD is expected to receive \$10,700,000 for this effort and as a result the agency's workload will substantially increase in the areas of accelerated BARCT rulemaking, emissions monitoring, community emission reduction plans, and state-wide emission reporting consistency. This action is to recognize up to \$10,700,000 in the General Fund and appropriate \$5,644,888 into the FY 2017-18 Budget, approve 36.5 positions, amend contracts, and issue solicitations and purchase orders for AB 617 implementation. In November 2017, the Board recognized increased funding from AB 134 for the Carl Moyer program. This action is to also transfer and appropriate \$561,792 from the Carl Moyer Program Fund (32) into the General Fund FY 2017-18 budget and approve 10.5 positions for the implementation of AB 134. (Reviewed: Administrative Committee, December 8, 2017; Recommended for Approval)

3. Issue RFP for Emission Reduction Projects Using Incentive Funding from SCAQMD Special Revenue Funds, Allocate Funds, and Execute Contract **Fine/2239**

SCAQMD is seeking to incentivize stationary and mobile source projects that will result in emission reductions of NO_x, VOC, and PM, in accordance with the approved control strategy in the 2016 AQMP. Project funding is proposed from existing special revenue funds related to mitigation fees, settlements, set-asides or grants from other agencies. The incentives would be issued for emission mitigation, reduced air toxics exposure, and new technology development and deployment. This action is to release an RFP to solicit bids for potential projects that achieve emission reductions consistent with 2016 AQMP goals, possible co-benefits of air toxic and/or GHG reductions, deployment of advanced clean technology, and reducing air quality impacts in environmental justice areas. This action is also to execute a sole source contract with Build it Green to incentivize deployment of solar water heating systems (Fund 27) and to direct funds to implement mobile source emission reduction projects (Fund 39). (Reviewed: Administrative Committee, December 8, 2017; Recommended for Approval)

4. Transfer and Appropriate Funds, Issue Purchase Orders for Monitoring and Lab Equipment, Approve Surrender of Fixed Assets, and Execute or Amend Contract for Monitoring Services **Gilchrist/3459**

A variety of field monitoring equipment is used to identify, characterize and quantify emissions. These tools are particularly useful when inspecting sources associated with petroleum production, refining, loading and distribution, which have fugitive emissions and are sometimes the source of public complaints. Additional monitoring services and equipment as well as laboratory supplies are needed to identify potential sources of odors and ensure compliance during routine inspections. This action is to transfer and appropriate funding up to \$561,000 from the Rule 1173 Mitigation Fee Special Revenue Fund (44) and \$10,000 from the AES Settlement Projects Fund (35) to Compliance & Enforcement's and Science & Technology Advancement's FY 2017-18 Budgets to purchase supplies and issue purchase orders for equipment. These actions are to also issue purchase orders up to \$542,000 for equipment and authorize surrender of five existing Toxic Vapor Analyzers (TVAs) for a credit toward new TVAs. Finally, this action is to execute or amend a contract with FluxSense, Inc., in an amount not to exceed \$55,000 from the AES Settlement Projects Fund (35) for professional monitoring services related to shoreline odors. (Reviewed: Administrative Committee, December 8, 2017; Recommended for Approval)

5. Recognize Revenue and Appropriate Funds to Maintain, Improve and Expand Existing Low-Cost Sensor Network for Monitoring PM Emissions **Low/2269**

SCAQMD and Rainbow Transfer/Recycling Inc., (Rainbow) have entered into a Stipulated Order for Abatement to resolve their dispute over application of Rule 410 and to achieve compliance with the Rule's enclosure requirement. The Order for Abatement also included \$70,000 from Rainbow for an air monitoring study to measure potential fugitive PM emissions from the facility using low-cost sensors. This action is to recognize \$70,000 in revenue and appropriate \$70,000 to the Science & Technology Advancement's FYs 2017-18 and/or 2018-19 Budgets to support and expand the existing fence-line PM sensor network and deploy sensors in nearby communities. (Reviewed: Administrative Committee, December 8, 2017; Recommended for Approval)

6. Amend Contracts for Legislative Representation in Washington, D.C. **Alatorre/3122**

The current contracts for legislative and regulatory representation in Washington, D.C. with Kadesh & Associates, LLC, Cassidy & Associates, and Carmen Group Inc. will expire on January 14, 2018. Each of these contracts includes an option for two one-year extensions. This action is to consider approval of the second one-year extension of the existing contracts for Calendar Year 2018 with Carmen Group Inc., Kadesh & Associates, LLC, and Cassidy & Associates as SCAQMD's legislative and regulatory representatives in Washington, D.C., to further the agency's policy positions at the federal level. (Reviewed: Administrative Committee, December 8, 2017; Recommended for Approval)

7. Amend Contract for Consultant Services for SCAQMD Environmental Justice Outreach and Initiatives **Alatorre/3122**

The current contract with Lee Andrews Group, Inc., for environmental justice efforts conducted for the Environmental Justice Community Partnership, expires on February 24, 2018. Based on the firm's effective performance during their current contract, this action is to approve the second one-year extension of the consultant's contract for Calendar Year 2018, at the current contract amount. (Reviewed: Administrative Committee, December 8, 2017; Recommended for Approval)

Items 8 through 13 - Information Only/Receive and File

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

This report highlights the November 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)

9. **Hearing Board Report** **Prussack/2500**
This reports the actions taken by the Hearing Board during the period of November 1 through November 30, 2017. (No Committee Review)
10. **Civil Filings and Civil Penalties Report** **Wiese/3460**
This reports the monthly penalties from November 1 through November 30, 2017, and legal actions filed by the General Counsel's Office from November 1 through November 30, 2017. An Index of District Rules is attached with the penalty report. (No Committee Review)
11. **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 November 1, 2017 and November 30, 2017, and those projects for which the SCAQMD is acting as lead agency pursuant to CEQA. (No Committee Review)
12. **Rule and Control Measure Forecast** **Fine/2239**
This report highlights SCAQMD rulemaking activities and public workshops potentially scheduled for 2018. (No Committee Review)
13. **Status Report on Major Ongoing and Upcoming Projects for Information Management** **Moskowitz/3329**
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, December 8, 2017)
14. **Items Deferred from Consent Calendar**

BOARD CALENDAR

Note: The December meeting of the MSRC Committee was canceled. The next meeting is scheduled for January 18, 2018. The Mobile Source, Stationary Source, and Technology Committees did not meet in December. The next regular meetings of the Mobile Source, Stationary Source, and Technology Committees are scheduled for January 19, 2018.

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

16. Legislative Committee Chair: Mitchell Alatorre/3122

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

Agenda Item	Recommendation
2018 Legislative Goals and Objectives	Approve

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

PUBLIC HEARINGS

18. Determine that Proposed Amendments to Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx) Are Exempt from CEQA and Amend Rules 2001 and 2002 Nakamura/3105

The adoption Resolution of the Final 2016 AQMP directed staff to achieve additional NOx emission reductions and to transition the RECLAIM program to a command and control regulatory structure as soon as practicable. Proposed Amended Rule 2001 will commence the initial steps of this transition by ceasing any future inclusions of facilities into NOx and SOx RECLAIM. Proposed Amended Rule 2002 will establish notification procedures for RECLAIM facilities that will exit the program and address the RECLAIM Trading Credit holdings for these facilities. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Rule 2001 – Applicability and Rule 2002 - Allocations for Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx) are exempt from the requirements of the California Environmental Quality Act; and 2) Amending Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx). (Reviewed: Stationary Source Committee, November 17, 2017)

19. Determine that Proposed Amendments to Rule 301 – Permitting and Associated Fees Are Exempt from CEQA and Amend Rule 301 Fine/2239

On June 2, 2017, Rule 301 was amended to address cost recovery by refining the alignment of program revenue with program costs that have typically never been fully recovered. In addition to the annual across-the-board CPI adjustment, permit-related service fee rates were increased over a three-year period, with differential increases for Title V and non-Title V facilities. During the amendment, staff inadvertently deleted the SCAQMD's authority to charge for the preparation of a notice for a project requiring notification as defined in Rule 212(c). Proposed Amended Rule 301 consists of administrative changes to restore SCAQMD's deleted authority. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Rule 301 – Permitting and Associated Fees are exempt from the requirements of the California Environmental Quality Act; and 2) Amending Rule 301 – Permitting and Associated Fees. (Reviewed: Administrative Committee, December 8, 2017)

OTHER BUSINESS

20. Approve Three-Year Labor Agreement with Teamsters Local 911 **Olvera/2309**

SCAQMD management and Teamsters Local 911, representing the Technical & Enforcement and Office Clerical & Maintenance bargaining units, have completed the bargaining process, and have reached a tentative agreement on a new 3-year MOU. This action is to present the proposed agreement to the Board for consideration and approval. (No Committee Review)

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 terminate a contract with American Honda Motor Co., Inc. (Contract No. MS14078A). The contractor is a potential source of income for Governing Board Member Joseph Lyou, which qualifies for the remote interest exception of Section 1090 of the California Government Code. Dr. Lyou abstained from any participation in the process of contract termination.

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:

- In the Matter of SCAQMD v. Aerocraft Heat Treating Co., Inc. and Anaplex Corp., SCAQMD Hearing Board Case No. 6066-1 (Order for Abatement);
- SCAQMD v. Anaplex, Los Angeles Superior Court Case No. BC608322 (Paramount Hexavalent Chromium);
- Arizona v. Bahr, United States Supreme Court Case No. 16-1369 (Contingency Measures);
- 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. BS161399 (RECLAIM);
- Communities for a Better Environment v. South Coast Air Quality Management District, Los Angeles Superior Court Case No. BS169841; Safe Fuel and Energy Resources California, et al. v. South Coast Air Quality Management District, Los Angeles Superior Court Case No. BS169923 (Tesoro);
- Zbigniew (Phil) Szymanski v. SCAQMD, WCAB No: ADJ9752399;

- People of the State of California, ex rel. SCAQMD v. Exide Technologies, Inc., Los Angeles Superior Court Case No. BC533528;
- In re: Exide Technologies, Inc., U.S. Bankruptcy Court, District of Delaware, Case No. 13-11482 (KJC) (Bankruptcy Case);
- Fast Lane Transportation, Inc. et al. v. City of Los Angeles, et al., Court of Appeals, First Appellate District, Case No. A148993 (formerly Contra Costa County Superior Court Case No. MSN14-0300) (SCIG);
- Ferguson v. Coachella Valley Association of Governments, Riverside County Transportation Commission and South Coast Air Quality Management District, Riverside Superior Court Case No. PSC 1705629 (CV Link);
- SCAQMD v. EPA, U.S. Court of Appeals, D.C. Circuit, Case No. 15-1115 (consolidated with 15-1123, Sierra Club, et al. v. EPA) (Out-of-Area RFP);
- South Coast Air Quality Management District v. Top Shelf Consulting LLC, Los Angeles Superior Court, Case No. BC676606; and
- In the Matter of SCAQMD v. Torrance Refining Company, LLC, SCAQMD Hearing Board Case No. 6060-5 (Order for Abatement).

CONFERENCE WITH LEGAL COUNSEL – INITIATING LITIGATION

It is also necessary for the Board to recess to closed session pursuant to Government Code section 54956.9(a) and 54956.9(d)(4) to consider initiation of litigation (two cases)—one case is a potential amicus brief in Valero Refining Co. v. Hearing Board of the BAAQMD, San Francisco Superior Court Case No. CPF-15-514407/Valero Refining Company – California v. Hearing Board of the Bay Area Air Quality Management District, et al., California Court of Appeals Case No. A151004.

CONFERENCE WITH NEGOTIATORS

It is also necessary to recess to closed session pursuant to Government Code Section 54957.6 to confer regarding upcoming labor negotiations with:

- designated representatives regarding represented employee salaries and benefits or other mandatory subjects within the scope of representation [Negotiator: A. John Olvera; Represented Employees: Teamsters Local 911 and SCAQMD Professional Employees Association].

ADJOURNMENT

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

Members of the public are afforded an opportunity to speak on any agenda item before 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 will be limited to a total of three (3) minutes for the Consent Calendar and Board Calendar and three (3) minutes or less for other agenda items.

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

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the December 1, 2017 meeting.

RECOMMENDED ACTION:

Approve Minutes of the December 1, 2017 Board Meeting.

Denise Garzaro
Clerk of the Boards

DG

FRIDAY, DECEMBER 1, 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
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

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

Supervisor Shawn Nelson (Arrived at 9:35 a.m.)
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

CALL TO ORDER: Chairman Burke called the meeting to order at 9:00 a.m.

- Pledge of Allegiance: Led by Dr. Lyou.
- Recognize Employees with Twenty, Twenty-Five, Thirty, Thirty-Five and Forty Years of Service

John Olvera, Assistant DEO/Administrative and Human Resources, read the names of the employees that have reached employment milestones.

Twenty Years: Robert Paud, Hoan Thai, Hari Janto, Donald Kho

Twenty-Five Years: David Madsen, Paul Wright

Thirty Years: Michael Cecconi, Cesar Garcia, Farah Milner, Nancy Velasquez, Jocelle Gamboa, Laurance Israel, Frederick Minassian, Matthew McKenzie, Thelma Merino, Lisa Ramos, Philip Barroca, Linda Dejbakhsh, Ali Ghasemi, Merrill Hickman, Tom Lee, Hamed Mandilawi, Kenneth Matsuda, Paul Park, Minh Pham, Ricardo Rivera, Carolyn Wiley, Susan Yan, Lisa Van Sornsen, Mark Von Der Au, Kimberly Bolander, Francisco Escobar, George Haddad, Kathryn Higgins, Scott Caso

Thirty-Five Years: Drue Hargis, Phillip Hubbard III, Shoreh Cohanim

Forty Years: Martha Argandona

Chairman Burke thanked the employees, on behalf of the Board, for their many years of dedicated service to the SCAQMD.

- Opening Comments

Council Member Robinson expressed appreciation for the opportunity to represent the Board on the Orange County Council of Governments. He announced that he attended the Tesla Semi Truck unveiling on November 16, 2017, and commented on the 500 mile range and cost competitiveness of the semi-truck. He noted that Mayor Pro Tem Mike Posey of Huntington Beach was at the meeting and asked if his public testimony could be heard at the beginning of the meeting.

Chairman Burke acknowledged Mayor Pro Tem Posey to provide public comments.

Mike Posey, Mayor Pro Tem, City of Huntington Beach, described the gas-like odors that residents in his city have been experiencing and asked the Board to assist in identifying the source of the odors. He added that the City of Huntington Beach has convened an ad hoc committee to address these complaints and has met with fire department officials as well as staff from the SCAQMD.

Council Member Robinson asked Mr. Nastri to update the Board on the efforts in Huntington Beach and Seal Beach.

Mr. Nastri responded that staff has been actively addressing coastal odor complaints and has had discussions with the Coast Guard, Harbor Police, U.S. EPA and CARB as part of a comprehensive plan for addressing the issue. The local fire departments have been trained in collecting samples using summa canisters and numerous samples have been collected. He commented that the transient nature of the odors is the biggest challenge, although it is believed that the odors are coming from offshore. He added that investigation into the source of the odors is ongoing.

Dr. Jason Low, Assistant DEO/Science and Technology Advancement, commented on the techniques for chemical analysis of samples and the various sources of data that are used to pinpoint the areas for investigation. He added that staff will use optical remote sensing technologies next week on both land and sea to assist in identifying the source(s) of odors.

Council Member Robinson encouraged staff to keep working to find resolution for this problem.

Mayor Cacciotti recognized SCAQMD Inspector Larry Israel for his testimony as a key witness in an asbestos contamination case that involved the Contractors State License Board and the Attorney General's office. He also commented on the 500-mile range of Tesla's semi-truck and technological advances in battery capacity.

Dr. Lyou commented on the low wind resistance factor in Tesla's semi-truck and the rapid advancements in battery technology which will contribute to increased mileage range for heavy-duty all-electric trucks. He added that the major car manufacturers are making investments in light-duty electric fleets as a result of technological advancements and lower costs.

Chairman Burke noted that Tesla has been successful in getting a good share of the car market and other manufacturers will follow with electric options.

Council Member Robinson commented on the importance of maintaining fuel neutrality and noted how technological advances in battery technology will change auto manufacturing in the future.

Mayor Pro Tem Benoit commented on the groundbreaking technological advances made by SpaceX and Telsa over the last five years.

Council Member Mitchell congratulated Council Member Buscaino on being elected as Second Vice President for the National League of Cities. She announced that she and Dr. Miyasato attended the press event for the Los Angeles Auto Show on November 29, 2017, and that she was impressed with the autonomous car demonstration and a new zero-emission vehicle powered by a hydrogen fuel cell and battery. She added that 40 new models of PHEVs and EVs will be introduced in the next couple of years. She also noted that she and Dr. Miyasato attended a discussion on efforts to connect the faith-based community to air quality issues and the EV market and suggested expanding the “Replace Your Ride” outreach, as well as other initiatives, through this community forum.

Mr. Nastri announced that the third annual environmental justice conference titled “A Conversation on Environmental Justice” would be held on December 2, 2017 starting at 8:30 a.m. at the Center at Cathedral Plaza in Los Angeles. He noted that Herb Wesson, President of the L.A. City Council, and many other speakers would be discussing environmental issues and outreach to EJ communities.

- Election of Chair for Term January 2018 – January 2020

The floor was opened for nominations.

COUNCIL MEMBER MITCHELL NOMINATED DR. WILLIAM A. BURKE, PRESENT CHAIR, TO SERVE AS CHAIR, MAYOR CACCIOTTI SECONDED THE NOMINATION. THERE BEING NO FURTHER NOMINATIONS AND NO OBJECTIONS, THE NOMINATIONS WERE CLOSED, AND THE BOARD BY UNANIMOUS VOTE (ABSENT: NELSON), RE-ELECTED DR. WILLIAM A. BURKE AS CHAIR FOR THE TERM JANUARY 15, 2018 THROUGH JANUARY 14, 2020.

Chairman Burke expressed his appreciation to the Board and that it would be an honor and privilege to continue serving as Chair.

- Election of Vice Chair for Term January 2018 – January 2020

The floor was opened for nominations.

MAYOR PRO TEM BENOIT NOMINATED DR. CLARK E. PARKER, SR. TO SERVE AS VICE CHAIR, COUNCIL MEMBER MITCHELL SECONDED THE NOMINATION. THERE BEING NO FURTHER NOMINATIONS AND NO OBJECTIONS, THE NOMINATIONS WERE CLOSED, AND THE BOARD BY UNANIMOUS VOTE (ABSENT: NELSON), ELECTED DR. CLARK E. PARKER, SR. AS VICE CHAIR FOR THE TERM JANUARY 15, 2018 THROUGH JANUARY 14, 2020.

(Supervisor Nelson arrived at 9:35 a.m.)

Chairman Burke thanked Mayor Pro Tem Benoit for his service as Vice Chair.

Dr. Parker expressed his great respect for Mayor Pro Tem Benoit and thanked the Board for their support.

CONSENT CALENDAR

1. Approve Minutes of November 3, 2017 Board Meeting
2. Set Public Hearing January 5, 2018 to Consider Adoption of and/or Amendments to SCAQMD Rules and Regulations

Determine That Proposed Amendments to Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx) are Exempt from CEQA and Amend Rules 2001 and 2002

Budget/Fiscal Impact

3. Recognize Revenue, Appropriate Funds and Execute Contract to Evaluate Potential Nationwide Economic Impacts of Federal Clean Air Investment Fund
4. Utilize Rule 1111 Rebate Funding and Incremental Mitigation Fee Funding and Issue RFP for Implementation of Consumer Rebate Program for Compliant Natural Gas-Fired, Fan-Type Central Furnaces
5. Execute Contract to Develop Thermal Management Strategy Using Cylinder Deactivation for Heavy-Duty Diesel Engines

6. Execute Contract to Develop and Demonstrate Near-Zero Emission-Opposed Piston Engine
7. Amend Contract for Tier 4 Passenger Locomotives
8. Adopt Resolution Recognizing Funds and Accepting Terms and Conditions for Funds Appropriated Under AB 134
9. Amend and Execute Technical Assistance Contracts for Implementation of Incentive Funding Programs
10. Amend Contract to Improve Online Application Database for Carl Moyer Program and Reimburse General Fund for Administrative Costs
11. Recognize Revenue and Appropriate Funds for 2017 Sensor Conference
12. Execute Contracts for Strategic Consulting Services and for Legislative Representation in Sacramento, California
13. Transfer and Appropriate Funds and Amend Contracts to Provide Short- and Long-Term Systems Development, Maintenance and Support Services
14. Amend Provisions of SCAQMD's Salary Resolution and Labor Contracts with Teamsters Local 911 and SCPEA Relating to Vacation Leave Balances
15. Appropriate Funds and Authorize Amending Contracts with Outside Counsel and Specialized Legal Counsel and Services
16. Approve Contract Awards and Modification and Issue Solicitation Approved by MSRC

Items 17 through 23 - Information Only/Receive and File

17. Legislative, Public Affairs and Media Report
18. Hearing Board Report
19. Civil Filings and Civil Penalties Report

20. Lead Agency Projects and Environmental Documents Received by SCAQMD
21. Rule and Control Measure Forecast
22. Status Report on Major Ongoing and Upcoming Projects for Information Management
23. Annual Audited Financial Statements for FY Ended June 30, 2017

BOARD CALENDAR

- 25A. Administrative Committee
- 25B. Special Administrative Committee
26. Investment Oversight Committee
27. Stationary Source Committee
28. Technology Committee
29. Mobile Source Air Pollution Reduction Review Committee
30. California Air Resources Board Monthly Report

Dr. Lyou announced his abstention on Item No. 3 because Bay Area AQMD is a potential source of income to him; Item No. 5 because Cummins, Inc. is potential source of income to him; Item No. 6 because Sacramento Metropolitan AQMD is a potential source of income to him; Item No. 11 because Bay Area AQMD is a potential source of income to him and because of a contractual relationship between Sonoma Technology Inc. and his employer, the Coalition for Clean Air; and on Item No. 16 because Southern California Association of Governments (SCAG) and Better World Group are potential sources of income to him.

Council Member Buscaino noted that he serves on the Regional Council for SCAG which is involved with Item No. 16.

Mayor Pro Tem McCallon noted that he serves on the Board of Directors for the Southern California Regional Rail Authority (SCRRA) which is involved with Item No. 7; and noted that he serves on the Regional Council for SCAG which is involved with Item No. 16.

Council Member Mitchell noted that she is a board member of the CARB which is involved with Item Nos. 6 and 8; and serves on the Regional Council for SCAG which is involved with Item No. 16.

Council Member Robinson and Mayor Pro Tem Benoit noted that they serve on the Regional Council for SCAG which is involved with Item No. 16.

Supervisor Nelson noted that he serves on the Board of Directors for SCRRA which is involved with Item No. 7; and serves on the Regional Council for SCAG which is involved with Item No. 16.

Due to a number of requests to speak received on Consent Calendar items including agenda Items 2, 3, 4, 6, 7, 9, 12, 16 and 25B, the vote on the Consent Calendar was deferred until after those comments were made. Agenda Item 8 was withheld for comment and discussion.

Dr. Lyou left the room during discussion of the Consent Calendar items.

2. Set Public Hearing January 5, 2018 to Consider Adoption of and/or Amendments to SCAQMD Rules and Regulations

Determine That Proposed Amendments to Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx) are Exempt from CEQA and Amend Rules 2001 and 2002

Harvey Eder, Public Solar Coalition, urged the Board to consider immediate solar conversion plans and implementation. He added that NOx and SOx are precursors to PM, which is responsible for premature deaths.

3. Recognize Revenue, Appropriate Funds and Execute Contract to Evaluate Potential Nationwide Economic Impacts of Federal Clean Air Investment Fund

Mr. Eder commented that natural gas is being investigated as being toxic and urged the Board to research solar equity policies.

4. Utilize Rule 1111 Rebate Funding and Incremental Mitigation Fee Funding and Issue RFP for Implementation of Consumer Rebate Program for Compliant Natural Gas-Fired, Fan-Type Central Furnaces

Mr. Eder commented on the cost-effectiveness of solar and encouraged the Board to research solar thermal technologies.

6. Execute Contract to Develop and Demonstrate Near-Zero Emission- Opposed Piston Engine

Mr. Eder encouraged the Board to consider solar-powered trucks and solar equity for low to moderate income people. He encouraged rent to own options for solar conversion.

7. Amend Contract for Tier 4 Passenger Locomotives

Chairman Burke noted that he did not need to pull agenda Item 7 after all.

Mr. Eder commented that locomotives can be operated on solar power and urged the Board to consider awarding contracts to companies who support zero-emission options such as solar.

9. Amend and Execute Technical Assistance Contracts for Implementation of Incentive Funding Programs

Mr. Eder urged the Board to consider contracts that support total solar conversion and zero emission alternatives and cautioned against using natural gas. He commented that agenda materials should be available 72-hours in advance.

12. Execute Contracts for Strategic Consulting Services and for Legislative Representation in Sacramento, California

Mr. Eder urged the Board to consider contracts with lobbyists who endorse solar conversion and solar equity for low to moderate income people.

16. Approve Contract Awards and Modification and Issue Solicitation Approved by MSRC

Mr. Eder spoke against contracts for natural gas-powered vehicles and encouraged solar options.

25B. Special Administrative Committee

Mr. Eder inquired what Item No. 25B was in reference to.

Chairman Burke responded that this was a report of a special meeting of the Administrative Committee.

MOVED BY CACCIOTTI, SECONDED BY BENOIT, AGENDA ITEMS 1 THROUGH 7 AND 9 THROUGH 30 APPROVED AS RECOMMENDED, ADOPTING RESOLUTION NO. 17-20 AMENDING SCAQMD'S SALARY RESOLUTION, AND RECEIVING AND FILING THE COMMITTEE, MSRC AND CARB REPORTS, BY THE FOLLOWING VOTE:

AYES: Ashley, Benoit, Buscaino, Burke, Cacciotti, Kuehl, Lyou (*except Items # 3, #5, #6, #11, and #16*), McCallon, Mitchell, Nelson, Parker, Robinson and Rutherford

NOES: None

ABSTAIN: Lyou (*Items #3, #5, #6, #11 and #16*)

ABSENT: None

24. Items Deferred from Consent Calendar

8. Adopt Resolution Recognizing Funds and Accepting Terms and Conditions for Funds Appropriated Under AB 134

Mr. Eder noted that \$107.5 will go to the District for the Carl Moyer Program and cautioned against using funds for natural gas trucks. He urged support for solar, zero-emission and social equity alternatives.

Dr. Lyou expressed concern about trucking companies receiving incentive funding when they may be in violation of employment laws and/or labor practices. He asked if the District could research whether a certification statement from recipients of these funds could be required to state that they are in compliance with all state, federal and local laws.

Kurt Wiese, General Counsel, responded that staff would research the possibility of utilizing such language.

Council Member Buscaino concurred with Dr. Lyou's concerns and added that in the trade, travel and tourism committee that he chairs, he heard alarming testimony about the poor working conditions from port truckers. He stressed the importance of holding trucking companies accountable for abiding by labor laws.

Mayor Pro Tem McCallon requested that terms and conditions for incentive funding be included in the supporting documents for future board letters.

Mr. Nastri responded that they would be included in future board packages.

Chairman Burke expressed concern about grant recipients violating state laws in connection with contracts awarded by the District.

Mr. Wiese responded that, to the extent feasible, provisions can be added stating that labor laws shall be adhered to under the granting of these contracts.

MOVED BY LYOU, SECONDED BY CACCIOTTI, AGENDA ITEM 8 APPROVED AS RECOMMENDED WITH THE DIRECTION TO STAFF TO INVESTIGATE CONTRACT PROVISIONS THAT REQUIRE GRANT RECIPIENTS TO ABIDE BY STATE, FEDERAL AND LOCAL LAWS, ADOPTING RESOLUTION NO. 17-21, RECOGNIZING FUNDS AND ACCEPTING THE TERMS AND CONDITIONS OF AB 134 GRANT AWARD, BY THE FOLLOWING VOTE:

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

NOES: None

ABSENT: None

PUBLIC HEARINGS

31. Determine that Proposed Rule 1180 – Refinery Fenceline and Community Air Monitoring and Guidelines are Exempt from CEQA, Adopt Rule 1180, and Approve Guidelines

Supervisor Ashley announced his abstention on Item No. 31 because of a financial interest in Chevron and left the room during consideration of the item.

Michael Krause, Planning and Rules Manager, gave the staff presentation on Item 31.

Dr. Lyou asked why smaller refineries producing less than 40,000 barrels per day of crude oil, were being excluded from the rule and if they might be included in the future if conditions warrant.

Dr. Philip Fine, DEO/Planning, Rule Development and Area Sources, explained that the rule primarily addresses large refineries that produce fuels for transportation and addresses community concerns regarding exposure to oil refinery emissions. The smaller facilities main purpose is to produce asphalt, and would require a different scale of monitoring. If needed, they could be included in future District regulations or programs for monitoring.

Mayor Cacciotti inquired about the background of AB 1647 and AB 617 and the District's efforts regarding remote sensing technologies.

Dr. Fine explained that both the SCAQMD and Bay Area AQMD have been working on open path remote sensing pilot and demonstration projects for many years, and the Bay Area AQMD passed requirements for fenceline refinery monitoring more than a year ago. During the District's rule development process, the state legislature developed and passed both bills and staff drafted the language in Rule 1180 in conjunction with the state mandates.

Supervisor Kuehl inquired whether pollutants that are not included in the rule specifically for fenceline monitoring could be included in the community plan, and whether naphthalene, methanol, phenol and mercury will be monitored.

Dr. Fine explained that he is not aware of any real-time monitoring methods for some of these pollutants and some require specialized equipment. He noted that the pollutants that are covered in the rule are the ones that are most related to refineries and have been identified by OEHHA as being of most concern to public health.

Supervisor Kuehl stated that these toxic pollutants should be monitored in the future, perhaps through community monitoring.

The public hearing was opened and the following individuals addressed the Board on Item 31.

Mayor Albert Robles, City of Carson, spoke in favor of Rule 1180 as it addresses public health issues and expressed the concerns of Carson residents who are impacted by poor air quality from refinery emissions. He added that provisions should be added to the rule that require action be taken when certain emission thresholds are continually exceeded. He also inquired about District grant funds that have been distributed to Torrance, Long Beach and other neighboring communities for projects such as air filtration systems at elementary schools.

Mr. Nastri explained the settlement funds from the ExxonMobil explosion was distributed to the city of Torrance under the settlement agreement because that community was most affected by the explosion.

Dr. Parker asked if the money received from the settlement was restricted to the Torrance community and whether staff could investigate if other monies are available for neighboring communities, such as Carson, who are also impacted by refinery emissions.

Mr. Nastri responded that funds collected as a result of excess flaring may be available to assist neighboring communities and the proposed rule addresses concerns by all communities impacted by refinery emissions. He added that Carson facilities have been instrumental in assisting in the deployment of new technology that addresses many of the concerns of the community.

Chairman Burke asked staff to summarize funding spent around all the refineries in the Basin.

Dr. Lyou commented on the significant investment that was made in the city of Carson with the catenary highway demonstration project and noted that other state funds, such as warehouse grants, may be available to assist the community.

Mr. Nastri commented that the SCAQMD acted as an administrator for the \$1.25 million that was awarded to Long Beach via U.S. EPA settlement monies and those funds were distributed in an equitable manner to the communities that were most impacted. Staff can work with U.S. EPA on future projects to explore where funds can be directed.

Council Member Mitchell noted that the Carson community is impacted by refineries, heavy freight movement and a large number of warehouses. She asked if staff could assist Carson in researching funds that are available from excess flaring penalties.

Al Sattler, Sierra Club, expressed support for Rule 1180 and noted the importance of monitoring hydrogen fluoride emissions. He also commented on the importance of EJ initiatives such as the EJ event that the District is hosting on December 2, 2017 in Los Angeles.

Alicia Rivera, Communities for a Better Environment, expressed support for Rule 1180 and commented on the importance of fenceline monitoring to assist in notifying the public of harmful emissions and to protect public health. She expressed appreciation to staff for working cooperatively with the public during the rule development process and noted concerns about smoke stack emissions that might not be detected by fenceline monitoring because of their height and the importance of having backup systems in place in the event of power outages or equipment breakdowns.

Maria Ramos, Wilmington resident, stressed the importance of public notification of unhealthy emissions from refineries and expressed appreciation to staff and the Board for the development of requirements for air monitoring and community notification. She requested public review of the facility air monitoring plans.

Mayor Cacciotti inquired about refinery stack emissions and whether they would be detected by fenceline monitors.

Mr. Nastri explained that fenceline monitoring primarily detects ground level emissions and asked Dr. Fine to respond regarding emissions at higher levels.

Dr. Fine explained that other types of monitoring are being considered, such as optical tent monitoring, which can detect emissions at higher levels. He added that community monitoring systems will detect pollutants that the community is being exposed to and community members will have the opportunity to comment on the location of monitors through a public process.

Dr. Robert LeMarle-Williams expressed support for the rule and noted concerns about the cumulative effects of harmful emissions from smaller refineries that are exempt from the rule.

Irene Burga Marquez, Environmental Defense Fund, expressed support for Rule 1180 as it is a vital part of a renewed effort to protect communities through access to high-quality and transparent data. She stressed the importance of providing an adequate public review process of monitoring plans submitted to the District and recommended that the review process occur longer than the 14-day period that is proposed. She added that Rule 1180 provides an essential step in improving local air quality and urged the Board to consider additional monitoring deployments for other oil and gas production sites in Southern California.

Nidia Urceg, C40 Cities, expressed support for the rule and stressed the importance of working collaboratively with other agencies during rulemaking. She added that monitoring systems should be considered for senior citizen and community centers that are frequented by members of the public.

Jack Eidt, So Cal 360 Climate Action, expressed support for the rule and stressed the importance of public notification of refinery emissions. He recommended community education workshops to inform the public of these new monitoring programs. He expressed concerns about biofuel industries being impacted by the same regulations and noted the differences in production methods.

Patty Senecal, Western States Petroleum Association, expressed support for the rule and noted that they have been actively engaged in the rulemaking process. She expressed appreciation to staff for resolving the technical issues in the rule and cost recovery guidelines.

Marta Segura, Center for Biological Diversity, spoke in support of the rule and the public process for determining locations for monitoring systems. She expressed concerns about the expansion of the Tesoro Refinery and the need for regulation of bio-fuel industries, as well. She added that the city of Wilmington also needs air filtration systems and additional resources.

Written Comments Submitted By:
Eddie Marquez, Paramount Petroleum

There being no further public testimony on this item, the public hearing was closed.

Dr. Parker asked how many refineries have closed in the region within the last 10 to 15 years.

Mr. Nastri responded that to his knowledge there has only been one refinery closure in the last 15 years.

Dr. Lyou encouraged staff to expand the time provided for the public review process for monitoring systems.

Mr. Nastri responded that staff would expand the public review process to the maximum extent possible while meeting the statutory requirements of AB 1647.

MOVED BY MCCALLON, SECONDED BY LYOU, AGENDA ITEM NO. 31 APPROVED, ADOPTING RESOLUTION NO. 17-22, DETERMINING THAT PROPOSED RULE 1180 AND GUIDELINES ARE EXEMPT FROM THE REQUIREMENTS OF CEQA, ADOPTING RULE 1180 — REFINERY FENCELINE AND COMMUNITY AIR MONITORING AND APPROVING GUIDELINES, BY THE FOLLOWING VOTE:

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

NOES: None

ABSTAIN: Ashley

ABSENT: None

32. Certify Final Environmental Assessment and Amend Rule 1420 – Emissions Standard for Lead

Staff waived the oral presentation on Item No. 32.

The public hearing was opened and the following individual addressed the Board on Item 32.

Bill Pearce, The Boeing Company, expressed support for the rule amendments and appreciation to staff for amending the record keeping requirements.

There being no further public testimony on this item, the public hearing was closed.

MOVED BY NELSON, SECONDED BY CACCIOTTI, AGENDA ITEM NO. 32 APPROVED, ADOPTING RESOLUTION NO. 17-23, CERTIFYING THE FINAL ENVIRONMENTAL ASSESSMENT FOR PROPOSED AMENDED RULE 1420 AND AMENDING RULE 1420 — EMISSIONS STANDARD FOR LEAD, BY THE FOLLOWING VOTE:

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

NOES: None

ABSENT: None

33. Certify the Final Subsequent Environmental Assessment and Amend Rule 1466
– Control of Particulate Emissions from Soils with Toxic Air Contaminants

Staff waived the oral presentation on Item No. 33.

The public hearing was opened and there being no requests to speak, the public hearing was closed.

MOVED BY CACCIOTTI, SECONDED BY NELSON,
AGENDA ITEM NO. 33 APPROVED, ADOPTING
RESOLUTION NO. 17-24, CERTIFYING THE FINAL
SUBSEQUENT ENVIRONMENTAL ASSESSMENT
FOR PROPOSED AMENDED RULE 1466 AND
AMENDING RULE 1466 – CONTROL OF
PARTICULATE EMISSIONS FROM SOILS WITH
TOXIC AIR CONTAMINANTS, BY THE FOLLOWING
VOTE:

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

NOES: None

ABSENT: None

OTHER BUSINESS

34. Amend Governing Board Meeting Procedures

Kurt Wiese, General Counsel, gave the staff presentation on Item 34.

Chairman Burke inquired if the maximum public speaking time of three minutes was limited to consent calendar items only.

Mr. Wiese responded that the three minute maximum speaking time applies to Consent and Board Calendar items.

Council Member Buscaino asked staff if his understanding was correct that members of the public will be given a maximum of three minutes for all items that an individual may wish to testify about on the consent and board calendars and an additional three minutes for non-agendized items under the public comment period of the agenda.

Mr. Wiese confirmed that understanding and added that three minutes are also allocated for each of the public hearing items on the agenda.

Supervisor Rutherford explained that the speaking times permitted for the County of San Bernardino meetings provide a maximum of three minutes for consent and board calendar items, but if an item is pulled by a Board Member from the consent calendar for discussion then a speaker can be allotted an additional three minutes to speak on each of the pulled items.

Supervisor Kuehl asked if an item is pulled from the consent calendar if it was no longer considered a consent calendar item and whether an additional three minutes of time would be permitted. She added that sometimes there are 20 or more items on the consent calendar and the new guidelines state that an individual will be limited to speaking on multiple items within the three minute limitation. She added that a total cap of twelve minutes per person is applied for the entire meeting, but the Chair has discretion to extend that time if there are a large number of items on the agenda. She recommended a similar procedure for SCAQMD Board meetings.

Mr. Wiese responded that an item on the consent calendar would remain a consent calendar item and the aggregate three minute time limitation would apply even if the item is pulled.

Supervisor Nelson commented that the County of Orange has adopted similar guidelines for their meetings and has found that public participation has increased and the comments provided remain relevant and succinct. He added that the public comments section is at the beginning of the meeting and allows for a more time efficient means of giving public testimony. He commented that he supports the flexibility within the procedures to allow for Chairman's discretion as needed.

Dr. Lyou commented that he supports the comments made by fellow Board Members and indicated his preference for keeping the procedure for submittal of public comment cards as is currently in place to be before or during consideration of an item.

Supervisor Kuehl clarified that she is in support of the proposed changes and added that it is important to provide an efficient process for the public to provide testimony.

Dr. Parker expressed concern with using the word “pull” and whether another term might be clearer to the public.

Council Member Buscaino commented that speaking limits are necessary in order to effectively operate meetings and asked if speakers who speak off topic will be removed from meetings or forfeit their time to speak.

Mr. Wiese responded that depending on the circumstance, an admonition and warning from the Chair would be appropriate, and if the individual persists, they would be warned again to stay on topic or risk being removed from the meeting.

Chairman Burke called on Mr. Eder to speak on Item 34, as he had submitted a request to speak card on the item. Mr. Eder stated that he did not wish to testify on the item.

Supervisor Rutherford inquired about whether the revised procedures apply to the portion of the procedures that addresses changes to rule language subsequent to the issuance of the 30-day public notice of the hearing necessitating continuance to a future meeting.

Mr. Wiese stated that language for continuance of items has not changed and originates from a section of the Health and Safety Code that applies specifically to the District. He added that a recent lawsuit may require amendments to the application of procedures and any recommendations for changes would be brought back to the Board for consideration.

MOVED BY KUEHL, SECONDED BY BUSCAINO,
AGENDA ITEM NO. 34 APPROVED, ADOPTING
RESOLUTION NO. 17-25, AMENDING
PROCEDURES FOR MEETINGS OF THE SCAQMD
BOARD, BY THE FOLLOWING VOTE:

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

NOES: None

ABSENT: None

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

There was no public comment on non-agenda items.

Supervisor Kuehl noted that this would be her last meeting as she would be assuming the role of Chair of the Los Angeles County Board of Supervisors and expressed appreciation to her fellow Board Members and staff for their dedication to clean air issues.

CLOSED SESSION

The Board did not meet in closed session.

ADJOURNMENT

There being no further business, the meeting was adjourned by Chairman Burke at 11:45 a.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on December 1, 2017.

Respectfully Submitted,

Denise Garzaro
Clerk of the Boards

Date Minutes Approved: _____

Dr. William A. Burke, Chairman

ACRONYMS

CARB = California Air Resources Board
CEQA = California Environmental Quality Act
DEO = Deputy Executive Officer
EJ = Environmental Justice
EV = Electric Vehicle
FY = Fiscal Year
MSRC = Mobile Source (Air Pollution Reduction) Review Committee
NOx = Oxides of Nitrogen
OEHHA = Office of Health Hazard Assessment
PHEV = Plug-In Hybrid Electric Vehicle
PM = Particulate Matter
RFP = Request for Proposals
SOx = Oxides of Sulfur
U.S. EPA = United States Environmental Protection Agency

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 2

PROPOSAL: Recognize Revenue and Appropriate Funds, Approve Positions, Amend Contracts, Issue Solicitations and Purchase Orders for AB 617 Implementation and Transfer and Appropriate Funds and Approve Positions for AB 134 Implementation

SYNOPSIS: Under AB 617, recently adopted by the state legislature, CARB is developing the Community Air Protection Program to reduce exposure in neighborhoods most impacted by air pollution. SCAQMD is expected to receive \$10,700,000 for this effort and as a result the agency's workload will substantially increase in the areas of accelerated BARCT rulemaking, emissions monitoring, community emission reduction plans, and state-wide emission reporting consistency. This action is to recognize up to \$10,700,000 in the General Fund and appropriate \$5,644,888 into the FY 2017-18 Budget, approve 36.5 positions, amend contracts, and issue solicitations and purchase orders for AB 617 implementation. In November 2017, the Board recognized increased funding from AB 134 for the Carl Moyer program. This action is to also transfer and appropriate \$561,792 from the Carl Moyer Program Fund (32) into the General Fund FY 2017-18 budget and approve 10.5 positions for the implementation of AB 134.

COMMITTEE: Administrative, December 8, 2017; Recommended for Approval

RECOMMENDED ACTIONS:

1. Recognize revenue up to \$10,700,000 upon receipt from CARB and appropriate \$5,644,888 into the FY 2017-18 Budget for AB 617 expenditures as set forth in Tables 1-5;
2. Authorize the Executive Officer to issue solicitations and purchase orders in accordance with SCAQMD Procurement Policy and Procedure for items listed in Tables 3 and 5;
3. Authorize the Executive Officer to amend the following contracts for AB 617 implementation from Science and Technology Advancement's FY 2017-18 Budget, Services and Supplies Major Object, Professional and Special Services account:
 - a. Aerodyne Research, Inc. for an amount not to exceed \$240,000
 - b. Desert Research Institute for an amount not to exceed \$160,000;

4. Approve the addition of 36.5 positions for AB 617 implementation as listed in Table 1;
5. Account for any unspent AB 617 revenue received from CARB as Restricted General Fund Balance; and
6. Approve the addition of 10.5 positions as listed in Table 6 and transfer and appropriate funds in an amount not to exceed \$561,792 as listed in Table 7 for AB 134 implementation from the Carl Moyer Program Fund (32) to the General Fund FY 2017-18 Budget.

Wayne Natri
Executive Officer

JW

Background

Two legislative changes this year will result in significant increases in the responsibilities and workload for SCAQMD. AB 617 requires major effort in the following areas: accelerated BARCT rule making, emissions monitoring, community emission reduction plans, and state-wide emission reporting consistency. The intent of the bill, which was a companion bill to the extension of the state greenhouse gas cap and trade program, is to improve air quality in disadvantaged communities with high cumulative exposures, through monitoring and emission reduction plans. For stationary sources that are in the state greenhouse gas cap and trade program, the bill requires BARCT controls (and a statewide clearing house) and improved consistency and accessibility of emissions data (greenhouse gases, criteria and toxic pollutants. AB 109 provided funding for implementing AB 617, and SCAQMD will receive \$10.7 million this year as our portion of the state funding. The legislature provided funding for the first year, but expectations are that this will be extended for future years. Additional resources (staffing, contracts, equipment and related services and supplies) are needed to fulfill these requirements.

AB 617 specifies CARB as being responsible for the community identification for monitoring and emission reduction plans. Staff is working very closely with CARB and CAPCOA on each aspect of the program. AB 617 requires that CARB develop a monitoring plan for the state, and then select, based on the plan, the highest priority locations for community air monitoring systems. By July 1, 2019, air districts must put monitoring systems in place, and have a mechanism to send data to the CARB website. Additional communities will be added every year. AB 617 also requires community emissions reduction programs based on monitoring and other data. Within one year, air districts must adopt a community emissions reduction program. In addition to these significant, resource intensive program elements, AB 617 requires expedited BARCT for sources in the state greenhouse gas program, which accelerates many of the SCAQMD rulemaking activities to transition RECLAIM to a command and control

regulatory structure. Under AB 617, BARCT must be implemented by December 31, 2023. Another area that will require close coordination and work with CARB and other air districts is the bill's mandate to improve the consistency of state-wide emission reporting. Staff anticipates that this will involve changes to the Annual Emissions Reporting program, which may include emission calculation changes, and is very likely to require changes to the program for data collection and transmission to CARB.

AB 134 adds approximately \$107.5 million this year for SCAQMD to add to the Carl Moyer program, and allows up to 6.25 percent of the money (~\$6.7 million) to be spent on administration. Additional staff resources are needed to handle the increased workload that will be associated with this program.

Proposal

Staff is seeking Board approval to recognize funds from CARB, authorize the addition of 36.5 staff positions listed in Table 1, procure capital equipment listed in Table 3 (some sole source), amend two contracts listed in Table 4, and procure related services and supplies listed in Table 5 to support work required under AB 617. In addition, Board approval is also recommended for adding 10.5 staff positions for implementing additional work under the Carl Moyer program (AB 134), as listed in Table 6.

Staff will bring any contract execution requests resulting from Requests for Proposals, such as those related to BARCT and CEQA analyses, to the Board. These two referenced contracts are anticipated to be \$500,000 each, for a total of \$1.0 million (see Table 5). Existing staff resources are not adequate to handle all the rules and related CEQA analysis that must be adopted or amended for implementation by January 1, 2023.

Sole Source Justifications

Pre-concentrator for H₂S Instrument

Section VIII.B.2 of the Procurement Policy identifies provisions under which sole source awards may be justified. This request for a sole source purchase is made under provision VIII B.2.c.(2): The project involves the use of proprietary technology. This request is for a sole source purchase of a Markes hydrogen sulfide (H₂S) pre-concentrator to be added to an existing SCAQMD Markes sulfur instrument. Software and communications between the two pieces of equipment are proprietary.

Photoacoustic Extinctionmeter (PAX)for Black Carbon Measurements

Section VIII.B.2 of the Procurement Policy identifies provisions under which sole source awards may be justified. This request for a sole source purchase is made under provision VIII B.2.c.(1): The Photoacoustic Extinctionmeter is available from only one source. Droplet Measurement Technologies is the only manufacturer of PAX instruments in the United States and whose products have a long history of scientific evaluation and testing.

LI-COR Methane Monitor

Section VIII.B.2 of the Procurement Policy identifies provisions under which sole source awards may be justified. This request for a sole source purchase is made under provision VIII B.2.c.(1): The LI-COR 7700 is available from only one distributor (LI-COR, Inc.) and no other manufacturer or distributor sells an open-path instrument capable of measuring methane concentrations as low as single parts per billion (ppb) at rates as fast as 40 times per second, and that is ideal for mobile survey applications.

Laboratory Instruments Services

Section VIII.B.2 of the Procurement Policy identifies provisions under which sole source awards may be justified. This request for a sole source purchase is made under provision B.2.c.(1): The unique experience and capabilities of the proposed contractor or contractor team. This request is to issue sole source purchase orders for repair and service of laboratory instrumentation with PANanalytical, Full Spectrum Analytics, Inc., and Unity Lab Services.

Benefits to SCAQMD

The additional staffing, contracts, equipment, and related services and supplies will allow SCAQMD to fulfill the legislative directives of AB 617 and AB 134, which will result in benefits to environmental justice communities, and to all of the people in the Basin.

Resource Impacts

Funding from CARB's Community Air Protection Program under AB 617 will provide sufficient resources to implement SCAQMD's AB 617 program. Funding from AB 134 will provide sufficient resources for implementation of the expanded Carl Moyer program. Budget to continue SCAQMD's AB 617 program and the implementation of the Carl Moyer program expansion in future years will be included as part of the annual budget process.

Attachments

Table 1. FY 2017-18 Proposed Staffing Additions for AB 617

Table 2. FY 2017-18 Funding Appropriation for Proposed Staffing Additions for AB 617

Table 3. FY 2017-18 Proposed Capital Outlay Expenditures for AB 617

Table 4. FY 2017-18 Proposed Contracts to be Amended for AB 617

Table 5. FY 2017-18 Proposed Other Services and Supplies Expenditures for AB 617

Table 6. FY 2017-18 Proposed Staffing Additions for AB 134

Table 7. FY 2017-18 Funding Appropriation for Proposed Staffing Additions for AB 134

Table 1

FY 2017-18 Proposed Staffing Additions for AB 617

Position Title	Quantity	Org Unit
Air Quality Instrument Specialist II	1	STA
Air Quality Specialist	15	10 PRDAS, 5 STA
Atmospheric Measurement Manager	1	STA
Human Resources Analyst	1	Admin/HR
Office Assistant	0.5	Legal
Payroll Technician*	1	Admin/FIN
Planning & Rules Manager	1	PRDAS
Program Supervisor	4	2 PRDAS, 2 STA
Secretary	2	1 PRDAS, 1 STA
Senior Public Information Specialist	2	LPAM
Senior Air Quality Chemist	2	STA
Human Resources Technician	1	Admin/HR
Systems Development Supervisor	1	Admin/IM
Systems Developer	4	Admin/IM
Total	36.5	

*The Payroll Technician will be partially funded by AB 617; there are sufficient salary savings in the General Fund to cover the remainder of the Payroll Technician salary and benefits.

Table 2

FY 2017-18 Funding Appropriation for Proposed Staffing Additions for AB 617

Org Unit	Estimated Amount
Admin/FIN	\$ 46,971
Admin/HR	\$ 145,982
Admin/IM	454,549
Legal	20,629
LPAM	151,995
PRDAS	1,129,312
STA	970,450
Total	\$2,919,888

Note: The amount of \$2,919,888 covers the period January–June 2018; an additional \$5,000 per employee will be budgeted to cover computers, phones and/or cell phones if applicable, and cubicle space configurations, as needed (see Table 5).

Table 3

FY 2017-18 Proposed Capital Outlay Expenditures for AB 617

Description	Org Unit	Account	Quantity	Estimated Amount	Contracting Method
Pre-concentrator for H ₂ S Instrument	STA	77000	1	\$ 30,000	Sole-Source
Measurement and Sensor Validation Platform:	STA	77000			
Trailer			1	70,000	Bid
GC-MS System			1	200,000	Bid
Reference PM Monitor			1	30,000	Bid
Tow Vehicle			1	75,000	Bid
Mobile Survey Platform:	STA	77000			
Vehicle			1	90,000	Bid
Fast Response PM Monitor			1	30,000	Bid
Fast Response Ozone Monitor			1	25,000	Bid
Fast Response NO ₂ /NO Monitor			1	25,000	Bid
Photoacoustic Extinctionmeter for Black Carbon Measurements			1	65,000	Sole Source
Particle Sizer			1	50,000	Bid
LI-COR Methane Monitor			1	50,000	Sole Source
Van	STA	77000	1	100,000	Bid
Dilutor for H ₂ S Instrument	STA	77000	1	25,000	Bid
			Total	\$ 865,000	

Note: Equipment components may be appropriated in the Services and Supplies Major Object as warranted based on vendor quotes.

Table 4

FY 2017-18 Proposed Contracts to be Amended for AB 617

Contractor	Description	Org Unit	Account	Estimated Amount
Aerodyne Research, Inc.	Metals Survey Contract	STA	67450	\$240,000
Desert Research Institute	Metals Survey Contract	STA	67450	160,000
			Total	\$400,000

Table 5

FY 2017-18 Proposed Other Services and Supplies Expenditures for AB 617

Description	Org Unit	Account	Estimated Amount	Contracting Method
BARCT Analysis	PRDAS	67450	\$ 500,000	Bid
CEQA Analysis	PRDAS	67450	500,000	Bid
Laboratory Instruments Service Agreements	STA	67450	150,000	Sole Source (PO)
Laboratory Reconfiguration	STA	67450	100,000	Bid
Supplies and Consumables	STA	68300	25,000	Bid
Office Supplies-new staff	Admin/FIN	68100	5,000	Bid
Office Supplies-new staff	Admin/HR	68100	10,000	Bid
Office Supplies-new staff	Admin/IM	68100	25,000	Bid
Office Supplies-new staff	Legal	68100	\$5,000	Bid
Office Supplies-new staff	LPAM	68100	\$10,000	Bid
Office Supplies-new staff	PRDAS	68100	\$70,000	Bid
Office Supplies-new staff	STA	68100	\$60,000	Bid
			Total	\$1,460,000

Table 6

FY 2017-18 Proposed Staffing Additions for AB 134

Position Title	Quantity	Division
Air Quality Inspector II	1	STA
Air Quality Specialist	2	STA
Contracts Assistant	3	2 STA, 1 Admin/FIN
Fiscal Assistant	1	Admin/FIN
Office Assistant	1.5	1 STA, 0.5 Legal
Paralegal	1	Legal
Senior Deputy District Counsel	1	Legal
Total	10.5	

Table 7

FY 2017-18 Funding Appropriation for Proposed Staffing Additions for AB 134

Org Unit	Estimated Amount
Admin/FIN	\$ 88,598
Legal	195,657
STA	277,537
Total	\$561,792

Note: The amount of \$561,792 covers the period January–June 2018

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 3

PROPOSAL: Issue RFP for Emission Reduction Projects Using Incentive Funding from SCAQMD Special Revenue Funds, Allocate Funds, and Execute Contract

SYNOPSIS: SCAQMD is seeking to incentivize stationary and mobile source projects that will result in emission reductions of NO_x, VOC, and PM, in accordance with the approved control strategy in the 2016 AQMP. Project funding is proposed from existing special revenue funds related to mitigation fees, settlements, set-asides or grants from other agencies. The incentives would be issued for emission mitigation, reduced air toxics exposure, and new technology development and deployment. This action is to release an RFP to solicit bids for potential projects that achieve emission reductions consistent with 2016 AQMP goals, possible co-benefits of air toxic and/or GHG reductions, deployment of advanced clean technology, and reducing air quality impacts in environmental justice areas. This action is also to execute a sole source contract with Build it Green to incentivize deployment of solar water heating systems (Fund 27) and to direct funds to implement mobile source emission reduction projects (Fund 39).

COMMITTEE: Administrative, December 8, 2017, Reviewed

RECOMMENDED ACTIONS:

1. Approve release of RFP #P2018-06;
2. Authorize the Chairman to execute a sole source contract with Build It Green in the amount of \$615,000 from the Air Quality Investment Fund (27) (Rule 1121 Mitigation Fees); and
3. Approve the allocation of funds for mobile source emission reduction projects and supporting infrastructure in the amount of \$4.44 million from the State Emissions Mitigation Fund (39).

Wayne Natri
Executive Officer

Background

The South Coast Air Quality Management District (SCAQMD) is committed to achieving healthful air in the South Coast Air Basin and all other parts of the District. The 2016 Air Quality Management Plan (AQMP or Plan) seeks to achieve and maintain all state and federal air quality standards within attainment deadlines by the earliest date achievable to comply with Federal Clean Air Act requirements. In particular, the region must meet the 8-hour ozone, 1-hour ozone, 24-hour PM 2.5, and annual PM 2.5 air quality standards over the next 7 years. Although great strides have been made in air pollution control programs, the health-based air quality standards cannot be achieved without significant further emission reductions. In order to meet these goals, the 2016 AQMP includes an integrated control strategy addressing multiple objectives for a more efficient path in meeting all clean air standards. The 2016 AQMP uses a variety of implementation approaches such as regulation, incentives, and co-benefits from existing programs (e.g., climate, energy efficiency). Additional demonstration and commercialization projects will be crucial to help deploy and reduce costs for zero and near-zero emission technologies. A key element of Plan implementation will be private and public funding to help further the development and deployment of these advanced technologies. Many of the same technologies will address both air quality and climate goals, such as increased energy efficiency and reduced fuel usage.

The 2016 AQMP relies strongly upon partnerships at federal, state, and local levels, seeking to expand existing collaborations and establish new coalitions. These strategies include aggressive new regulations and development of incentive funding and supporting infrastructure for early deployment of advanced control technologies. Incentive funding for stationary sources can be pursued and best applied where controls are cost-effective overall, but not necessarily affordable to the affected sector, especially when controls are considered for smaller businesses or residences. Incentive funds can be used to subsidize low-emitting equipment purchases or encourage the use of alternative approaches. Additional funding for replacement of older, high-emitting vehicles with the cleanest vehicles available is the most significant need. Expansion of supporting infrastructure for implementation of cleaner fuels also helps to accelerate the use of ultra-low emitting vehicles. The SCAQMD will continue to support technology demonstration projects for both mobile and stationary sources and will work to create new or expanded funding opportunities for early deployment of cleaner technologies, thus contributing to a smooth transition to zero and near-zero emission technologies in the mobile and stationary source sectors whenever cost-effective and feasible. The SCAQMD will prioritize distribution of incentive funding in environmental justice (EJ) areas and seek opportunities to expand funding to benefit the most disadvantaged communities.

RFP Proposal

Staff proposes issuing a broad program announcement via an RFP for stationary and mobile source emission reduction projects. During the review process staff would then match projects with special revenue funds based on any specific fund restrictions. Furthermore staff would:

- Outline categories of project types and request additional information to help match projects with revenue funds based on criteria such as:
 - Benefits to EJ (disproportionately impacted) areas
 - Geographic location
 - Air toxics exposure reductions
 - Criteria and/or precursor reductions
 - Sector (industry, commercial, public agency(s), small business, and/or residential)
 - Going beyond current standards or early compliance with source-specific rules and regulations
- Conduct funding availability outreach and seek to leverage other funding sources
- Evaluate and score projects for eligibility, and match the project with the specific funding restrictions of a particular fund, as applicable, based on criteria such as:
 - Emission or toxics exposure reductions/prevention
 - Technology development/advancement
 - Testing/certification and/or demonstration of emerging or advancing low or zero emission technologies
 - Market penetration and deployment of technology
 - Financial assistance (i.e., underwriting or loan guarantee)
 - Offset costs where a project may not initially be affordable (especially where SCAQMD funds can be leveraged by forming a cost sharing partnership with the project proponent)
 - Equipment change-out to cleaner technologies (including small business, low emitters, residences, etc.)
 - Compliance assistance to deploy or replace technologies (small or financially challenged businesses)
- Create a portfolio of projects matched with current and possible future funding.
 - Track disbursements and performance against fund requirements, including emission reductions, as appropriate
 - Evaluate for other opportunities for remaining funds (ongoing)

- Where applicable, credit emission reductions into the SIP by demonstrating the following integrity elements required by U.S. EPA from contracts issued as a result of this RFP process:
 - Emission reductions are surplus beyond existing regulations or legal mandates
 - Emissions and emission reductions are quantifiable and can be reliably measured or determined, as well as replicated
 - Emission reductions are permanent such that the project life will continue through key attainment years when the reduction commitment is required
 - Emission reductions and/or required actions are enforceable such that they are independently verifiable, and practically enforceable
- In addition, U.S. EPA requires a demonstration of the following from staff:
 - Enforceable commitment
 - Technical analysis/support
 - Funding
 - Legal authority
 - Public disclosure
 - Measure to track programmatic results

These funds were established with monies from various sources including settlements, mitigation fees, set-asides or monies from other agencies. A majority of the funds focus on NOx emission reductions, some of which have separate and specific restrictions. Additional funds are available for specific emission reduction categories (VOC, PM 2.5, and offsetting refinery flare emissions) subject to certain restrictions. Staff is further encouraging air toxic reductions for all potential project submittals (see Table 1).

RFP Project Guidelines

The projects selected for this RFP program will be funded by one or more SCAQMD Special Revenue Funds, established for mitigation of emissions in the jurisdiction of the SCAQMD. Projects may qualify for funds¹ from one, or more of the following emission reduction funding categories, as shown in Table 1:

¹ Minimum fund balances as of November 30, 2017. Funding for any specific project is contingent on the availability of funds, and fund balances may fluctuate as projects are funded or de-funded.

Table 1 – RFP Funding Sources by Fund #

Fund #	Fund Description:	Fund Category:	Project Funding Restricted To*	Currently Estimated Fund Balance (\$)
20	Air Quality Assistance	Incentive Program	Small Business Assistance	1,590,230
27	AQIP Prefunding	Mitigation Projects	NOx mitigation	99,503
27	Rule 1110.2	Mitigation Projects	NOx mitigation	227,065
27	Rule 1121	Mitigation Projects	NOx mitigation	2,385,065
27	EO Mitigation	Mitigation Projects	NOx mitigation	11,428,260
27	Rule 1111	Mitigation Projects	NOx mitigation	15,025,150
35	AES Settlement	Settlement Projects	n/a	554,469
36	Rule 1309.1 Priority Reserve	Mitigation Projects	Offsetting PM 10 emissions	3,732,020
37	CARB ERC Bank	Mitigation Projects	Emission reductions in the vicinity of new or expanded peaker plants	596,141
38	LADWP Settlement	Settlement Projects	n/a	397,266
41	State Backup Generator Program	Mitigation Projects	Reduction in air toxics exposure and NOx emissions	354,590
44	Rule 1173 Mitigation Fee	Mitigation Projects	Reduction of VOC emissions in proximity of refineries and chemical plants	3,322,166
45	CBE/OCE Settlement	Settlement Projects	NOx / PM10 mitigation	223,320
54	Rule 1118 Mitigation	Mitigation Projects	Offsetting refinery flare emissions only	18,931,843
62	Rule 1470 Risk Reduction Fund	Mitigation Projects	Installation of control equipment on new Emergency Standby Engines at public facilities in compliance with Rule 1470	2,454,935
				\$61,322,023

* Can include other additional co-pollutant or GHG emissions mitigation/reduction

While there is no restriction on the type of project proposed, some funds require that a certain pollutant type be mitigated or controlled, or have other restrictions as noted in Table 1 above. A project or proposal with co-contaminant reduction benefits (where pollutant types other than the pollutant being mitigated are also mitigated or controlled;

especially air toxics exposure) would have additional benefits. Similarly, a project that seeks partnership funding (i.e. a project that needs only partial funding from the SCAQMD to cover incremental costs) would have benefits compared to a similar project that requires full funding from the SCAQMD. Ideally, partnership funding leverages SCAQMD funds resulting in similar emission reductions from a comparable project that would require full funding by the SCAQMD, but does so at a lower cost for the SCAQMD. This also has the effect of making more funds available for other qualified projects resulting in larger overall emission reduction. A project or proposal may qualify for funding from more than one of these categories. For example, a NO_x reduction project that is in the vicinity of a new/expanded peaker plant may qualify for funding from both the restricted subcategory for such a project and additional funding from the unrestricted NO_x fund. Similarly, if a project is specifically mitigating both NO_x and PM emissions it may qualify for funds from both the NO_x and PM categories. Proposed projects do not have to be implemented in the jurisdiction of the SCAQMD so long as the outcome of the project benefits the geographical area of the SCAQMD (e.g., development of low-emissions bus technology). Note that such proposals might not receive points in categories such as “Job creation within the jurisdiction of the SCAQMD.” Applicants will be expected to enter into a “Fixed Price” contract with SCAQMD for specific tasks to implement the emission reduction project. Payments will be based upon task deliverables.

For each emissions category, the applicant should specify all the criteria that qualifies the project for consideration. Criteria that have historically been deemed desirable include:

- Cost effectiveness (such that the project is designed to reduce more emissions per dollar than other proposed projects for a given pollutant).
- Quantifiable contribution to the reduction of emissions, or public exposure, including pollution prevention, in an EJ Area and/or disadvantaged community², or

² The SCAQMD defines EJ as "...equitable environmental policymaking and enforcement to protect the health of all residents, regardless of age, culture, ethnicity, gender, race, socioeconomic status, or geographic location, from the health effects of air pollution." Most recently, Rule 1304.1 Implementation Guidelines as approved by the Governing Board define a geographical EJ area (consistent with the latest Carl Moyer definition for South Coast Air Basin (SCAB) and the AB 1318 definition for the Coachella Valley, which include poverty and air quality criteria that must both be met) as:

Poverty Criteria

An area where at least 10 percent of the population falls below the Federal Poverty Level, based on the most recently published American Community Survey data, **AND**

Air Quality Criteria

In the SCAB

- (A) the highest 15th percentile of PM_{2.5} concentration measurements interpolated to a two (2) kilometer grid of the most recently published final Multiple Air Toxics Emissions Study (MATES) modeling domain; **OR**

(B) the highest 15th percentile of cancer risk as calculated in the most recently published final MATES.

In the Coachella Valley (CV)

The highest 15th percentile of PM₁₀ concentration in CV².

in close proximity to a sensitive receptor (i.e. schools, hospitals, daycare, senior care, etc.)

- Projects that result in early compliance of key sources, rules or regulations or advance the level of technology within an industry.

Final approval of projects for funding is at the sole discretion of the SCAQMD Governing Board. If funding of projects based on a specific criteria (e.g., within close proximity to a specific point source or in specific EJ Areas) are oversubscribed, it is anticipated that these projects will be ranked based on their overall merits in reducing air pollution and their submittal date and considered for future funding and implementation. Future implementation will depend on the level of continued funding and any restrictions.

Stakeholders will have several opportunities to interact with staff based on the following tentative timeline:

12/8/2017	Administrative Committee
1/5/2018	Governing Board Approval of RFP
1/5/2018	RFP Released
1/24/2018	Bidders' Conference
TBD	Community Meetings (1 per county w/2 in L.A.)
4/11/2018	Initial Round of Proposals due by 5 p.m.
Summer 2018	Recommendations to Administrative Committee
Fall 2018	Recommendation to Governing Board

Additional rounds of requests for proposals may be announced, as required, similar to the schedule above, if funds are available.

SCAQMD Special Funds Proposals

- **Air Quality Investment Fund (27) (Rule 1121 Mitigation Fees)**
Staff proposes allocation of \$615,000 to be utilized in sole source collaboration with the NOx reduction and energy efficiency strategies of the Low Income Weatherization Program (LIWP). Build It Green (BIG) is the Regional Administrator for the LIWP energy efficiency strategies which include providing weatherization, solar photovoltaic and other energy retrofit upgrades to residents within disadvantaged communities in portions of the South Coast Basin. In May 2017, SCAQMD was approached by BIG for a collaboration opportunity to provide leveraged funding to the LIWP to complement the goals of the project and include reductions of NOx from turnover of high-emitting water heaters.. SCAQMD proposes to provide rebates for the incremental cost of a homeowner switching from a high-emitting water heater to a solar thermal system with either gas or electric

Disadvantaged community definitions maybe based on Cal-Enviro Screen data or any other similar definition or dataset. However, the Governing Board would have full discretion in selecting any project that it deems best addresses any EJ issue.

back-up. SCAQMD would provide rebates directly to BIG as reimbursement for appliances installed in an LIWP home with a maximum of \$500 per unit. SCAQMD will provide additional funding for installation barriers, project administration, and for education and outreach informing stakeholders about the air benefits of this program providing greater awareness to the community. The LIWP program is a greenhouse gas reduction project; however, there is a high potential to increase the co-benefits of this program to include criteria pollutant reductions, particularly NO_x. Additionally, the LIWP is in line with the SCAQMD's 2016 AQMP incentive measure ECC-03: Additional Enhancements in Reducing Existing Residential Building Energy Use. Staff estimates that such incentive rebates coupled with funding from BIG for equipment replacement could result in regional NO_x reductions of over one ton per year.

- State Emissions Mitigation Fund (39)
Staff proposes allocation of the entire balance of Fund 39 (currently estimated at \$4.44M) to be utilized for mobile source emissions reduction projects and supporting infrastructure. Projects will reduce NO_x and PM emissions beyond those required by applicable regulations and will follow the general criteria of either the Carl Moyer or Prop 1B guideline requirements. While projects are not limited in scope, historically these projects have included:
 - Repowering off-road and marine engines including marine and auxiliary marine engines, dozers, other diesel engines, scrapers, and other construction equipment engines.
 - Replacement of diesel engines in street sweepers, forklifts, auxiliary vessels, locomotives (including diesel to LPG).
 - Retrofitting diesel engines with PM traps.
 - Truck stop electrification.
 - Conducting hybrid tugboat feasibility demonstration.
 - Replacing highly polluting school buses with alternate fuel school buses

Sole Source Justification

Sections VIII.B.2 of the Procurement Policy identifies provisions under which sole source awards may be justified. This request for a sole source award is made under provisions B.2c: (1) The unique experience and capabilities of the proposed contractor and contract team and (2) The contractor has ownership of key assets required for project performance. The LIWP project being administered by BIG uses a comprehensive building energy model with a mobile application and a network of local experts certified in whole-house deep energy retrofits. Additionally, the LIWP project administration was awarded to BIG by the California Department of Community

Services and Development (CSD) under 2016-RFP-48–Low Income Weatherization Program, and staff is proposing to cost-share the project with the CSD.

Resource Impacts

Sufficient staff resources are available to administer the various projects. In addition, staff will explore the possibility of obtaining authorization to reimburse the General Fund for administrative costs.

Attachment

RFP #P2018-06



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
REQUEST FOR PROPOSALS (RFPs)

Air Pollution Control Projects That Reduce/Mitigate Emissions/Toxic Exposure

P2018-06

South Coast Air Quality Management District (SCAQMD) requests proposals for the following purpose according to description attached. In the preparation of this Request for Proposals (RFP) the words "Proposer," "Contractor," "Consultant," "Bidder" and "Firm" are used interchangeably.

PURPOSE

The purpose of this RFP is to solicit proposals for emission reduction projects within the geographical boundaries of the SCAQMD.¹ However, Bidders do not have to be headquartered in the SCAQMD. These projects will be financed in whole or part by one or more SCAQMD Special Revenue Funds, established for reduction or mitigation of emissions in the jurisdiction of the SCAQMD. Monies in the applicable Special Revenue Funds are from various sources such as, settlement agreements, mitigation fees, set-aside accounts and grant or subvention programs.

To qualify for this program, projects must demonstrate real emission reductions or develop new technologies and comply with any applicable restrictions. However, there is no restriction on the types of projects, process or methodology. Some historical examples of potential projects are listed below, but any project that leads to actual emission reductions/mitigation and does not violate any applicable Fund restrictions will be considered:

- School bus retrofit or replacement (e.g., electric)
- Heavy duty diesel truck replacement
- Agricultural diesel engine (mobile & non-mobile) replacement, and fugitive dust control for fields and roads (i.e. street sweeping, soil stabilization)
- Truck stop electrification
- Weatherizing buildings and homes
- Renewable power generation at public buildings
- Renewable distributed power
- Infrastructure improvements
 - Paving of parking lots or unpaved roads
 - Parkway/pathway construction to reduce congestion & promote walking, bicycling and/or near-zero or zero emission vehicles
 - Electric charging, CNG, or hydrogen refueling stations

¹ Riverside county portion of the Salton Sea Air Basin (SSAB) or the South Coast Air Basin (SCAB) but specifically as defined pursuant to California Code of Regulations, Section 60104, Title 17. Also, see map in this RFP.

In addition to these projects, some examples of potential future projects might include the following:

- Development and demonstration of lower emitting and zero-emission on-road and off-road technologies, including locomotives, ocean going vessels, heavy-duty trucks, and supporting infrastructure
- Replacing existing diesel backup generators to battery storage (with or without solar charging) or fuel cells
- Converting industrial or commercial stationary or emergency engines to zero or near-zero emission technologies (e.g., Tier 4 or higher, fuel cell, biofuel control equipment) by retrofitting equipment
- Converting commercial or industrial turbines to zero or near-zero technologies
- Replacing ovens, furnaces, or kilns with cleaner technologies
- Replacing cooking equipment with cleaner technologies (including residential), or control equipment for PM 2.5 emissions from underfired restaurant charbroilers using multi-stage filtering, such as HEPA/carbon filters
- Cleaning and routing biogas to pipelines for use as transportation fuel (infrastructure), or for sale to SoCal Gas for use as a fuel (pipeline injection)
- Diversion of waste streams to be cleaned or processed
- Directing waste gas to micro-turbines or boilers to provide power or heat to a facility
- Diverting oil field gas from flaring to fuel cells or micro-turbines to provide power to a facility
- Bio-fuel technology development and deployment for fleets and residential fueling
- Landfill gas handling projects (UCLA-Mountaingate)
- Installation of additional control equipment otherwise not mandated
- High efficiency/low NOx water heaters
- Commercial and industrial space heating furnaces and other heating and drying equipment with ultra-low NOx burner technology development
- Early retirement of older boilers, water heaters and space heaters
- Installation of electric water and space heaters powered by renewable energy sources
- Adoption of electric powered lawn and garden equipment
- Replacement of compliant commercial water heaters and small boilers with solar thermal heat pump or electric fuel cell
- Installation of air to air, or ground to air heat pump water heaters
- Residential solar panel installations with corresponding electric appliances
- Older swimming pool heaters replaced with new units
- Formulation or use of applications with lower VOC content (e.g., water-based products, energy-cured materials that do not require afterburners)
- Commercial/residential energy efficiency programs
- HVAC, weatherization, smart grid, appliances, pool covers, etc.

- Mitigation at indirect sources with, for example, clean vehicles/fleets, zero or near zero off-road equipment or solar panels
- Programs reducing exposure especially near highways and near larger point or toxics sources
- Projects reducing VOC and Ammonia emissions from green waste composting operations

FUNDING/AWARDS

The projects selected for this RFP program will be funded by one or more SCAQMD Special Revenue Funds, established for mitigation of emissions in the jurisdiction of the SCAQMD. Applicants are not required to specify a particular fund or funds as a source of funding for their proposal.

Projects may qualify for funds² from one, or more of the following emission reduction funding categories, as shown in Table 1:

² Minimum fund balances as of the release date of this RFP. Funding for any specific project is contingent on the availability of funds, and fund balances may fluctuate as projects are funded or de-funded.

Table 1 – RFP Funding Sources by Fund #

Fund #	Fund Description:	Fund Category:	Project Funding Restricted To*	Currently Estimated Fund Balance (\$)
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45	CBE/OCE Settlement	Settlement Projects	NOx / PM10 mitigation	223,320
54	Rule 1118 Mitigation	Mitigation Projects	Offsetting refinery flare emissions only	18,931,843
62	Rule 1470 Risk Reduction Fund	Mitigation Projects	Installation of control equipment on new Emergency Stand-by Engines at public facilities in compliance with Rule 1470	2,454,935
				\$61,322,023

* Can include other additional co-pollutant or GHG emissions mitigation/reduction

Additional Guidance on Funding Categories:

- While there is no restriction on the type of project proposed, each category, requires that a certain pollutant type be mitigated or controlled or other restriction as noted in Table 1 above. A project or proposal with co-contaminant reduction benefits would have benefits exceeding a similar project without co-contaminant reduction benefits.

- Similarly, a project that seeks partnership funding (i.e. a project that needs only partial funding from the SCAQMD to cover incremental costs) would have benefits exceeding a similar project that requires full funding from the SCAQMD.
- A project or proposal that qualifies for funding from more than one Fund, may be funded from a combination of all such Funds. For example, a NOx reduction project that is in the vicinity of a new/expanded Peaker plant may qualify for funding from Fund 37 or funding from Fund 27, or both. Similarly, if a project is for example specifically mitigating both NOx and PM emissions (beyond a co-contaminant reduction benefit) it may qualify for funds from both the NOx and PM categories.
- Proposed projects do not have to be implemented in the South Coast Air Basin (SCAB) as long as the outcome of the project benefits the SCAB (e.g., development of low-emissions bus technology). Note that such proposals might not receive points in categories such as “Job creation within the jurisdiction of the SCAQMD”.
- Applicants will be expected to enter into a “Fixed Price” contract with SCAQMD for specific tasks to implement the emission reduction project. Payments will be based upon task deliverables.
- Project or proposal will be subject to extraneous costs such as outreach, administration, etc.

The applicant should specify all the criteria that qualifies the project for consideration. Criteria that have historically been deemed desirable include:

- Cost-effectiveness (such that the project is designed to reduce more emissions per dollar than other proposed projects for a given pollutant).
- Quantifiable contribution to the reduction of emissions, or public exposure, including pollution prevention, in an EJ Area and/or disadvantaged community³, or in close proximity to a sensitive receptor (i.e. schools, hospitals, daycare, senior care, etc.)
- Projects that result in early compliance of key sources, rules or regulations or advance the level of technology within an industry.

³ The SCAQMD defines EJ as "...equitable environmental policymaking and enforcement to protect the health of all residents, regardless of age, culture, ethnicity, gender, race, socioeconomic status, or geographic location, from the health effects of air pollution." Most recently, Rule 1304.1 Implementation Guidelines as approved by the Governing Board define a geographical EJ area (consistent with the latest Carl Moyer definition for South Coast Air Basin (SCAB) and the AB 1318 definition for the Coachella Valley, which include poverty and air quality criteria that must both be met) as:

Poverty Criteria

An area where at least 10 percent of the population falls below the Federal Poverty Level, based on the most recently published American Community Survey data, **AND**

Air Quality Criteria

In the SCAB

(A) the highest 15th percentile of PM2.5 concentration measurements interpolated to a two (2) kilometer grid of the most recently published final Multiple Air Toxics Emissions Study (MATES) modeling domain; **OR**

(B) the highest 15th percentile of cancer risk as calculated in the most recently published final MATES.

In the Coachella Valley (CV)

The highest 15th percentile of PM10 concentration in CV³.

Disadvantaged community definitions maybe based on Cal-Enviro Screen data or any other similar definition or dataset. However, the Governing Board would have full discretion in selecting any project that it deems best addresses any EJ issue.

As part of this RFP proposal, bidders are asked to provide the following information, as applicable:

- Detailed description of the project
- Type of emissions reduced/mitigated or reduction in toxics exposure (e.g., NOx, VOC, Toxics, etc.)
- Estimated total amount of emissions reduction or mitigation, including prevention, or exposure reduction where applicable
- Timeline detailing incremental as well as full emissions reduction attainment and project completion, including any applicable annual efforts
- Estimated total cost of the project and cost effectiveness value
- Proximity of project to an EJ area
- Benefits to an EJ area
- Proximity of project to a specific point source (e.g., refinery, power plant, etc.)
- An innovative air pollution control technology component with a high potential for commercialization
- Economic/Industrial sector, community, or political support

Final approval of projects for funding is at the sole discretion of the SCAQMD Governing Board. If funding of projects based on a specific criteria (e.g., within close proximity to a specific point source or in specific EJ Areas) are oversubscribed, it is anticipated that these projects will be ranked based on their overall merits in reducing air pollution and their submittal date and considered for future funding and implementation. Future implementation will depend on the level of continued funding and any restrictions.

INDEX - The following are contained in this RFP:

Section I	Background/Information
Section II	Contact Person
Section III	Planned Schedule of Events
Section IV	Participation in the Procurement Process
Section V	Statement of Work/Schedule of Deliverables
Section VI	Required Qualifications
Section VII	Proposal Submittal Requirements
Section VIII	Proposal Submission
Section IX	Proposal Evaluation/Contractor Selection Criteria
Section X	Funding
Section XI	Sample Contract

Attachment A - Participation in the Procurement Process

Attachment B - Certifications and Representations

SECTION I: BACKGROUND/INFORMATION

The SCAQMD is a regional governmental agency responsible for meeting air quality health standards in Orange County and the non-desert portions of Los Angeles, Riverside, and San Bernardino counties, encompassing 10,743 square miles with over 16.5 million residents.

Despite remarkable improvement in air quality since the 1970's, the air in Southern California is still among the worst in the nation and is far from meeting all federal and state air quality standards. The SCAQMD faces tremendous challenges to reduce emissions to meet these standards throughout its jurisdiction. The 2016 Air Quality Management Plan (Plan) is a regional blueprint for achieving the federal air quality standards and healthful air.

Pursuant to the authority granted by law, the SCAQMD Governing Board approved the adoption of incentive programs in the Plan to meet federal and state air quality goals. Incentive programs have been shown to accelerate up the replacement of older high polluting equipment such as boilers, water heaters and space heaters, with deployment of newer and more efficient low NOx boilers, water heaters and space heaters, and/or "green technologies" such as solar heating or electric heat pumps.

Following on the successes of previous incentive programs, the Plan contains several proposed incentive based control measures that could be pursued to control NOx and other categories of emissions. Control measure CMB-01 (Transition to Zero and Near-Zero Emission Technologies for Stationary Sources) stipulates that by December 2023, 2.5 and 1.2 tpd of reductions in NOx and VOC emissions, respectively, from the 2023 summer planning inventory and by December 2031, 6 and 2.8 tpd of reductions in NOx and VOC emissions, respectively, from the 2031 summer planning inventory in the 2016 AQMP are to be obtained. The goal is to replace older, high-emitting equipment from traditional combustion sources (such as diesel back-up generators) with new, lower or zero-emitting equipment. Reductions of NOx emissions from traditional combustion sources can be obtained by incentivizing replacement of old equipment with zero and near-zero emission technologies including low NOx emitting equipment, electrification, battery storage, alternative process changes, efficiency measures, or fuel cells. Replacing older higher-emitting equipment with newer lower or zero-emitting equipment can apply to a single source or an entire facility. These sources include, but are not limited to, engines, turbines, micro-turbines, and boilers that generate power for electricity for distributed generation, facility power, process heating, and/or steam production. Another type of combustion source identified for equipment replacement includes ovens, kilns, and furnaces. New businesses can be incentivized to install and operate zero-emission equipment, control equipment, technology and processes beyond the current BACT requirements. One example is the use of energy-curing technologies including ultraviolet light (UV), electron beam (EB), heat and light emitting diode (LED) cured coatings. Fuel cells are also an alternative to traditional combustion methods, resulting in a reduction of NOx emissions with the co-benefit of reducing other criteria air pollutants and GHGs. Incentives may be used to effect alternative process changes, such as biogas cleanup. This would help modernize a facility towards zero and near-zero technologies. Other potential projects could include energy storage systems and smart grid control technologies that provide a flexible and dispatchable resource with zero emissions. Grid based storage systems can replace the need for new peaking generation, be coupled with renewable energy generation, and reduce the need for additional energy infrastructure. Additionally, mechanisms for incentivizing businesses to choose the cleanest technologies as they replace equipment and upgrade facilities, by providing incentives to encourage businesses to move into these zero and near-zero emission technologies sooner.

The Governing Board has also committed to control measure CMB-02⁴ (Emission Reductions from Replacement With Zero or Near-Zero NO_x Appliances in Commercial and Residential Applications) of the Plan to be achieved by December 2023 and December 2031, respectively 1.1 and 2.84 tpd of reductions in NO_x emissions, from the 2023 and 2031 summer planning inventory in the 2016 AQMP. These reductions are to be achieved through the replacement of 82,000 - 152,000 commercial boilers, water heaters, and residential pool heaters in accordance with the incentive program guidelines. Projects should be designed to expedite the replacement of unregulated or older boilers, water heaters, and space heating furnaces and other natural gas or liquefied petroleum gas (LPG) equipment with zero emitting or lower NO_x technologies.

Control measure CMB-04 (Emission Reductions From Restaurant Burners and Residential Cooking) seeks to reduce emissions from retail restaurants and quick service establishments utilizing commercial cooking ovens, ranges and charbroilers by funding development of, promoting and incentivizing the use and installation of low-NO_x burner technologies.

Control measure ECC-02 calls for project proposals that would fulfill the state's energy efficiency goals that also result in co-benefits of controlling or mitigating 0.3 tpd NO_x and 0.07 tpd VOC emissions by 2023 and 1.1 tpd NO_x and 0.29 tpd VOC emissions by 2023. Projects proposals would focus on existing residential and commercial building energy efficiency measures.

Control measure ECC-03 calls for project proposals that would go beyond the state's energy efficiency goals that seek to result in co-benefits of controlling or mitigating 1.2 tpd NO_x and 0.2 tpd VOC emissions by 2023 and 2.1 tpd NO_x and 0.3 tpd VOC emissions by 2023. Projects proposals would focus on additional enhancements in reducing existing residential building energy use.

Projects implementing control measures must adhere with the incentive program guidelines by demonstrating emission reductions that are proven to be real, quantifiable (can be reliably measured or determined and replicated), surplus (beyond existing regulation), enforceable, and permanent (minimum project lifetime through calendar year 2023) in order to be counted towards controls for the U.S. EPA to approve such reductions as creditable emission reductions in the SIP. Staff is seeking to report to the SCAQMD Governing Board within one year of the adoption of the 2016 AQMP (on or before March 3, 2018) regarding the results of the reviews and assessments, including recommendations and schedules consistent with 2016 AQMP commitments, for rulemaking that maximizes emissions reductions from zero-emission technologies where cost-effective and feasible, and near-zero emission technologies in other applications. Every feasible stationary source control measure will be considered with a focus on an expeditious adoption and implementation schedule.

⁴ The measure calls for a priority on maximizing emission reductions utilizing zero-emission technologies in all applications that are shown to be cost-effective and feasible. In assessing the cost-effectiveness of these technologies, full life-cycle in-Basin emissions related to energy and fuel production and transmission pathways should be considered, along with GHG emissions, toxic impacts, and anticipated future changes to the energy portfolio in the Basin. Incentive funding may be directed to manufacturers, distributors, sellers, installers and purchasers of commercial and residential appliances and equipment.

SECTION II: CONTACT PERSON:

Questions regarding the content or intent of this RFP or on procedural matters should be addressed to:

Mr. Michael Krause**
Planning and Rules Manager
Planning, Rule Development and Area Sources
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765
Tel: (909) 396-2706
Fax: (909) 396-3324
E-mail: mkrause@aqmd.gov

**Please note: All interested parties in this RFP P2018-06, including potential bidders and those seeking to join a bidding team, are encouraged to periodically visit the SCAQMD website, <http://www.aqmd.gov/grants-bids>. Clarifications will be provided to frequently asked questions.

SECTION III: PLANNED SCHEDULE OF EVENTS

Date	Event
Dec. 8, 2017	Administrative Committee Approval
Jan. 5, 2018	Governing Board Approval of RFP
Jan 5, 2018	RFP Released
Jan. 24, 2018	Bidder's Conference*
TBD	Community Meetings (1 per county w/2 in LA)
Apr. 11, 2018	Initial Round of Proposals Due to SCAQMD - No Later Than 5:00 pm
Summer 2018	Recommendations to Administrative Committee
Fall 2018	Recommendation to Governing Board

Additional rounds of requests for proposals may be announced, as required, similar to the schedule above, if funds are available.

*Participation in the Bidder's Conference is optional. Such participation would assist in notifying potential Bidders of any updates or amendments. The Bidder's Conference will be held in Room CC6 at SCAQMD Headquarters in Diamond Bar, California at 9:00 am to 11:00 am on Wednesday, January 24, 2018. Please contact Mr. Michael Krause at (909) 396-2706 by close of business on Friday, January 19, 2018 if you plan to attend.

SECTION IV: PARTICIPATION IN THE PROCUREMENT PROCESS

It is the policy of SCAQMD to ensure that all businesses including minority business enterprises, women business enterprises, disabled veteran business enterprises and small businesses have a fair and equitable opportunity to compete for and participate in SCAQMD contracts. Attachment A to this RFP contains definitions and further information.

SECTION V: STATEMENT OF WORK/SCHEDULE OF DELIVERABLES

A. Statement of Work

The purpose of the RFP is to solicit proposals for emission reduction projects in the jurisdiction of the SCAQMD. Proposals should address concisely the information requested below in their statement of work in the format specified in Section VII Proposal Submittal Requirements. Proposers are encouraged to pay close attention to Section IX Proposal Evaluation/Contractor Selection Criteria to assess how their bids will be evaluated. Each bid will be evaluated separately. Information provided should be specific enough for evaluation and scoring purposes, and for inclusion into a contract.

In the statement of work, the Proposer must demonstrate that the project will result in emission reductions. The Proposer must state the location of the project and whether funds are being requested for use in an EJ area, in close proximity to a point source or other project with significant actual or potential emissions, or a combination thereof (include fractions of each). The most competitive project will effectively address the following elements:

- Demonstration of experience and expertise, or other evidence of capacity to complete the project, in the development and implementation of the emission reduction project.
- Complete description of the emission reduction project as well as the potential emission reductions and public health benefits resulting from the project.
- The timeline for implementation of the emission reduction project, including major tasks and milestones.
- How the project meets or further advances the SCAQMD's regional air quality attainment and public health protection goals.
- Demonstration of effective use of the funds requested, including but not limited to magnitude of emission reductions, job creation, promoting needed long-term emission reduction strategies, public health benefits, secondary benefits (other than jobs), consistency with sub-regional sustainable development activities, or cost-sharing/partnership opportunities. A breakdown of costs per task or milestone over the course of the project should be included.
- Support from the local and/or regional community for the project, such as letters of support or other correspondence.

B. Reporting

Contractor shall supply the following reports to the SCAQMD under the contract agreements. Each submitted report shall be stapled, not bound, printed in black ink, double-sided type, on an 8-1/2 by 11 inch page, and shall include camera-ready originals.

2. Informal updates of program progress to the SCAQMD's Program Manager at least once every month throughout the proposed project. If there is any failure or delay to meeting the emission reduction project objectives or timeline, proponents shall schedule an immediate meeting with SCAQMD's Project Manager.
3. Two stapled copies of each quarterly progress report due by the 10th day of each month following the reporting period. Contractor shall submit one copy of each progress report to SCAQMD's Project Manager and one copy to SCAQMD's Staff Specialist assigned to

contracts, in conjunction with the invoice for the same period. Each progress report shall include, but not be limited to,

- a. Reference to SCAQMD contract number and title of project.
- b. Reporting time period (months, year).
- c. Description of work completed during the reporting period, including a discussion of problems encountered and how those problems were resolved; and other relevant activities.
- d. Summary of relevant data and results for each task.
- e. Discussion of work planned for the next reporting period.
- f. Discussion of project status with respect to time schedule and steps being taken to resolve any delays.
- g. Discussion of cost status with respect to original budget, work completed, costs to date, explanation of any overruns, and steps being taken to bring costs back into line.

4. Two bound copies of the draft Final Report regarding completion of the emission reduction project for review, comment, and approval shall be submitted not later than two months after the completion of the proposed project. Contractor shall submit one copy of the draft final report to SCAQMD's Project Manager and one copy to SCAQMD's Technology Advancement Staff Specialist assigned to contracts. This document shall be considered in the public domain, in conformance with the California Public Records Act (Government Code Section 6250 et seq.). The draft Final Report shall include, but not be limited to, the following:

- a. Reference to SCAQMD contract number and title of project.
- b. Project background and objectives.
- c. An executive summary up to three pages in length, including a short, definitive statement of the project; objective of the project, description of work performed, resulting emission/exposure reduction, and reference to SCAQMD Rules if applicable.
- d. A detailed description of the statement of work.
- e. Summary of all work completed.
- f. Results - a discussion of the expected project results versus what was actually achieved.
- g. Problems - a discussion of any significant problems encountered during the contract and how they were resolved.
- h. Remaining issues – a discussion of any project components that may require follow-up beyond the project period.

5. Contractor shall submit three stapled originals of the final report to SCAQMD's Staff Specialist assigned to contracts, incorporating the SCAQMD's comments, no later than three months after the completion of the proposed project. The final report shall also include acknowledgement of all sponsors and participants in the project. This document shall be considered in the public domain, in conformance with the California Public Records Act (Government Code Section 6250 et seq.).

6. Contractor shall submit a 2-page project synopsis, along with the final report. In addition to a hard copy of this synopsis, Contractor shall provide the synopsis in an electronic version, using Microsoft WORD 97 or compatible version.

SECTION VI: REQUIRED QUALIFICATIONS

- A. Organizations, individuals, technology manufacturers, businesses, government agencies, universities, consultants, or any other entities proposing to bid on this proposal must demonstrate a wide range of knowledge and experience, or other evidence of capacity to implement the proposed emission reduction project.
- B. Proposer must submit the following:
 1. Statement of qualifications of the lead person and key persons assigned to the project. Substitution of project manager or lead person will not be permitted without prior written approval by SCAQMD.
 2. List all key personnel assigned to the project by level, and name, and include qualifications. Specify the estimated time to be spent by the lead person and key persons assigned to the project.
 3. List specific portion of the project to be subcontracted. Include all subcontractors and their statement of qualification.
 4. Summary of major similar projects handled during the last five years demonstrating experience in the project areas with references.
 5. Signed letters of commitment by any proposed project partners along with a description of their level of involvement and any co-funding contributions.

SECTION VII: PROPOSAL SUBMITTAL REQUIREMENTS

Submitted proposals must follow the format outlined below and all requested information must be supplied. Failure to submit proposals in the required format will result in elimination from proposal evaluation. SCAQMD may modify the RFP or issue supplementary information or guidelines during the proposal preparation period prior to the due date. Please check our website for updates (<http://www.aqmd.gov/grants-bids>). The cost for developing the proposal is the responsibility of the Contractor, and shall not be chargeable to SCAQMD.

Each proposal must be submitted in three separate volumes:

- Volume I - Technical Proposal
- Volume II - Cost Proposal
- Volume III - Certifications and Representations included in Attachment B to this RFP, must be completed and executed by an authorized official of the Contractor.

A separate cover letter including the name, address, and telephone number of the contractor, and signed by the person or persons authorized to represent the Firm should accompany the proposal submission. Firm contact information as follows should also be included in the cover letter:

1. Address and telephone number of office in, or nearest to, Diamond Bar, California.
2. Name and title of Firm's representative designated as contact.

A separate Table of Contents should be provided for Volumes I and II.

VOLUME I - TECHNICAL PROPOSAL

DO NOT INCLUDE ANY COST INFORMATION IN THE TECHNICAL VOLUME

Summary (Section A) - State overall approach to meeting the objectives and satisfying the scope of work to be performed as specified in Section V – Work Statement/Schedule of Deliverables, the sequence of activities, and a description of methodology or techniques to be used.

Project Description (Section B)

This section shall provide a comprehensive description of the proposed emission reduction project, including technical details and specifications. The description shall include, but not be limited to, the following topics:

1. Complete description of the proposed project;
2. Descriptions of the technologies and methods to be implemented;
3. Projected emission or exposure reductions and secondary benefits (such as additional public health benefits, energy efficiency improvements, improving traffic congestion, long-term infrastructure improvements, community development, etc.); and
4. Estimated job creation resulting from the project in the SCAQMD.

Statement of Work (Section C) – This section shall describe technical and operational approach to implement the emission reduction project including the elements specified in the Statement of Work in Section V.

Program Schedule (Section D) - Provide projected milestones or benchmarks for completing the project (to include reports) within the total time allowed. Specifically, this section should include:

1. An overall time schedule;
2. A list of significant milestones, project deliverables, and the projected calendar delivery dates of each. Milestones include project kickoff meetings, task start and completion dates, design documents, demonstration and test plans, progress reports, interim reports, draft and final reports, and project review meetings.

Project Organization (Section E) - Describe the proposed management structure, program monitoring procedures, and organization of the proposed team. Provide a statement detailing your approach to the project, specifically address the Firm's ability and willingness to commit and maintain staffing to successfully complete the project on the proposed schedule.

Qualifications (Section F) - Describe the technical capabilities of the Firm. Provide references of other similar studies or projects performed during the last five years demonstrating ability to successfully complete the work. Include contact name, title, and telephone number for any references listed. Provide a statement of your Firm's background and related experience in performing similar services for other governmental organizations.

Assigned Personnel (Section G) - Provide the following information about the staff to be assigned to this project:

1. List all key personnel assigned to the project by level, name and location. Provide a resume or similar statement describing the background, qualifications and experience of the lead person and all persons assigned to the project. Substitution of project manager or lead personnel will not be permitted without prior written approval of SCAQMD.
2. Provide a spreadsheet of the labor hours proposed for each labor category at the task level.
3. Provide a statement indicating whether or not 90% of the work will be performed within the geographical boundaries of SCAQMD. Provide a statement indicating whether the project qualifies or partially qualifies for the EJ area funding.
4. Provide a statement of education and training programs provided to, or required of, the staff identified for participation in the project, particularly with reference to management consulting, governmental practices and procedures, and technical matters.
5. Provide a summary of your Firm's general qualifications to meet required qualifications and fulfill statement of work, including additional Firm personnel and resources beyond those who may be assigned to the project.

Subcontractors (Section H) - This project may require expertise in multiple technical areas. List any subcontractors that will be used, identifying functions to be performed by them, their related qualifications and experience and the total number of hours or percentage of time they will spend on the project.

Conflict of Interest (Section I) - Address possible conflicts of interest with other clients affected by actions performed by the Firm on behalf of SCAQMD. SCAQMD recognizes that prospective Contractors may be performing similar projects for other clients. Include a complete list of such clients for the past three (3) years with the type of work performed and the total number of years performing such tasks for each client. Although the Proposer will not be automatically disqualified by reason of work performed for such clients, SCAQMD reserves the right to consider the nature and extent of such work in evaluating the proposal.

Additional Data (Section J) - Provide other essential data that may assist in the evaluation of this proposal.

VOLUME II - COST PROPOSAL

Name and Address - The Cost Proposal must list the name and complete address of the Proposer in the upper left-hand corner.

Cost Proposal – SCAQMD anticipates awarding a fixed price contract. Cost information must be provided as listed below:

1. Detail must be provided by the following categories:
 - A. Labor – The Cost Proposal must list the fully-burdened hourly rates and the total number of hours estimated for each level of professional and administrative staff to be used to perform the tasks required by this RFP. Costs should be estimated for each of the components of the work plan.
 - B. Supplies, Hardware, Equipment - Provide an itemized list of supplies, hardware, and equipment to be used or purchased (the name, number, and cost of each).
 - C. Subcontractor Costs - List subcontractor costs and identify subcontractors by name. Itemize subcontractor charges per hour or per day.
 - D. Travel Costs - Indicate amount of travel cost and basis of estimate to include trip destination, purpose of trip, length of trip, airline fare or mileage expense, per diem costs, lodging and car rental.
 - E. Other Direct Costs -This category may include such items as postage and mailing expense, printing and reproduction costs, etc. Provide a basis of estimate for these costs.
 - F. Payment Schedule – Using the project schedule submitted under Section B of the Technical Proposal (Volume I), provide a proposed payment schedule tied to specific deliverables by task.
2. It is the policy of the SCAQMD to receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services. SCAQMD will give preference, where appropriate, to vendors who certify that they will provide “most favored customer” status to the SCAQMD. To receive preference points, Proposer shall certify that SCAQMD is receiving “most favored customer” pricing in the Business Status Certifications page of Volume III, Attachment B – Certifications and Representations.

VOLUME III - CERTIFICATIONS AND REPRESENTATIONS (see Attachment B to this RFP)

SECTION VIII: PROPOSAL SUBMISSION

All proposals must be submitted according to specifications set forth in the section above, and this section. Failure to adhere to these specifications may be cause for rejection of the proposal.

Signature - All proposals must be signed by an authorized representative of the Proposer.

Due Date - All proposals are due no later than 5:00 p.m., April 11, 2018, and should be directed to:

Procurement Unit
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178
(909) 396-3520

Submittal - Submit five (5) complete copies of the proposal in a sealed envelope, plainly marked in the upper left-hand corner with the name and address of the Proposer and the words "Request for Proposals P2018-06."

Late bids/proposals will not be accepted under any circumstances.

Grounds for Rejection - A proposal may be immediately rejected if:

- It is not prepared in the format described, or
- It is signed by an individual not authorized to represent the Firm.

Modification or Withdrawal - Once submitted, proposals cannot be altered without the prior written consent of SCAQMD. All proposals shall constitute firm offers and may not be withdrawn for a period of ninety (90) days following the last day to accept proposals.

SECTION IX: PROPOSAL EVALUATION/CONTRACTOR SELECTION CRITERIA

- A. Proposals will be evaluated by a panel of three to five SCAQMD staff members familiar with the subject matter of the project. The panel shall be appointed by the Executive Officer or his designee. In addition, the evaluation panel may include such outside public sector or academic community expertise as deemed desirable by the Executive Officer. The panel will make a recommendation to the Executive Officer and/or the Governing Board of SCAQMD for final selection of a contractor and negotiation of a contract.
- B. Each member of the evaluation panel shall be accorded equal weight in his or her rating of proposals. The evaluation panel members shall evaluate the proposals according to the specified criteria and numerical weightings set forth below.
- C. The Proposer must demonstrate that the project will result in emission reductions in order to be eligible for funding. The Proposer must state the location of the project and whether funds are being requested for use in an EJ area, proximity to a point source or other project with significant actual or potential emissions, or any combination thereof (include fractions of the project in each area).

1. Project Evaluation Criteria

	<u>Points</u>
✓ Aids in achievement of SCAQMD's regional air quality goals (e.g., emission reduction, new technology, and infrastructure projects)	35
✓ Experience and expertise to complete the project	20
✓ Effective use of funds (e.g. cost effectiveness and/ or funding partnerships)	15
✓ Co-benefits (e.g. control/mitigation of toxics or GHGs)	10
✓ EJ Area benefits	10
✓ Job creation within the jurisdiction of the SCAQMD	5
✓ Community/government support	<u>5</u>
Total	100

Additional Points

Small Business or Small Business Joint Venture	10
DVBE or DVBE Joint Venture	10
Use of DVBE or Small Business Subcontractors	7
Low-Emission Vehicle Business	5
Local Business (Non-Federally Funded Projects Only)	5
Off-Peak Hours Delivery Business	2

The cumulative points awarded for small business, DVBE, use of small business or DVBE subcontractors, low-emission vehicle business, local business, and off-peak hours delivery business shall not exceed 15 points.

Self-Certification for Additional Points

The award of these additional points shall be contingent upon Proposer completing the Self-Certification section of Attachment B – Certifications and Representations and/or inclusion of a statement in the proposal self-certifying that Proposer qualifies for additional points as detailed above.

2. To receive additional points in the evaluation process for the categories of Small Business or Small Business Joint Venture, DVBE or DVBE Joint Venture or Local Business (for non-federally funded projects), the proposer must submit a self-certification or certification from the State of California Office of Small Business

Certification and Resources at the time of proposal submission certifying that the proposer meets the requirements set forth in Section III. To receive points for the use of DVBE and/or Small Business subcontractors, at least 25 percent of the total contract value must be subcontracted to DVBEs and/or Small Businesses. To receive points as a Low-Emission Vehicle Business, the proposer must demonstrate to the Executive Officer, or designee, that supplies and materials delivered to SCAQMD are delivered in vehicles that operate on either clean-fuels or if powered by diesel fuel, that the vehicles have particulate traps installed. To receive points as a Local Business, the proposer must affirm that it has an ongoing business within the South Coast AQMD at the time of bid/proposal submittal and that 90% of the work related to the contract will be performed within the South Coast AQMD. Proposals for legislative representation, such as in Sacramento, California or Washington D.C. are not eligible for local business incentive points. Federally funded projects are not eligible for local business incentive points. To receive points as an Off-Peak Hours Delivery Business, the proposer must submit, at proposal submission, certification of its commitment to delivering supplies and materials to SCAQMD between the hours of 10:00 a.m. and 3:00 p.m. To receive points for Most Favored Customer status, the proposer must submit, at proposal submission, certification of its commitment to provide most favored customer status to the SCAQMD. The cumulative points awarded for small business, DVBE, use of Small Business or DVBE Subcontractors, Local Business, Low-Emission Vehicle Business and Off-Peak Hour Delivery Business shall not exceed 15 points.

The Procurement Section will be responsible for monitoring compliance of suppliers awarded purchase orders based upon use of low-emission vehicles or off-peak traffic hour delivery commitments through the use of vendor logs which will identify the contractor awarded the incentive. The purchase order shall incorporate terms which obligate the supplier to deliver materials in low-emission vehicles or deliver during off-peak traffic hours. The Receiving department will monitor those qualified supplier deliveries to ensure compliance to the purchase order requirements. Suppliers in non-compliance will be subject to a two percent of total purchase order value penalty. The Procurement Manager will adjudicate any disputes regarding either low-emission vehicle or off-peak hour deliveries.

- D. During the selection process the evaluation panel may wish to interview some proposers for clarification purposes only. No new material will be permitted at this time. Additional information provided during the bid review process is limited to clarification by the Proposer of information presented in his/her proposal, upon request by SCAQMD.
- E. The Executive Officer or Governing Board may award the contract to a Proposer other than the Proposer receiving the highest rating in the event the Governing Board determines that another Proposer from among those technically qualified would provide the best value to SCAQMD considering cost and technical factors. The determination shall be based solely on the Evaluation Criteria contained in the Request for Proposal (RFP), on evidence provided in the proposal and on any other evidence provided during the bid review process.

- F. Selection will be made based on the above-described criteria and rating factors. The selection will be made by and is subject to Executive Officer or Governing Board approval. Proposers shall be notified of the results by letter.
- G. The Governing Board has approved a Bid Protest Procedure which provides a process for a Bidder or prospective Bidder to submit a written protest to SCAQMD Procurement Manager in recognition of two types of protests: Protest Regarding Solicitation and Protest Regarding Award of a Contract. Copies of the Bid Protest Policy can be secured through a request to SCAQMD Procurement Department.
- H. The Executive Officer or Governing Board may award contracts to more than one proposer if in (his or their) sole judgment the purposes of the (contract or award) would best be served by selecting multiple proposers.
- I. If additional funds become available, the Executive Officer or Governing Board may increase the amount awarded. The Executive Officer or Governing Board may also select additional proposers for a grant or contract if additional funds become available.
- J. Disposition of Proposals – Pursuant to SCAQMD’s Procurement Policy and Procedure, SCAQMD reserves the right to reject any or all proposals. All proposals become the property of SCAQMD, and are subject to the California Public Records Act. One copy of the proposal shall be retained for SCAQMD files. Additional copies and materials will be returned only if requested and at the proposer's expense.
- K. **If proposal submittal is for a Public Works project as defined by State of California Labor Code Section 1720, Proposer is required to include Contractor Registration No. in Attachment B. Proposal submittal will be deemed as non-responsive and Bidder may be disqualified if Contractor Registration No. is not included in Attachment B. Proposer is alerted to changes to California Prevailing Wage compliance requirements as defined in Senate Bill 854 (Stat. 2014, Chapter 28), and California Labor Code Sections 1770, 1771 and 1725.**
- L. PAYMENT BOND (MATERIAL AND LABOR BOND) - Within fourteen days after execution of the Contract by SCAQMD and prior to performing any work under the Contract, the CONTRACTOR shall file with SCAQMD, a payment bond (material and labor bond) in an amount equal to one hundred (100) percent of the contract price, to satisfy claims of material suppliers and of mechanics and laborers employed by the Contractor to perform the work.
 - A. UNSATISFACTORY SURETIES - Should any Surety, at any time, be deemed unsatisfactory by SCAQMD, notice will be given to the Contractor to that effect. No further payments shall be deemed due, or will be made under the Contract until a new Surety shall qualify and be accepted by SCAQMD.
 - B. EFFECT OF CHANGES IN THE WORK/EXTENSIONS OF TIME ON THE SURETY - Changes in the work, or extensions of time, made pursuant to the Contract, shall in no way release the Contractor or the Surety from their obligations under the bond. Notice of such changes or extensions shall be waived by the Surety.

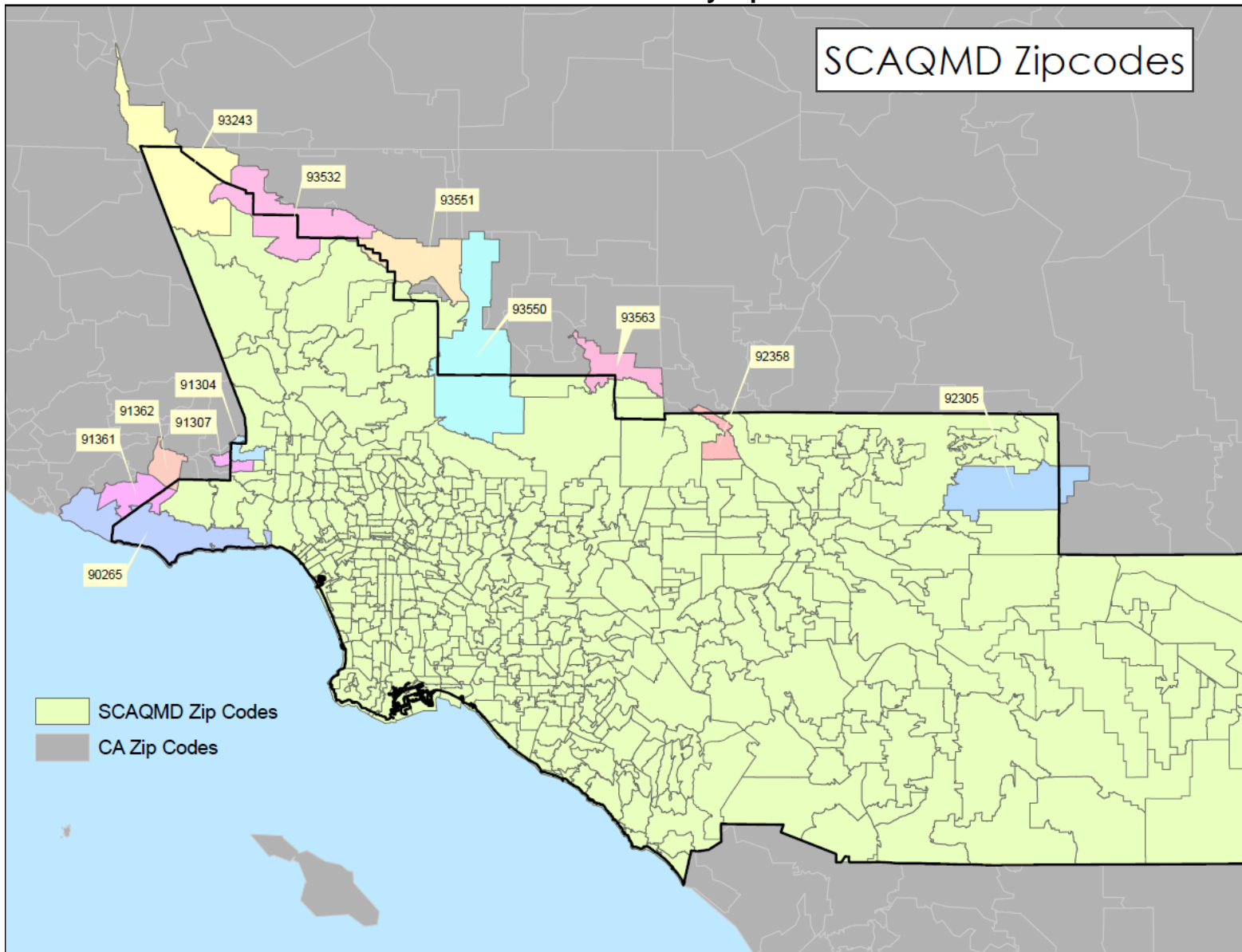
SECTION X: FUNDING

The total funding for the work contemplated by this RFP will be approximately \$61 Million.

SECTION XI: SAMPLE CONTRACT

A sample contract to carry out the work described in this RFP is available on SCAQMD's website at <http://www.aqmd.gov/grants-bids> or upon request from the RFP Contact Person (Section II).

SCAQMD Jurisdiction by Zip Code



The map is for illustrative purposes only. Qualifying projects must be in areas defined in AB 1318 as being in 10% poverty AND exposure to 46 $\mu\text{g}/\text{m}^3$ PM10 concentration OR cancer risk of 1,000:1 Million.

ATTACHMENT A

PARTICIPATION IN THE PROCUREMENT PROCESS

A. It is the policy of South Coast Air Quality Management District (SCAQMD) to ensure that all businesses including minority business enterprises, women business enterprises, disabled veteran business enterprises and small businesses have a fair and equitable opportunity to compete for and participate in SCAQMD contracts.

B. Definitions:

The definition of minority, women or disadvantaged business enterprises set forth below is included for purposes of determining compliance with the affirmative steps requirement described in Paragraph G below on procurements funded in whole or in part with federal grant funds which involve the use of subcontractors. The definition provided for disabled veteran business enterprise, local business, small business enterprise, low-emission vehicle business and off-peak hours delivery business are provided for purposes of determining eligibility for point or cost considerations in the evaluation process.

1. "Women business enterprise" (WBE) as used in this policy means a business enterprise that meets all of the following criteria:
 - a. a business that is at least 51 percent owned by one or more women, or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more or women.
 - b. a business whose management and daily business operations are controlled by one or more women.
 - c. a business which is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.
2. "Disabled veteran" as used in this policy is a United States military, naval, or air service veteran with at least 10 percent service-connected disability who is a resident of California.
3. "Disabled veteran business enterprise" (DVBE) as used in this policy means a business enterprise that meets all of the following criteria:
 - a. is a sole proprietorship or partnership of which at least 51 percent is owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51 percent of its stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture's management and control and earnings are held by one or more disabled veterans.
 - b. the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.

- c. is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.
4. "Local business" as used in this policy means a company that has an ongoing business within geographical boundaries of SCAQMD at the time of bid or proposal submittal and performs 90% of the work related to the contract within the geographical boundaries of SCAQMD and satisfies the requirements of subparagraph H below. Proposals for legislative representation, such as in Sacramento, California or Washington D.C. are not eligible for local business incentive points.
5. "Small business" as used in this policy means a business that meets the following criteria:
 - a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
 - A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or
 - A manufacturer with 100 or fewer employees.
 - b. Manufacturer means a business that is both of the following:
 - 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
 - 2) Classified between Codes 311000 and 339000, inclusive, of the North American Industrial Classification System (NAICS) Manual published by the United States Office of Management and Budget, 2007 edition.
6. "Joint ventures" as defined in this policy pertaining to certification means that one party to the joint venture is a DVBE or small business and owns at least 51 percent of the joint venture.
7. "Low-Emission Vehicle Business" as used in this policy means a company or contractor that uses low-emission vehicles in conducting deliveries to SCAQMD. Low-emission vehicles include vehicles powered by electric, compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG), ethanol, methanol, hydrogen and diesel retrofitted with particulate matter (PM) traps.
8. "Off-Peak Hours Delivery Business" as used in this policy means a company or contractor that commits to conducting deliveries to SCAQMD during off-peak traffic hours defined as between 10:00 a.m. and 3:00 p.m.

9. "Benefits Incentive Business" as used in this policy means a company or contractor that provides janitorial, security guard or landscaping services to SCAQMD and commits to providing employee health benefits (as defined below in Section VIII.D.2.d) for full time workers with affordable deductible and co-payment terms.

10. "Minority Business Enterprise" as used in this policy means a business that is at least 51 percent owned by one or more minority person(s), or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more or minority persons.

a. a business whose management and daily business operations are controlled by one or more minority persons.

b. a business which is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.

c. "Minority person" for purposes of this policy, means a Black American, Hispanic American, Native-American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian (including a person whose origins are from India, Pakistan, and Bangladesh), Asian-Pacific-American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, and Taiwan).

11. "Most Favored Customer" as used in this policy means that the SCAQMD will receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services.

12. "Disadvantaged Business Enterprise" as used in this policy means a business that is an entity owned and/or controlled by a socially and economically disadvantaged individual(s) as described by Title X of the Clean Air Act Amendments of 1990 (42 U.S.C. 7601 note) (10% statute), and Public Law 102-389 (42 U.S.C. 4370d)(8% statute), respectively;

a Small Business Enterprise (SBE);

a Small Business in a Rural Area (SBRA);

a Labor Surplus Area Firm (LSAF); or

a Historically Underutilized Business (HUB) Zone Small Business Concern, or a concern under a successor program.

C. Under Request for Quotations (RFQ), DVBEs, DVBE business joint ventures, small businesses, and small business joint ventures shall be granted a preference in an amount equal to 5% of the lowest cost responsive bid. Low-Emission Vehicle Businesses shall be granted a preference in an amount equal to 5 percent of the lowest cost responsive bid. Off-Peak Hours Delivery Businesses shall be granted a preference in an amount equal to 2 percent of the lowest cost responsive bid. Local businesses (if the procurement is not funded in whole or in part by federal grant funds) shall be granted a preference in an amount equal to 2% of the lowest cost responsive bid. Businesses offering Most Favored Customer

status shall be granted a preference in an amount equal to 2 percent of the lowest cost responsive bid.

- D. Under Request for Proposals, DVBEs, DVBE joint ventures, small businesses, and small business joint ventures shall be awarded ten (10) points in the evaluation process. A non-DVBE or large business shall receive seven (7) points for subcontracting at least twenty-five (25%) of the total contract value to a DVBE and/or small business. Low-Emission Vehicle Businesses shall be awarded five (5) points in the evaluation process. On procurements which are not funded in whole or in part by federal grant funds local businesses shall receive five (5) points. Off-Peak Hours Delivery Businesses shall be awarded two (2) points in the evaluation process. Businesses offering Most Favored Customer status shall be awarded two (2) points in the evaluation process.
- E. SCAQMD will ensure that discrimination in the award and performance of contracts does not occur on the basis of race, color, sex, national origin, marital status, sexual preference, creed, ancestry, medical condition, or retaliation for having filed a discrimination complaint in the performance of SCAQMD contractual obligations.
- F. SCAQMD requires Contractor to be in compliance with all state and federal laws and regulations with respect to its employees throughout the term of any awarded contract, including state minimum wage laws and OSHA requirements.
- G. When contracts are funded in whole or in part by federal funds, and if subcontracts are to be let, the Contractor must comply with the following, evidencing a good faith effort to solicit disadvantaged businesses. Contractor shall submit a certification signed by an authorized official affirming its status as a MBE or WBE, as applicable, at the time of contract execution. SCAQMD reserves the right to request documentation demonstrating compliance with the following good faith efforts prior to contract execution.
 - 1. Ensure Disadvantaged Business Enterprises (DBEs) are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities. For Indian Tribal, State and Local Government recipients, this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.
 - 2. Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitations for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.
 - 3. Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs. For Indian Tribal, State and Local Government recipients, this will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.
 - 4. Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.

5. Using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
 6. If the prime contractor awards subcontracts, require the prime contractor to take the above steps.
- H. To the extent that any conflict exists between this policy and any requirements imposed by federal and state law relating to participation in a contract by a certified MBE/WBE/DVBE as a condition of receipt of federal or state funds, the federal or state requirements shall prevail.
- I. When contracts are not funded in whole or in part by federal grant funds, a local business preference will be awarded. For such contracts that involve the purchase of commercial off-the-shelf products, local business preference will be given to suppliers or distributors of commercial off-the-shelf products who maintain an ongoing business within the geographical boundaries of SCAQMD. However, if the subject matter of the RFP or RFQ calls for the fabrication or manufacture of custom products, only companies performing 90% of the manufacturing or fabrication effort within the geographical boundaries of SCAQMD shall be entitled to the local business preference. Proposals for legislative representation, such as in Sacramento, California or Washington D.C. are not eligible for local business incentive points.
- J. In compliance with federal fair share requirements set forth in 40 CFR Part 33, SCAQMD shall establish a fair share goal annually for expenditures with federal funds covered by its procurement policy.

ATTACHMENT B



South Coast Air Quality Management District

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

Business Information Request

Dear SCAQMD Contractor/Supplier:

South Coast Air Quality Management District (SCAQMD) is committed to ensuring that our contractor/supplier records are current and accurate. If your firm is selected for award of a purchase order or contract, it is imperative that the information requested herein be supplied in a timely manner to facilitate payment of invoices. In order to process your payments, we need the enclosed information regarding your account. **Please review and complete the information identified on the following pages, remember to sign all documents for our files, and return them as soon as possible to the address below:**

**Attention: Accounts Payable, Accounting Department
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178**

If you do not return this information, we will not be able to establish you as a vendor. This will delay any payments and would still necessitate your submittal of the enclosed information to our Accounting department before payment could be initiated. Completion of this document and enclosed forms would ensure that your payments are processed timely and accurately.

If you have any questions or need assistance in completing this information, please contact Accounting at (909) 396-3777. We appreciate your cooperation in completing this necessary information.

Sincerely,

Michael B. O'Kelly
Chief Administrative Officer

DH:tm

Enclosures: Business Information Request
Disadvantaged Business Certification
W-9
Form 590 Withholding Exemption Certificate
Federal Contract Debarment Certification
Campaign Contributions Disclosure
Direct Deposit Authorization

REV 2/17



South Coast Air Quality Management District

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

BUSINESS INFORMATION REQUEST

Business Name	
Division of	
Subsidiary of	
Website Address	
Type of Business <i>Check One:</i>	<input type="checkbox"/> Individual <input type="checkbox"/> DBA, Name _____, County Filed in _____ <input type="checkbox"/> Corporation, ID No. _____ <input type="checkbox"/> LLC/LLP, ID No. _____ <input type="checkbox"/> Other _____

REMITTING ADDRESS INFORMATION

Address			
City/Town			
State/Province		Zip	
Phone	() - Ext	Fax	() -
Contact		Title	
E-mail Address			
Payment Name if Different			

All invoices must reference the corresponding Purchase Order Number(s)/Contract Number(s) if applicable and mailed to:

Attention: Accounts Payable, Accounting Department
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178

BUSINESS STATUS CERTIFICATIONS

Federal guidance for utilization of disadvantaged business enterprises allows a vendor to be deemed a small business enterprise (SBE), minority business enterprise (MBE) or women business enterprise (WBE) if it meets the criteria below.

- is certified by the Small Business Administration or
- is certified by a state or federal agency or
- is an independent MBE(s) or WBE(s) business concern which is at least 51 percent owned and controlled by minority group member(s) who are citizens of the United States.

Statements of certification:

As a prime contractor to SCAQMD, (name of business) will engage in good faith efforts to achieve the fair share in accordance with 40 CFR Section 33.301, and will follow the six affirmative steps listed below **for contracts or purchase orders funded in whole or in part by federal grants and contracts.**

1. Place qualified SBEs, MBEs, and WBEs on solicitation lists.
2. Assure that SBEs, MBEs, and WBEs are solicited whenever possible.
3. When economically feasible, divide total requirements into small tasks or quantities to permit greater participation by SBEs, MBEs, and WBEs.
4. Establish delivery schedules, if possible, to encourage participation by SBEs, MBEs, and WBEs.
5. Use services of Small Business Administration, Minority Business Development Agency of the Department of Commerce, and/or any agency authorized as a clearinghouse for SBEs, MBEs, and WBEs.
6. If subcontracts are to be let, take the above affirmative steps.

Self-Certification Verification: Also for use in awarding additional points, as applicable, in accordance with SCAQMD Procurement Policy and Procedure:

Check all that apply:

- | | |
|---|--|
| <input type="checkbox"/> Small Business Enterprise/Small Business Joint Venture | <input type="checkbox"/> Women-owned Business Enterprise |
| <input type="checkbox"/> Local business | <input type="checkbox"/> Disabled Veteran-owned Business Enterprise/DVBE Joint Venture |
| <input type="checkbox"/> Minority-owned Business Enterprise | <input type="checkbox"/> Most Favored Customer Pricing Certification |

Percent of ownership: _____ %

Name of Qualifying Owner(s): _____

State of California Public Works Contractor Registration No. _____ . MUST BE INCLUDED IF BID PROPOSAL IS FOR PUBLIC WORKS PROJECT.

I, the undersigned, hereby declare that to the best of my knowledge the above information is accurate. Upon penalty of perjury, I certify information submitted is factual.

NAME

TITLE

TELEPHONE NUMBER

DATE

Definitions

Disabled Veteran-Owned Business Enterprise means a business that meets all of the following criteria:

- is a sole proprietorship or partnership of which is at least 51 percent owned by one or more disabled veterans, or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture's management and control and earnings are held by one or more disabled veterans.
- the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.
- is a sole proprietorship, corporation, partnership, or joint venture with its primary headquarters office located in the United States and which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.

Joint Venture means that one party to the joint venture is a DVBE and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that DVBE will receive at least 51 percent of the project dollars.

Local Business means a business that meets all of the following criteria:

- has an ongoing business within the boundary of SCAQMD at the time of bid application.
- performs 90 percent of the work within SCAQMD's jurisdiction.

Minority-Owned Business Enterprise means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more minority persons or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more minority persons.
- is a business whose management and daily business operations are controlled or owned by one or more minority person.
- is a business which is a sole proprietorship, corporation, partnership, joint venture, an association, or a cooperative with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

“Minority” person means a Black American, Hispanic American, Native American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian American (including a person whose origins are from India, Pakistan, or Bangladesh), Asian-Pacific American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, or Taiwan).

Small Business Enterprise means a business that meets the following criteria:

- a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
 - **A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or**
 - A manufacturer with 100 or fewer employees.
- b. Manufacturer means a business that is both of the following:
 - 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
 - 2) Classified between Codes 311000 to 339000, inclusive, of the North American Industrial Classification System (NAICS) Manual published by the United States Office of Management and Budget, 2007 edition.

Small Business Joint Venture means that one party to the joint venture is a Small Business and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that the Small Business will receive at least 51 percent of the project dollars.

Women-Owned Business Enterprise means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more women or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more women.
- is a business whose management and daily business operations are controlled or owned by one or more women.
- is a business which is a sole proprietorship, corporation, partnership, or a joint venture, with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

Most Favored Customer as used in this policy means that the SCAQMD will receive at least as favorable pricing, warranties, conditions, benefits and terms as other customers or clients making similar purchases or receiving similar services.

Request for Taxpayer Identification Number and Certification

**Give Form to the
requester. Do not
send to the IRS.**

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
	5 Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	6 City, state, and ZIP code	
	7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)																																																			
Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3.																																																			
Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="10" style="text-align: center;">Social security number</td> </tr> <tr> <td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td> </tr> <tr> <td colspan="10" style="text-align: center;">or</td> </tr> <tr> <td colspan="10" style="text-align: center;">Employer identification number</td> </tr> <tr> <td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td> </tr> </table>	Social security number																				or										Employer identification number																			
Social security number																																																			
or																																																			
Employer identification number																																																			

Part II Certification			
Under penalties of perjury, I certify that:			
<ol style="list-style-type: none"> The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and I am a U.S. citizen or other U.S. person (defined below); and The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct. 			
<p>Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.</p>			
Sign Here	<table style="width: 100%;"> <tr> <td style="width: 60%;">Signature of U.S. person ▶</td> <td style="width: 40%;">Date ▶</td> </tr> </table>	Signature of U.S. person ▶	Date ▶
Signature of U.S. person ▶	Date ▶		

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note. ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

- A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
- B—The United States or any of its agencies or instrumentalities
- C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)
- E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)
- F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
- G—A real estate investment trust
- H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
- I—A common trust fund as defined in section 584(a)
- J—A bank as defined in section 581
- K—A broker
- L—A trust exempt from tax under section 664 or described in section 4947(a)(1)
- M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note. You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

- 1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.
- 2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
- 3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.
- 4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
- 5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹
5. Sole proprietorship or disregarded entity owned by an individual	The actual owner ¹
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The owner ²
	The grantor ¹
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ¹
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.

***Note.** Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

2017 Withholding Exemption Certificate

590

The payee completes this form and submits it to the withholding agent. The withholding agent keeps this form with their records.

Withholding Agent Information

Name

Payee Information

Name

SSN or ITIN FEIN CA Corp no. CA SOS file no.

Address (apt./ste., room, PO box, or PMS no.)

City (if you have a foreign address, see instructions.)

State ZIP code

Exemption Reason

Check only one box.

By checking the appropriate box below, the payee certifies the reason for the exemption from the California income tax withholding requirements on payment(s) made to the entity or individual.

- Individuals — Certification of Residency:**
I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.
- Corporations:**
The corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information D, Definitions.
- Partnerships or Limited Liability Companies (LLCs):**
The partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.
- Tax-Exempt Entities:**
The entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 _____ (insert letter) or Internal Revenue Code Section 501(c) _____ (insert number). If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.
- Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit-Sharing Plans:**
The entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.
- California Trusts:**
At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return. If the trustee or noncontingent beneficiary becomes a nonresident at any time, I will promptly notify the withholding agent.
- Estates — Certification of Residency of Deceased Person:**
I am the executor of the above-named person's estate or trust. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return.
- Nonmilitary Spouse of a Military Servicemember:**
I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

CERTIFICATE OF PAYEE: Payee must complete and sign below.

To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to ftb.ca.gov and search for **privacy notice**. To request this notice by mail, call 800.852.5711.

Under penalties of perjury, I declare that I have examined the information on this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare under penalties of perjury that if the facts upon which this form are based change, I will promptly notify the withholding agent.

Type or print payee's name and title _____ Telephone (____) _____

Payee's signature ► _____ Date _____

2017 Instructions for Form 590

Withholding Exemption Certificate

References in these instructions are to the California Revenue and Taxation Code (R&TC).

General Information

Registered Domestic Partners (RDP) – For purposes of California income tax, references to a spouse, husband, or wife also refer to a Registered Domestic Partner (RDP) unless otherwise specified. For more information on RDPs, get FTB Pub. 737, Tax Information for Registered Domestic Partners.

A Purpose

Use Form 590, Withholding Exemption Certificate, to certify an exemption from nonresident withholding.

Form 590 does not apply to payments of backup withholding. For more information, go to ftb.ca.gov and search for **backup withholding**.

Form 590 does not apply to payments for wages to employees. Wage withholding is administered by the California Employment Development Department (EDD). For more information, go to edd.ca.gov or call 888.745.3886.

Do not use Form 590 to certify an exemption from withholding if you are a **Seller of California real estate**. Sellers of California real estate use Form 593-C, Real Estate Withholding Certificate, to claim an exemption from the real estate withholding requirement.

The following are excluded from withholding and completing this form:

- The United States and any of its agencies or instrumentalities.
- A state, a possession of the United States, the District of Columbia, or any of its political subdivisions or instrumentalities.
- A foreign government or any of its political subdivisions, agencies, or instrumentalities.

B Income Subject to Withholding

California Revenue and Taxation Code (R&TC) Section 18662 requires withholding of income or franchise tax on payments of California source income made to nonresidents of California.

Withholding is required on the following, but is not limited to:

- Payments to nonresidents for services rendered in California.
- Distributions of California source income made to domestic nonresident partners, members, and S corporation shareholders and allocations of California source income made to foreign partners and members.
- Payments to nonresidents for rents if the payments are made in the course of the withholding agent's business.
- Payments to nonresidents for royalties from activities sourced to California.

- Distributions of California source income to nonresident beneficiaries from an estate or trust.
- Endorsement payments received for services performed in California.
- Prizes and winnings received by nonresidents for contests in California.

However, withholding is optional if the total payments of California source income are \$1,500 or less during the calendar year.

For more information on withholding get FTB Pub. 1017, Resident and Nonresident Withholding Guidelines. To get a withholding publication, see Additional Information.

C Who Certifies this Form

Form 590 is certified by the payee. California residents or entities exempt from the withholding requirement should complete Form 590 and submit it to the withholding agent before payment is made. The withholding agent is then relieved of the withholding requirements if the agent relies in good faith on a completed and signed Form 590 unless notified by the Franchise Tax Board (FTB) that the form should not be relied upon.

An incomplete certificate is invalid and the withholding agent should not accept it. If the withholding agent receives an incomplete certificate, the withholding agent is required to withhold tax on payments made to the payee until a valid certificate is received. In lieu of a completed exemption certificate, the withholding agent may accept a letter from the payee as a substitute explaining why they are not subject to withholding. The letter must contain all the information required on the certificate in similar language, including the under penalty of perjury statement and the payee's taxpayer identification number (TIN). The withholding agent must retain a copy of the certificate or substitute for at least five years after the last payment to which the certificate applies, and provide it upon request to the FTB.

If an entertainer (or the entertainer's business entity) is paid for a performance, the entertainer's information must be provided. **Do not** submit the entertainer's agent or promoter information.

The grantor of a grantor trust shall be treated as the payee for withholding purposes. Therefore, if the payee is a grantor trust and one or more of the grantors is a nonresident, withholding is required. If all of the grantors on the trust are residents, no withholding is required. Resident grantors can check the box on Form 590 labeled "Individuals — Certification of Residency."

D Definitions

For California nonwage withholding purposes, **nonresident** includes all of the following:

- Individuals who are not residents of California.
- Corporations not qualified through the California Secretary of State (CA SOS) to do business in California or having no permanent place of business in California.
- Partnerships or limited liability companies (LLCs) with no permanent place of business in California.
- Any trust without a resident grantor, beneficiary, or trustee, or estates where the decedent was not a California resident.

Foreign refers to non-U.S.

For more information about determining resident status, get FTB Pub. 1031, Guidelines for Determining Resident Status.

Military servicemembers have special rules for residency. For more information, get FTB Pub. 1032, Tax Information for Military Personnel.

Permanent Place of Business:

A corporation has a permanent place of business in California if it is organized and existing under the laws of California or it has qualified through the CA SOS to transact intrastate business. A corporation that has not qualified to transact intrastate business (e.g., a corporation engaged exclusively in interstate commerce) will be considered as having a permanent place of business in California only if it maintains a permanent office in California that is permanently staffed by its employees.

E Military Spouse Residency Relief Act (MSRRA)

Generally, for tax purposes you are considered to maintain your existing residence or domicile. If a military servicemember and nonmilitary spouse have the same state of domicile, the MSRRA provides:

- A spouse shall not be deemed to have lost a residence or domicile in any state solely by reason of being absent to be with the servicemember serving in compliance with military orders.
- A spouse shall not be deemed to have acquired a residence or domicile in any other state solely by reason of being there to be with the servicemember serving in compliance with military orders.

Domicile is defined as the one place:

- Where you maintain a true, fixed, and permanent home.
- To which you intend to return whenever you are absent.

A military servicemember's nonmilitary spouse is considered a nonresident for tax purposes if the servicemember and spouse have the same domicile outside of California and the spouse is in California solely to be with the servicemember who is serving in compliance with Permanent Change of Station orders.

California may require nonmilitary spouses of military servicemembers to provide proof that they meet the criteria for California personal income tax exemption as set forth in the MSRRA.

Income of a military servicemember's nonmilitary spouse for services performed in California is not California source income subject to state tax if the spouse is in California to be with the servicemember serving in compliance with military orders, and the servicemember and spouse have the same domicile in a state other than California.

For additional information or assistance in determining whether the applicant meets the MSRRA requirements, get FTB Pub. 1032.

Specific Instructions

Payee Instructions

Enter the withholding agent's name.

Enter the payee's information, including the TIN and check the appropriate TIN box.

You must provide a valid TIN as requested on this form. The following are acceptable TINs: social security number (SSN); individual taxpayer identification number (ITIN); federal employer identification number (FEIN); California corporation number (CA Corp no.); or CA SOS file number.

Private Mail Box (PMB) – Include the PMB in the address field. Write "PMB" first, then the box number. Example: 111 Main Street PMB 123.

Foreign Address – Follow the country's practice for entering the city, county, province, state, country, and postal code, as applicable, in the appropriate boxes. Do not abbreviate the country name.

Exemption Reason – Check the box that reflects the reason why the payee is exempt from the California income tax withholding requirement.

Withholding Agent Instructions

Do not send this form to the FTB. The withholding agent retains this form for a minimum of five years or until the payee's status changes, and must provide this form to the FTB upon request.

The payee must notify the withholding agent if any of the following situations occur:

- The individual payee becomes a nonresident.
- The corporation ceases to have a permanent place of business in California or ceases to be qualified to do business in California.

- The partnership ceases to have a permanent place of business in California.
- The LLC ceases to have a permanent place of business in California.
- The tax-exempt entity loses its tax-exempt status.

If any of these situations occur, then withholding may be required. For more information, get Form 592, Resident and Nonresident Withholding Statement, Form 592-B, Resident and Nonresident Withholding Tax Statement, and Form 592-V, Payment Voucher for Resident and Nonresident Withholding.

Additional Information

Website: For more information go to ftb.ca.gov and search for **nonwage**. **MyFTB** offers secure online tax account information and services. For more information and to register, go to ftb.ca.gov and search for **myftb**.

Telephone: 888.792.4900 or 916.845.4900, Withholding Services and Compliance phone service

Fax: 916.845.9512

Mail: WITHHOLDING SERVICES AND COMPLIANCE MS F182
FRANCHISE TAX BOARD
PO BOX 942867
SACRAMENTO CA 94267-0651

For questions unrelated to withholding, or to download, view, and print California tax forms and publications, or to access the TTY/TDD numbers, see the information below.

Internet and Telephone Assistance

Website: ftb.ca.gov

Telephone: 800.852.5711 from within the United States
916.845.6500 from outside the United States

TTY/TDD: 800.822.6268 for persons with hearing or speech impairments

Asistencia Por Internet y Teléfono

Sitio web: ftb.ca.gov

Teléfono: 800.852.5711 dentro de los Estados Unidos
916.845.6500 fuera de los Estados Unidos

TTY/TDD: 800.822.6268 para personas con discapacidades auditivas o de habla

Certification Regarding Debarment, Suspension, and Other Responsibility Matters

The prospective participant certifies to the best of its knowledge and belief that it and the principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three year period preceding this proposal been convicted of or had a civil judgement rendered against them or commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction: violation of Federal or State antitrust statute or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- (d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine of up to \$10,000 or imprisonment for up to 5 years, or both.

Typed Name & Title of Authorized Representative

Signature of Authorized Representative Date

I am unable to certify to the above statements. My explanation is attached.



CAMPAIGN CONTRIBUTIONS DISCLOSURE

In accordance with California law, bidders and contracting parties are required to disclose, at the time the application is filed, information relating to any campaign contributions made to South Coast Air Quality Management District (SCAQMD) Board Members or members/alternates of the MSRC, including: the name of the party making the contribution (which includes any parent, subsidiary or otherwise related business entity, as defined below), the amount of the contribution, and the date the contribution was made. 2 C.C.R. §18438.8(b).

California law prohibits a party, or an agent, from making campaign contributions to SCAQMD Governing Board Members or members/alternates of the Mobile Source Air Pollution Reduction Review Committee (MSRC) of more than \$250 while their contract or permit is pending before SCAQMD; and further prohibits a campaign contribution from being made for three (3) months following the date of the final decision by the Governing Board or the MSRC on a donor's contract or permit. Gov't Code §84308(d). For purposes of reaching the \$250 limit, the campaign contributions of the bidder or contractor plus contributions by its parents, affiliates, and related companies of the contractor or bidder are added together. 2 C.C.R. §18438.5.

In addition, SCAQMD Board Members or members/alternates of the MSRC must abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant to the proceeding, or agent, totaling more than \$250 in the 12-month period prior to the consideration of the item by the Governing Board or the MSRC. Gov't Code §84308(c).

The list of current SCAQMD Governing Board Members can be found at SCAQMD website (www.aqmd.gov). The list of current MSRC members/alternates can be found at the MSRC website (<http://www.cleantransportationfunding.org>).

SECTION I.

Contractor (Legal Name): _____

DBA, Name _____, County Filed in _____ Corporation, ID No. _____ LLC/LLP, ID No. _____
--

List any parent, subsidiaries, or otherwise affiliated business entities of Contractor:
(See definition below).

SECTION II.

Has Contractor and/or any parent, subsidiary, or affiliated company, or agent thereof, made a campaign contribution(s) totaling \$250 or more in the aggregate to a current member of the South Coast Air Quality Management Governing Board or member/alternate of the MSRC in the 12 months preceding the date of execution of this disclosure?

Yes No **If YES, complete Section II below and then sign and date the form. If NO, sign and date below. Include this form with your submittal.**

Campaign Contributions Disclosure, continued:

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution
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Name of Contributor _____

Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution
---	------------------------	----------------------

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution
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Name of Contributor _____

Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution
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I declare the foregoing disclosures to be true and correct.

By: _____

Title: _____

Date: _____

DEFINITIONS

Parent, Subsidiary, or Otherwise Related Business Entity (2 Cal. Code of Regs., §18703.1(d).)

- (1) Parent subsidiary. A parent subsidiary relationship exists when one corporation directly or indirectly owns shares possessing more than 50 percent of the voting power of another corporation.
- (2) Otherwise related business entity. Business entities, including corporations, partnerships, joint ventures and any other organizations and enterprises operated for profit, which do not have a parent subsidiary relationship are otherwise related if any one of the following three tests is met:
 - (A) One business entity has a controlling ownership interest in the other business entity.
 - (B) There is shared management and control between the entities. In determining whether there is shared management and control, consideration should be given to the following factors:
 - (i) The same person or substantially the same person owns and manages the two entities;
 - (ii) There are common or commingled funds or assets;
 - (iii) The business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis;
 - (iv) There is otherwise a regular and close working relationship between the entities; or
 - (C) A controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178

STEP 1: Please check all the appropriate boxes

- | | |
|--|--|
| <input type="checkbox"/> Individual (Employee, Governing Board Member) | <input type="checkbox"/> New Request |
| <input type="checkbox"/> Vendor/Contractor | <input type="checkbox"/> Cancel Direct Deposit |
| <input type="checkbox"/> Changed Information | |

STEP 2: Payee Information

Last Name		First Name		Middle Initial	Title
Vendor/Contractor Business Name (if applicable)					
Address				Apartment or P.O. Box Number	
City		State	Zip	Country	
Taxpayer ID Number		Telephone Number		Email Address	

Authorization

- I authorize South Coast Air Quality Management District (SCAQMD) to direct deposit funds to my account in the financial institution as indicated below. I understand that the authorization may be rejected or discontinued by SCAQMD at any time. If any of the above information changes, I will promptly complete a new authorization agreement. If the direct deposit is not stopped before closing an account, funds payable to me will be returned to SCAQMD for distribution. This will delay my payment.
- This authorization remains in effect until SCAQMD receives written notification of changes or cancellation from you.
- I hereby release and hold harmless SCAQMD for any claims or liability to pay for any losses or costs related to insufficient fund transactions that result from failure within the Automated Clearing House network to correctly and timely deposit monies into my account.

STEP 3:

You must verify that your bank is a member of an Automated Clearing House (ACH). Failure to do so could delay the processing of your payment. You must attach a voided check or have your bank complete the bank information and the account holder must sign below.

To be Completed by your Bank

Staple Voided Check Here	Name of Bank/Institution				
	Account Holder Name(s)				
	<input type="checkbox"/> Saving <input type="checkbox"/> Checking		Account Number	Routing Number	
	Bank Representative Printed Name		Bank Representative Signature		Date
	ACCOUNT HOLDER SIGNATURE:				Date

For SCAQMD Use Only

Input By _____

Date _____

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 4

PROPOSAL: Transfer and Appropriate Funds, Issue Purchase Orders for Monitoring and Lab Equipment, Approve Surrender of Fixed Assets, and Execute or Amend Contract for Monitoring Services

SYNOPSIS: A variety of field monitoring equipment is used to identify, characterize and quantify emissions. These tools are particularly useful when inspecting sources associated with petroleum production, refining, loading and distribution, which have fugitive emissions and are sometimes the source of public complaints. Additional monitoring services and equipment as well as laboratory supplies are needed to identify potential sources of odors and ensure compliance during routine inspections. This action is to transfer and appropriate funding up to \$561,000 from the Rule 1173 Mitigation Fee Special Revenue Fund (44) and \$10,000 from the AES Settlement Projects Fund (35) to Compliance & Enforcement's and Science & Technology Advancement's FY 2017-18 Budgets to purchase supplies and issue purchase orders for equipment. These actions are to also issue purchase orders up to \$542,000 for equipment and authorize surrender of five existing Toxic Vapor Analyzers (TVAs) for a credit toward new TVAs. Finally, this action is to execute or amend a contract with FluxSense, Inc., in an amount not to exceed \$55,000 from the AES Settlement Projects Fund (35) for professional monitoring services related to shoreline odors.

COMMITTEE: Administrative, December 8, 2017; Recommended for Approval

RECOMMENDED ACTIONS:

1. Transfer and appropriate funding up to \$561,000 from the Rule 1173 Mitigation Fee Special Revenue Fund (44) to the following FY 2017-18 General Fund Budgets for equipment and training:
 - a. Compliance & Enforcement: \$426,000 to Capital Outlays Major Object and \$19,000 to Services and Supplies Major Object, Training Account.
 - b. Science & Technology Advancement: \$116,000 to Capital Outlays Major Object.

2. Transfer and appropriate funding up to \$10,000 from the AES Settlement Projects Fund (35) to Science & Technology Advancement's FY 2017-18 Budget, Services and Supplies Major Object, Lab Supplies Account, to purchase up to 12 Summa canisters for shoreline odor issues.
3. Authorize the Procurement Manager, in accordance with SCAQMD Procurement Policy and Procedure, to issue sole source purchase orders to the following entities:
 - a. FLIR Commercial Systems for the purchase of three optical gas imaging cameras for an amount not to exceed \$342,000.
 - b. Thermo Environmental Instruments for the purchase of ten TVAs for an amount not to exceed \$200,000.
4. Authorize surrender of five existing fixed assets to Thermo Environmental Instruments for a \$5,000 credit towards the purchase of the new TVAs.
5. Execute or amend a contract with FluxSense, Inc., in an amount not to exceed \$55,000 from the AES Settlement Projects Fund (35) for professional monitoring services related to shoreline odor issues.

Wayne Natri
Executive Officer

BG:SC

Background

Monitoring and Lab Equipment Purchases

Staff uses various field monitoring equipment to enhance field compliance programs through the ability to more easily identify sources of fugitive emissions as well as to characterize and quantify such emissions. This has been particularly true in recent years, as staff has used new portable technologies to better understand the fugitive emissions from sources and re-evaluate current methodologies and requirements used to identify and mitigate these emissions.

One example is the optical gas imaging (OGI) infrared camera, which has changed the manner in which SCAQMD screens for fugitive VOC emissions. Staff used a camera manufactured by FLIR Commercial Systems (FLIR) to monitor the natural gas emissions at the Southern California Gas (SoCalGas) Aliso Canyon underground reservoir during the leak at Well #SS-25 in 2015-2016. Infrared videos from the OGI camera, displaying an opaque smoke-like material emanating from the leaking well (not visible to the human eye), were often included by media outlets in their reports. The FLIR camera has since been used at petroleum-related facilities to effectively detect VOC fugitive emissions that may have traditionally gone unidentified.

On July 17, 2017, the Office of Administrative Law approved CARB's regulation for Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities. This regulation includes the use of OGI technology to detect fugitive leaks at, among other sources, underground natural gas reservoirs. The SCAQMD will enforce this regulation, establishing further need for the OGI technology. Currently, SCAQMD has a single OGI camera manufactured by FLIR, which has been extremely useful in evaluating VOC emissions from petroleum refining, storage, loading and transportation operations. Staff is requesting to purchase three additional FLIR OGI cameras; one GF320 unit and two GFx320 intrinsically safe cameras (i.e., designed for usability in areas with potentially hazardous/explosive conditions). One GFx320 would be provided to SCAQMD monitoring staff and the remaining two cameras would be assigned to compliance. The GFx320 camera is needed at refineries and select facilities requiring intrinsically safe devices.

Another effective compliance tool in identifying fugitive VOC emissions is the Toxic Vapor Analyzer (TVA), a portable surface gas detection instrument used by SCAQMD since the 1980s to verify compliance at approximately 80 active and 700 inactive landfill sites, approximately 350 petroleum, oil and gas facilities, approximately 80 bulk loading facilities, 7 offshore drilling platforms and 8 petroleum refineries. The SCAQMD currently has 24 TVAs in inventory (including Models 1000B and 2020), all manufactured by Thermo Scientific Instruments (Thermo) and many date back to 2002. Eight of these units (TVA 2020s) were recently purchased and deployed to field staff. These limited monitoring resources are often shared by field compliance staff, which can hinder staff's ability to make timely compliance determinations. The number of available TVAs is reduced further as the older 1000B units are routinely returned to the manufacturer for servicing and repair due to their age. In fact, the manufacturer will discontinue support of these older units within a year, further highlighting the need to replace this old equipment.

The TVA 2020 is both a flame ionizing detector (FID) and photo ionizing detector (PID) and includes global positioning system (GPS) and Bluetooth wireless technologies. The addition of the PID provides staff with the flexibility to use the monitors for multiple applications, reducing the need to acquire a second device. One such application is the monitoring conducted at refineries, during which an FID is typically used to monitor for fugitive VOC leaks. However, the inspection of a refinery's wastewater systems (per Rule 1176) requires that the reading of any fugitive VOC leaks not include methane emissions, which is not possible with an FID. Inspectors encountering a suspect noncompliant fugitive VOC leak are required to obtain and analyze a sample prior to taking compliance action. Methane emissions are typically invisible to the PID, therefore using the dual (FID/PID) detection TVA would provide the inspector with the opportunity to subtract out methane emissions, instantaneously identify potential violations and take immediate compliance action when excessive fugitive leaks are encountered. This would also reduce the number of

samples collected and submitted to the laboratory for analysis, at a significant cost savings to the SCAQMD. The GPS technology pinpoints each sample location, which is necessary to comply with 40 CFR Part 60 requirements for sampling at landfills. Finally, the Bluetooth option would enable staff to upload results directly to a laptop.

Shoreline Odor Events

Between the period January 1, 2016 and September 25, 2017, SCAQMD received over 1,000 complaints from residents in Seal Beach and the immediate areas regarding petroleum odors from unknown, offshore sources. The vast majority of these complaints could not be traced back to any land-based facility or other known source. Staff has established and maintained regular communications with the fire departments and cities in these areas, and provided air sample collection devices to some fire departments and citizens to be used to collect air samples during odor events.

As part of the ongoing investigation of these complaints, staff provided a limited number of Summa canisters to some fire departments in the affected areas. A Summa canister is a stainless steel electropolished passivated vessel used to collect a whole air sample. To collect a sample, the Summa canister valve is opened and the canister is left in a designated area for a period of time to allow the surrounding air to fill the canister and achieve a representative sample. It is anticipated that the deployment of additional units would increase the chances of obtaining needed samples during the odor events to help determine the nature of these emissions. Staff proposes purchasing up to 12 Summa canisters for this purpose and other investigations.

Furthermore, at the September 2017 Board meeting, members of the public shared community concerns about shoreline odor events and requested that monitoring be established on the shorelines in these areas to identify the constituents and concentrations of the odors and to assist in the identification of the sources of these emissions. SCAQMD previously contracted with FluxSense, Inc., to conduct a comprehensive study to characterize and quantify emissions from refineries, tanks farms, oil fields, gas stations, the Ports of Los Angeles and Long Beach, and ship stacks using optical remote sensing (ORS) on a mobile platform. The project resulted in an unprecedented dataset documenting actual emissions of VOCs, NO₂, SO₂ and air toxics such as benzene from the above-mentioned sources. The project also highlighted the usefulness of conducting mobile survey measurements with optical methods to identify emission sources and hot spots in real time. FluxSense's proprietary Solar Occultation Flux (SOF) method is one of multiple ORS technologies which can be used to identify and quantify VOC emissions from individual sources of various sizes. During this study, in addition to ground-based measurements, SOF was also deployed on a ship to measure VOC emissions from oil islands off the coast of Long Beach. A similar approach can be used to identify and quantify VOC emissions from oil tankers off the coast of Long Beach, Seal Beach, and Huntington Beach. Staff proposes to contract with FluxSense for professional monitoring services related to shoreline odor events.

Proposal

Monitoring and Lab Equipment Purchases

This action is to transfer up to \$561,000 from the Rule 1173 Mitigation Fee Special Revenue Fund (44) to the FY 2017-18 General Fund and appropriate up to \$445,000 to Compliance & Enforcement's FY 2017-18 Budget, with \$426,000 allocated to Capital Outlays Major Object and \$19,000 to Services and Supplies Major Object, Training Account, and appropriate up to \$116,000 to Science & Technology Advancement's FY 2017-18 Budget, with \$116,000 to Capital Outlays Major Object. Sole source purchase orders up to \$542,000 will be issued by the Procurement Manager, in accordance with SCAQMD Procurement Policy and Procedure, for monitoring and lab equipment and to authorize the surrender of five existing TVAs for a credit toward new TVAs.

The purchases will include one GF320 infrared camera and two GFx320 intrinsically safe (i.e., ignition-preventive) infrared cameras from FLIR Commercial Systems in an amount not to exceed \$342,000. Included in the fund transfer is up to \$19,000 to be allocated for staff training on the use of the new cameras. Finally, ten TVAs will be purchased from Thermo in an amount not to exceed \$200,000.

For each new TVA 2020 purchased, Thermo will provide the SCAQMD with a \$1,000 trade-in allowance for each existing TVA 1000B surrendered to the manufacturer at the time of purchase. Five of the remaining 1000B units purchased from Thermo have a zero-net book value and will be used for this purpose. Since the current TVAs are listed as fixed assets, Board approval is required to remove the following units from the SCAQMD inventory and surrender them to Thermo for a total credit of \$5,000 towards the purchase of the ten new TVA 2020 units.

Fixed Assets for Surrender/Disposal

Asset ID	Tag#	Description	Cost	Date Purchased	Net Book Value *	Disposition
000000004138	0016790	Analyzer, Toxic Vapor TVA 1000B	\$9,874.21	9/3/2010	\$0.00	Scrap
000000003914	0016693	Analyzer, Toxic Vapor TVA 1000B	\$9,389.86	12/5/2007	\$0.00	Scrap
000000003904	0016690	Analyzer, Toxic Vapor TVA 1000B	\$9,388.83	9/25/2007	\$0.00	Scrap
000000003915	0016694	Analyzer, Toxic Vapor TVA 1000B	\$9,389.85	12/5/2007	\$0.00	Scrap
000000003694	0016624	Analyzer, Toxic Vapor TVA 1000B	\$9,143.00	4/26/2005	\$0.00	Scrap
Total Obsolete or Non-repairable Equipment			\$47,185.75		\$0.00	

* Net Book Value represents historical cost reduced by estimated depreciation. It is expected that these items will be returned for a purchase credit.

Shoreline Odor Events

This action is to transfer up to \$10,000 from the AES Settlement Projects Fund (35) to Science & Technology Advancement's FY 2017-18 Budget, Services and Supplies Major Object, Lab Supplies Account, to purchase up to 12 Summa canisters for shoreline odor issues.

Finally, this action is to execute or amend a contract with FluxSense, Inc., in an amount not to exceed \$55,000 from the AES Settlement Projects Fund (35) for professional monitoring services related to shoreline odors. FluxSense, Inc., will conduct a two-week monitoring survey of VOC emissions from oil tankers idling off the coast of Long Beach, Seal Beach and Huntington Beach. Mobile land-based (in a van) and off-shore (on a vessel) measurements will be carried out using FluxSense's proprietary SOF method. For the first half of this survey, emissions from individual ships will be studied by an SOF system installed on a boat. VOC emissions from oil tanker ships will be investigated during various types of operations, including fueling, loading/unloading and idling. The second portion of the survey will be for on-land mobile ORS measurements along the coasts of Long Beach, Seal Beach and Huntington Beach. If elevated levels of pollutants are detected, their source(s) will be further investigated. FluxSense's proprietary SOF method is currently the only one on the market capable of performing mobile VOC measurements in real time and is ideal to fulfill the strict technical requirements of this study.

Sole Source Justification

Section VIII.B.2. of the Procurement Policy and Procedure identifies provisions under which a sole source award may be justified. The request for sole source awards in this Board letter is made under the provisions Section VII.B.2.c(1): The unique experience and capabilities of the proposed contractor or contractor team.

FLIR Cameras

For at least a decade, staff have used an OGI camera manufactured by FLIR Commercial Systems (FLIR) to detect fugitive emission leaks at refineries, natural gas storage facilities, and oil and gas production sites. The FLIR camera was an essential tool during the investigation of the SoCalGas Aliso Canyon natural gas leak and has since been deployed on a wider variety of inspections and complaint investigations. SCAQMD currently owns one operational FLIR camera, which was purchased in early 2016 for use in the SoCalGas Aliso Canyon gas leak investigation. The GF320 camera is the only system that meets all of the application requirements for ease of use and seamless integration into SCAQMD's existing programs. In addition, FLIR is the leading manufacturer of this type of equipment in the world, and staff believes that FLIR is best positioned to offer the long-term service and training the SCAQMD needs for this type of equipment. The FLIR cameras can detect the following gases at the minimum detected leak rates (MDLR) as shown in the following table:

Compound	MDLR (grams/hr)	Compound	MDLR (grams/hr)
Methane	0.8	Benzene	3.5
Butane	0.4	Ethane	0.6
Ethanol	0.7	Ethylbenzene	1.5
Ethylene	4.4	Heptane	1.8
Hexane	1.7	Isoprene	8.1
MEK	3.5	1-Pentene	5.6
Methanol	3.8	MIBK	2.1
Octane	1.2	Pentane	3.0

Toxic Vapor Analyzers

Thermo Environmental Instruments is the sales arm of Thermo Fischer Scientific, the manufacturers of the TVA 2020. The SCAQMD has used instruments manufactured by Thermo since the late 1990s to ensure compliance at petroleum-related operations. Staff's comparison of competitive units found the TVA 2020 to be the only FID that includes the PID and GPS functionality. The fully equipped TVA 2020 is approximately the same final cost as the base units of competitors with FID functionality only. Thermo is providing the SCAQMD with a \$5,000 trade-in allowance for five older units. The TVA 2020 is a unique product that is only available from a single source.

Contract with FluxSense, Inc.

SCAQMD currently contracts with FluxSense, Inc., to apply next-generation air monitoring methods to characterize hazardous air pollutant emissions from refineries and assess potential impacts to surrounding communities. Given their current work with SCAQMD coupled with their proprietary SOF method, FluxSense possesses unique experience and capabilities to perform the needed professional monitoring services related to shoreline odor issues. Staff may execute a new contract with FluxSense or amend the current contract.

Resource Impacts

Upon Board approval, the amount of \$561,000 will be made available from the Rule 1173 Mitigation Fee Special Revenue Fund (44) for the purchase of cameras with related training as well as TVAs; and \$65,000 will be made available from the AES Settlement Projects Fund (35) for canisters and the contract with FluxSense, Inc.

Rule 1173 established a mitigation fee payment provision relating to the release of VOC from an atmospheric Pressure Relief Device (PRD) at refineries and chemical plants. The Rule 1173 Mitigation Special Revenue Fund (44) was established specifically for this funding source and is to be used to fund air quality projects which directly benefit the community surrounding the facility, which would apply to the ongoing use of this equipment for field compliance programs. The Rule 1173 Mitigation Fee Special Revenue Fund (44) as of October 2017 has a balance of \$3,322,166 excluding any

Board actions that have not been encumbered. Unused funds will be returned to the Rule 1173 Mitigation Fee Special Revenue Fund (44).

The use of the AES Settlement Projects Fund (35) is not restricted by the applicable statutes or settlement agreement. However, while in the past the Board had restricted the use of these funds for fleet rules, they have the authority to direct use of the monies in the AES Settlement Projects Fund (35) for other priorities and have previously done so (i.e., June 2017 action to use funds to procure laboratory and monitoring equipment). The AES Settlement Projects Fund (35) as of October 2017 has a balance of \$554,469 excluding any Board actions that have not been encumbered. Unused funds will be returned to the AES Settlement Projects Fund (35).

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 5

PROPOSAL: Recognize Revenue and Appropriate Funds to Maintain, Improve and Expand Existing Low-Cost Sensor Network for Monitoring PM Emissions

SYNOPSIS: SCAQMD and Rainbow Transfer Recycling, Inc., (Rainbow) have entered into a Stipulated Order for Abatement to resolve their dispute over application of Rule 410 and to achieve compliance with the Rule's enclosure requirement. The Order for Abatement also included \$70,000 from Rainbow for an air monitoring study to measure potential fugitive PM emissions from the facility using low-cost sensors. This action is to recognize \$70,000 in revenue and appropriate \$70,000 to the Science & Technology Advancement's FYs 2017-18 and/or 2018-19 Budgets to support and expand the existing fence-line PM sensor network and deploy sensors in nearby communities.

COMMITTEE: Administrative, December 8, 2017; Recommended for Approval

RECOMMENDED ACTION:

Recognize revenue, upon receipt, up to \$70,000 into the General Fund and appropriate up to \$70,000 from the General Fund Unassigned (Undesignated) Fund Balance into Science & Technology Advancement's FYs 2017-18 and/or 2018-19 Budget (Org 43) as follows: \$30,000 to the Services and Supplies Major Object, Small Tools, Instruments and Equipment Account and \$40,000 to the Capital Outlays Major Object, Capital Outlays Account.

Wayne Natri
Executive Officer

Background

Rainbow Transfer Recycling, Inc., (Rainbow) is a waste disposal and recycling facility located in Huntington Beach. SCAQMD has issued several Notices of Violation (NOVs) to Rainbow for creating a public nuisance for odor and potential fugitive PM emissions, not conducting part of their operations under a required enclosure, and allegedly violating District Rules 402 and 410 as well as Health and Safety Code Section 41700. In 2016, SCAQMD and Rainbow entered into a Stipulated Order for Abatement to resolve the NOVs received.

One of the agreements set forth in the Order for Abatement required Rainbow to contribute \$40,000 to SCAQMD's General Fund for an air monitoring study to measure potential fugitive PM emissions. The SCAQMD Board recognized these funds in March 2016 to initiate the research, development and implementation of a fenceline monitoring network. SCAQMD staff identified potential PM sensors and developed a platform for monitoring fugitive dust emissions from the fenceline of the facility. In June 2016, staff installed a network of nine fully autonomous (i.e., solar power and wireless data communication) sensor units that measure PM10, PM2.5 and PM1.0 at the fenceline of the Rainbow facility. The sensors, however, require ongoing monthly maintenance and quality control checks to guarantee the correct operation of the network, in addition to periodic replacement of sensor and data communication components.

Recently, SCAQMD and Rainbow entered into another Stipulated Order for Abatement. One of the agreements set forth in the Order for Abatement requires Rainbow to contribute \$70,000 to SCAQMD's General Fund to continue maintaining and improving the current network of air monitors at Rainbow and to include additional sensor units in nearby communities.

Proposal

This action is to recognize \$70,000 in revenue into the General Fund and appropriate \$70,000 into Science & Technology Advancement's FYs 2017-18 and/or 2018-19 Budgets to support ongoing project activities and expand the current monitoring network in and around the Rainbow facility. Ongoing project expenses include the monthly maintenance of the sensors, periodic replacement of the sensors and related components, and monthly cost for data collection, validation, storage, analytics and mapping.

The proposed enhancements for this project include two additional components that will improve upon the current monitoring efforts. First, staff proposes to design and implement a community monitoring project with a network of 20 to 30 low-cost PM sensors to be deployed in communities that may be impacted by fugitive PM emissions from Rainbow. This will provide additional points of measurements within these communities including both upwind and downwind locations. The second enhancement

will take place in the form of purchasing and installing a Federal Equivalent Method (FEM) PM instrument to provide continuous real-time PM concentrations on or near the facility. The FEM PM analyzer would provide insights for characterizing the low-cost sensors with regard to accuracy, precision and sensor degradation over time. The FEM analyzer will bring reference data to the project to assess the quality of the low-cost sensor data.

This project provides the operator and SCAQMD with real-time feedback on potential fugitive PM emissions originating from the facility and an opportunity to optimize ongoing PM control efforts. Data will be monitored in real time at one-minute time resolution and email alerts will be sent to SCAQMD staff when PM levels exceed a pre-defined threshold.

Benefits to SCAQMD

This work will provide detailed monitoring information on potential PM emissions from Rainbow, allow mapping of ambient PM levels from the facility, and measure the efficacy of PM control efforts with the ultimate goal of ensuring improved compliance, better air quality, and reduced complaints from neighboring communities. Additionally, it will serve as a template for developing future air monitoring networks based on low-cost sensor technology for stationary sources and provide real-time feedback on the efficiency of mitigation efforts undertaken.

Resource Impacts

Sufficient funding for this effort is available from the Stipulated Order for Abatement between Rainbow and SCAQMD. Upon Board approval, the revenue from Rainbow will be recognized into the General Fund and appropriated into Science & Technology Advancement's FYs 2017-18 and/or 2018-19 Budgets as follows: \$30,000 to the, Services and Supplies Major Object, Small Tools, Instruments and Equipment Account, and \$40,000 to the Capital Outlays Major Object, Capital Outlays Account.

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 6

PROPOSAL: Amend Contracts for Legislative Representation in Washington, D.C.

SYNOPSIS: The current contracts for legislative and regulatory representation in Washington, D.C. with Kadesh & Associates, LLC, Cassidy & Associates, and Carmen Group Inc. will expire on January 14, 2018. Each of these contracts includes an option for two one-year extensions. This action is to consider approval of the second one-year extension of the existing contracts for Calendar Year 2018 with Carmen Group Inc., Kadesh & Associates, LLC, and Cassidy & Associates as SCAQMD's legislative and regulatory representatives in Washington, D.C., to further the agency's policy positions at the federal level.

COMMITTEE: Administrative, December 8, 2017; Recommend for Approval

RECOMMENDED ACTION:

Authorize the Chairman to amend contracts for the second one-year extension at the current contract amounts with Carmen Group Inc. for \$222,090, Kadesh & Associates, LLC for \$226,400, and Cassidy & Associates for \$216,000.

Wayne Natri
Executive Officer

DA:MC:jns

Background

After a competitive request for proposals process in 2015, the Board selected Carmen Group Inc., Kadesh & Associates, LLC, and Cassidy & Associates for legislative and regulatory representation in Washington, D.C. during Calendar Year 2016. Each received a one-year contract with the option for two one-year extensions. The first extension under each contract will expire January 14, 2018.

The firms have been effective in working with the Board and staff to maintain a continued and noticeable presence to advance the Board's agenda for federal legislative and regulatory issues. They have effectively organized meetings with Congressional Members and Congressional staff in Washington, D.C., which have resulted in stronger and new relationships with the Administration, Congress and other stakeholders in Washington, D.C.

The consultants planned and helped facilitate two staff trips to Washington, D.C. (in March and October 2017), and two Board Member trips in May and June 2017. In addition, the consultants helped set up meetings with key Senators for a separate trip taken by Dr. Parker in January. Together, these trips enabled staff and Board Members to meet with key Congressional Members and staff on the issue of protecting the California waiver, reauthorizing and fully funding the Diesel Emissions Reduction Act (DERA) program, promoting a clean air set-aside in any upcoming infrastructure bill and protecting U.S. EPA grant funding for air agencies. Despite cutting critical U.S. EPA programs in the President's Proposed FY 2018 Budget, Congress preserved much of the programs SCAQMD was advocating to protect.

In May, the three firms worked cooperatively to implement a visit from a delegation of SCAQMD Board Members and staff to Washington, D.C. to attend two dozen meetings with potential partners, U.S. EPA, U.S. Department of Energy, Members of Congress, and staff for Members and key committees. The group of six Governing Board Members, accompanied by several SCAQMD staff, traveled to Washington, D.C. for a series of meetings to advocate on the District's federal priorities. Board Members and staff met with senior level officials at the White House, the Council on Environmental Quality, the Office of Management and Budget, the Department of Transportation and the Department of Energy. They also met with Members of Congress and/or their staff as well as senior staff from major House and Senate Committees. The group urged continued support for several U.S. EPA programs that fund diesel replacement projects, air monitoring and other critical SCAQMD programs. The group also pressed for the President's upcoming Infrastructure bill to take air quality into consideration, and provide a portion of funds for infrastructure projects that benefit air quality. The visit also included an SCAQMD-sponsored briefing for Congressional staffers from states that have opted in to follow the California tailpipe emission standards (so-called Section 177 states) to give them a better understanding of the California waiver issue, and the implications if the authority for California to establish its own standards is ended. Several Member meetings were also scheduled for a brief Board Member visit in June.

In March and October, the three firms worked cooperatively to schedule meetings with Congressional offices and key Administration meetings, such as with the Council on Environmental Quality, the National Economic Council, the White House Office of Public Liaison and the Vice President's Office.

In addition, in April, these consultants also helped plan a visit to SCAQMD headquarters for a select bipartisan group of Congressional staffers to learn about regional air quality issues. The group took a tour of the Ports of L.A. and Long Beach where port staff explained many of the clean technologies being implemented there. The following day, after a briefing at SCAQMD headquarters, staff gave the group a tour of the SCAQMD facility and lab, as well as SCAQMD's clean light-duty vehicle fleet. The group also had an opportunity to see a number of electric, fuel cell and ultra-low NOx natural gas heavy-duty vehicles at a specially coordinated display at SCAQMD headquarters. They were then taken to the Inland Empire where they toured Complete Coach Works, a Riverside bus remanufacturer and retrofitter, the BNSF railyards, the "gas station of the future" - a multi-fuel refueling station (which alongside conventional fuels also dispenses bio-diesel, E85, CNG, hydrogen and electric charging) and the Etiwanda Air Monitoring station.

The consultants have helped SCAQMD increase the appropriation for DERA grants to replace and retrofit heavy-duty vehicles, increase the appropriation for Targeted Air-Shed Grants, protect and defend grant funds under Clean Air Act Sections 103 and 105, and push to reauthorize the DERA program.

The consultants have represented SCAQMD well, and continued representation in Washington, D.C. is necessary to further the agency's policy objectives in the future. The key item on the agenda for SCAQMD in 2018 is continuing to seek funding, either from existing sources or by developing new sources, to implement the 2016 Air Quality Management Plan.

Proposal

Staff recommends retaining Carmen Group Inc., Kadash & Associates, LLC, and Cassidy & Associates, for Calendar Year 2018, given their efforts in 2017 and their ability to build upon them in 2018. Continuity of representation will help build on past relationships and policy initiatives to increase the successful outcomes of SCAQMD policy objectives going forward.

Pursuant to the original contract, the Board has discretion to exercise options for the two one-year extensions. This proposal is to approve the second one-year extension for all three consulting contracts.

Resource Impacts

The Legislative, Public Affairs and Media Budget for FY 2017-18 contains sufficient funds for legislative advocacy in Washington D.C.

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 7

PROPOSAL: Amend Contract for Consultant Services for SCAQMD
Environmental Justice Outreach and Initiatives

SYNOPSIS: The current contract with Lee Andrews Group, Inc., for environmental justice efforts conducted for the Environmental Justice Community Partnership, expires on February 24, 2018. Based on the firm's effective performance during their current contract, this action is to approve the second one-year extension of the consultant's contract for Calendar Year 2018, at the current contract amount.

COMMITTEE: Administrative, December 8, 2017; Recommended for Approval

RECOMMENDED ACTIONS:

1. Transfer and appropriate \$160,000 from the BP Arco Settlement Project Fund (46) to the Legislative, Public Affairs & Media FY 2017-18 Budget, Services and Supplies Major Object, Professional & Specialized Services account; and
2. Approve a one-year extension of the contract with Lee Andrews Group, Inc. at the current contract amount of \$160,000.

Wayne Nastri
Executive Officer

DA:MC:DIA:jf

Background

In February of 2015, Board Chairman Dr. William Burke launched the Environmental Justice Community Partnership (the Partnership), to strengthen SCAQMD's relationships with stakeholders in environmental justice communities, and to leverage those ties toward identifying and addressing environmental justice issues impacting community members. In October of 2015, Lee Andrews Group Inc. (LA Group) was contracted to support outreach efforts for the Partnership. Throughout 2017, LA Group supported SCAQMD in coordinating the following events:

- 1. Four (4) Meetings of the Environmental Justice Community Partnership Advisory Council:** The Advisory Council assisted with the creation and implementation of air quality related workshops to help address the needs of environmental justice communities in Los Angeles, Orange, Riverside, and San

Bernardino counties. LA Group supported SCAQMD with identifying and recruiting individuals to be part of the advisory council, coordinating meeting logistics, and implementing members' feedback into the execution of multiple events.

- 2. Five (5) Environmental Justice Community Partnership Workshops:** Two workshops provided community members and stakeholders with opportunities to learn about SCAQMD and share their concerns about air quality issues in their communities. The information collected during these workshops will help SCAQMD strengthen its relationships with the public and businesses it serves. A third workshop was an Inter-Agency Workshop on Environmental Complaints, which brought together environmental justice leaders and executives from multiple federal, state, and local government agencies to discuss how they can better collaborate on processing environmental complaints. LA Group supported SCAQMD with coordinating the logistics of each workshop such as identifying venue locations, managing registration, and sourcing vendors. LA Group also communicated with workshop partners to better address the needs of each community. Two more workshops are scheduled in January and February of 2018, under the 2017 contract.
- 3. One (1) Environmental Justice Bus Tour:** Staff led approximately 40 students from Urban Planning classes at California State University Los Angeles on a bus tour of environmental justice areas in Boyle Heights and near the Port of Long Beach. The tour provided a clear example of environmental justice challenges facing those communities and provided insight into some of the technology solutions to those challenges. LA Group supported SCAQMD with coordinating the logistics of the tour, such as identifying venue locations and seeking guest speakers.
- 4. One (1) Environmental Justice Conference:** The day-long forum engaged stakeholders from impacted communities, academic researchers, health professionals, and others focused on the need to protect and improve the region's air quality. LA Group supported SCAQMD with the logistics of the event and sourcing of vendors. LA Group also helped identify potential speakers, panelists, and sponsors.

LA Group effectively collaborated with SCAQMD staff in executing the different requirements of the contract for the Environmental Justice Community Partnership, and as a result, helped advance the SCAQMD Board's environmental justice interests and policies. Their ability to gather key information in a timely manner was critical to the Agency's objectives.

In summary, the LA Group is an effective consulting team for SCAQMD. Their event planning skills strengthen the SCAQMD's ability to support the Board's environmental justice priorities. At this critical point in time, it is important that the momentum on stakeholder partnerships with environmental justice groups continue in the coming year as we work towards achieving clean air objectives in disproportionately impacted communities, consistent with SCAQMD's mission and goals.

Proposal

The contract with the LA Group expires on February 24, 2018. SCAQMD staff is extremely satisfied with the performance of the firm and recommends the Board retain them for Calendar Year 2018. The present contract, originated through a competitive selection process, has an option for up to two one-year extensions that may be exercised at the Board's discretion pursuant to the original RFP. This proposal is to approve the second one-year extension for the contract.

Resource Impacts

Sufficient funding will exist for this contract upon the transfer of \$160,000 from the BP Arco Settlement Project Fund (46) to the Legislative, Public Affairs & Media FY 2017-18 Budget, Services and Supplies Major Object, Professional & Specialized Services account. The BP ARCO Settlement Projects Fund (46) as of October 2017 has a balance of \$12,348,799 excluding any Board actions that have not yet been encumbered.

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 8

REPORT: Legislative, Public Affairs and Media Report

SYNOPSIS: This report highlights the November 2017 outreach activities of the 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 Nastri
Executive Officer

DJA:FW:LTO:DM

BACKGROUND

This report summarizes the activities of the Legislative, Public Affairs and Media Office for November 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 Governments.

ENVIRONMENTAL JUSTICE UPDATE

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

November 1

Staff participated in the California Air Resources Board (CARB) “One-Stop” Truck Conference in Moreno Valley. SCAQMD staff provided information on the Prop 1B Program and the Voucher Incentive Program (VIP) to potential applicants and answered questions about SCAQMD.

November 7

Staff participated in the California Air Pollution Control Officers Association (CAPCOA) Enforcement, Engineering, and Toxics Symposium to present on environmental justice. Staff shared information about SCAQMD's environmental justice initiatives, including the Environmental Justice Community Partnership and the Environmental Justice Advisory Group. Attendees included individuals from other air quality agencies and departments from the California Environmental Protection Agency.

Staff attended the Healthy Jurupa Valley meeting at Crestmore Manor in Jurupa Valley. Staff provided an update on current SCAQMD programs and air quality issues including Check Before You Burn Program.

November 8

Staff attended and presented at the TRAC (Taking Responsibility And Control) 91746 Neighborhood Watch meeting in La Puente. The meeting was attended by over 40 residents and representatives of government officials and entities. The discussion largely focused on a fire at a local facility (Light Metals)." SCAQMD provided an update on the facility and how to file an air quality complaint.

November 16

Staff represented SCAQMD at the Transportation NOW Coalition meeting in Moreno Valley. Staff provided information on the Check Before You Burn Program and the MSRC Local Government Partnership program.

November 29

Staff attended a community meeting held by CARB on AB 617 Community Air Protection Program. The purpose of the CARB meeting was to gather community input on local air quality issues in the Inland Empire.

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:

November 4, 5, 19

- SCAQMD sponsored three (3) American Lung Association Lung Force Walks in Irvine, Ontario, and Studio City. SCAQMD staffed the three walks and volunteer staff, family, and friends participated in all three SCAQMD Walk Teams to ‘Fight Air Pollution to Save Lives.’

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.

November 2

- Staff presented an overview on SCAQMD, air quality, and clean alternative fuel vehicles to 30 members of the Kiwanis Club in Riverside.

November 17

- Twenty-one representatives from the Ministry of Environmental Protection offices in Harbin China visited SCAQMD. The visit included an overview on SCAQMD, air quality, clean alternative fuel vehicles, and an emphasis on engineering.

November 29

- Staff presented an overview on SCAQMD, air quality, and clean air technologies to city leaders and staff in the City of Hermosa Beach.

COMMUNICATION CENTER STATISTICS

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

Calls to SCAQMD’s Main Line and 1-800-CUT-SMOG® Line	3,873
Calls to SCAQMD’s Spanish-language Line	<u>43</u>
Total Calls	3,916

PUBLIC INFORMATION CENTER STATISTICS

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

Calls Received by PIC Staff	124
<u>Calls to Automated System</u>	<u>810</u>
Total Calls	934

Visitor Transactions	199
Email Advisories Sent	11,348

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 243 companies
- Issued 97 clearance letters.
- Conducted 11 free on-site consultations

Types of businesses assisted

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

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: 109
 Press Releases Issued: 3
 No-Burn Alerts: 6

Major Media Topics for November

All inquiries closed unless noted as pending

- **Air Monitors:** Southern California News Group inquired as to the likelihood of future fenceline monitoring. Staff assisted the reporter in finding the online data tools relevant to the program.
- **Refineries:** Center for Public Integrity published their long-researched report on refineries and the RECLAIM program. The report ran on the CPI website as well as other news outlets.
- **Torrance Refinery Emissions:** The Daily Breeze requested 3rd quarter emissions data from the Torrance refinery.
- **Annual Check Before You Burn Program:** World Journal, KPCC, CBS, KNX Radio, and Southern California News Group requested interviews with regards to No-Burn Alerts.
- **RECLAIM:** IWP News, L.A. Times, Bloomberg and Southern California News Group inquired about the 2015 RECLAIM amendments and the recent court ruling on the subject. Staff responded with a statement about SCAQMD's disagreement with the ruling and next steps in regard to the issue.
- **eHighway Demonstration:** ABC, CBS, KNX, KFI and The Daily Breeze joined SCAQMD staff in Carson for a media availability/live demonstration of the operational eHighway, and the electric and hybrid trucks that are running on it. Fox 11 News requested on-site interviews on the following day, which staff conducted.
- **Smog Season:** In response to an L.A. Times story on the increased number of smog alert days in the Southland the past two years, KNX, KFI, USC Annenberg, and NPR inquired about the recent smog season.
- **Clean Air Action Plan:** KPCC and L.A. Times requested a copy of the comment letter issued by SCAQMD to the San Pedro Bay ports regarding the CAAP. Staff provided the letter.
- **Walmart Settlement:** Law360 sought further information on the U.S. EPA/Walmart settlement case, in particular regarding plans to install air filters in schools.
- **Aliso Canyon:** L.A. Daily News requested information regarding complaints received by SCAQMD since well injection commenced on July 31, 2017 at the Aliso Canyon natural gas storage facility, as well as recent monitoring data and further information on how the data is interpreted.
- **Emissions Factors:** The Center for Public Integrity inquired about the use and effectiveness of emissions factors in developing emissions inventories. The reporter expressed specific interest in a report from the SCAQMD website on optical remote sensing, and its potential for replacing emission factors in the future.

- **Rainbow Environmental Services:** The Orange County Register inquired about the SCAQMD Hearing Board’s latest decisions and activities regarding the transfer facility in Huntington Beach.
- **Coastal Nuisance Odors:** The Long Beach Post inquired about SCAQMD’s investigation of nuisance odor complaints, and filed a Public Records Request for all odor complaints in 2017 received from Long Beach residents.

Media Campaigns

Google Ad Campaigns

The Right to Breathe Google Ad Word campaign ended on October 31. The next campaign will begin after the updated Right to Breathe video is completed.

Signature Film update

Staff submitted feedback to the director on the rough cut of the film. Fine cut is now in progress based on the suggestions made.

Annual Check Before You Burn Program

Produced tip cards in English and Spanish for SCAQMD staff to distribute at events and speaking engagements in their areas.

Received 201 pledges and 159 Air Alerts signups this month from participants at “Pomona Home Improvement Show,” “Rosemead Fitness & Health Fair” and “Mission Inn Run/Clark’s Nutrition Health & Fitness Expo” events.

News Releases & Media Advisories Issued

- Protect Public Health – Check Before You Burn – November 1, 2017.
- SCAQMD Adopts Rule to Reduce Odors from Rendering Plants – November 3, 2017.
- First U.S. eHighway Demonstration Running in California – November 8, 2017.

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	Garden Grove	Monterey Park
Anaheim	Glendale	Murrieta
Arcadia	Glendora	Norco
Azusa	Hemet	Paramount
Brea	Hermosa Beach	Pasadena
Baldwin Park	Huntington Beach	Pomona
Buena Park	Irvine	Rialto
Calimesa	Industry	Riverside
Canyon Lake	Jurupa Valley	Rosemead
Carson	La Cañada Flintridge	Rolling Hills Estates
Claremont	Laguna Hills	San Dimas
Colton	La Habra	San Gabriel
Compton	La Palma	San Marino
Corona	La Puente	Santa Ana
Coachella	La Verne	Signal Hill
Costa Mesa	Lawndale	Sierra Madre
Compton	Lake Elsinore	South El Monte
Covina	Lake Forest	South Pasadena
Culver City	Long Beach	Temple City
Diamond Bar	Los Angeles	Temecula
Duarte	Malibu	Tustin
Eastvale	Mission Viejo	Walnut
El Monte	Monrovia	West Covina
Fountain Valley	Moreno Valley	

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

- U.S. Congressman Pete Aguilar
- U.S. Congressman Lou Correa
- U.S. Congresswoman Jimmy Gomez
- U.S. Congressman Ted Lieu
- U.S. Congressman Raul Ruiz
- U.S. Congresswoman Grace Napolitano
- U.S. Congressman Mark Takano
- State Senator Richard Roth
- State Senator Connie Leyva
- State Senator John Moorlach
- State Senator Josh Newman
- Assembly Member Ed Chau
- Assembly Member Tom Daly
- Assembly Member Mathew Harper
- Assembly Member Chris Holden
- Assembly Member Jose Medina
- Assembly Member Freddie Rodriguez

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

Anaheim Chamber of Commerce
ARRO AutoGas, Propane, American Transportation Fuel Company
California Air Resources Board
California State Controller Office
California Fuel Cell Partnership
Costa Mesa Chamber of Commerce
Los Angeles World Airports
Los Angeles Area Chamber of Commerce
Newport Beach Chamber of Commerce
Metrolink, Southern California
Orange County Council of Governments
Orange County Business Council
Riverside County Transportation Commission
Riverside Transit Agency (RTA)
Santa Ana Chamber of Commerce
San Bernardino Area Chamber of Commerce
San Bernardino County Transportation Authority (SBCTA)
San Gabriel Valley Council of Governments
San Gabriel Valley Economic Partnership
South Bay Cities Council of Governments
South Bay Association of Chambers of Commerce
Southern California Association of Governments (SCAG)
Southern California Edison
Southern California Gas Company
Temescal Valley Municipal Advisory Council
Tustin Chamber of Commerce
Western Riverside Council of Governments (WRCOG)
 -WRCOG Clean Cities Coalition
Western Riverside Transportation NOW (RTA), Greater Riverside Chapter
Western Riverside Transportation NOW (RTA), Moreno Valley/Perris Chapter
Western Riverside Transportation Now (RTA) Norco/Corona Chapter
Yucaipa Chamber of Commerce
United States Chamber of Commerce, Washington D.C.

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

American Lung Association of California
Baldwin Park Residents Group
Bassett Unified School District, La Puente
Breathe California, Los Angeles
Bike San Gabriel Valley
Corona-Norco Unified School District
Garvey School District, Rosemead
Healthy Jurupa Valley
Inland Action, San Bernardino
Ocean View School District, Huntington Beach
Pasadena Neighborhood Communities Connections Group
Porter Ranch Community School
Reach Out, Inland Valley
Rotary Club, Jurupa Valley
Riverside Unified School District
Riverside University Health System
Safe Routes to School, Riverside
TRAC 91746 Neighborhood Watch Group, La Puente

 [Back to Agenda](#)

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 9

REPORT: Hearing Board Report

SYNOPSIS: This reports the actions taken by the Hearing Board during the period of November 1 through November 30, 2017.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file this report.

Julie Prussack
Chairman of Hearing Board

DG

Two summaries are attached: **November 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 November 1 to November 30, 2017 is 0; and total number of appeals filed during the period of January 1 to November 30, 2017 is 3.

Report of November 2017 Hearing Board Cases

Case Name and Case No. (SCAQMD Attorney)	Rules	Reason for Petition/Hearing	District Position/ Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
1. Bowerman Power LFG, LLC Case No. 6088-1 (M. Reichert)	203(b) 1110.2 1703 3002(c)(1)	Petitioner experiencing periodic NOx exceedances from new LFG to power system.	Not Opposed/Granted	RV granted commencing 11/7/17 and continuing through 7/12/18, or until final compliance is achieved, whichever comes first.	NOx TBD by 7/12/18
2. P. Kay Metal Inc. Case No. 6093-1 (S. Pruitt)	1420(e)(2)	Petitioner sought to delay necessary testing for lead emissions.	Opposed/Denied	Ex Parte EV denied.	N/A
3. SCAQMD vs. Sunshine Canyon Landfill Case No. 3448-14 (N. Sanchez & K. Manwaring)	N/A	Status Report	No Action	The Hearing Board received a status report and continued the hearing to 6/26/18.	N/A
4. SCAQMD vs. Everardo Avalos Lopez Case No. 6090-1 (B. Tomosavic)	203(a)	Respondent is operating unpermitted equipment.	Stipulated/Issued	O/A issued commencing 11/14/17 and continuing through 1/9/2020. The Hearing Board shall retain jurisdiction over this matter until 1/9/2020.	N/A
5. Ultramar Inc. dba Valero Wilmington Refinery Case No. 3845-97 (N. Feldman)	202(a) 203(b) 2004(f)(1) 3002(c)	Petitioner conducting maintenance during refinery turnaround	Not Opposed/Granted	RV and AOC granted commencing 11/07/17 and continuing through 3/15/18, or until final compliance is achieved, whichever occurs first.	SOx: 1,010 lbs/total

Acronyms

AOC: Alternative Operating Conditions

CO: Carbon Monoxide

EV: Emergency Variance

H&S: Health & Safety Code

ICE: Internal Combustion Engine

IV: Interim Variance

LFG: Land Fill Gas

MFCD/EXT: Modification of a Final Compliance Date & Extension of Variance

Mod. O/A: Modification of an Order for Abatement

N/A: Not Applicable

NOx: Oxides of Nitrogen

O/A: Order for Abatement

RV: Regular Variance

SOx: Oxides of Sulfur

SV: Short Variance

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	1		1					1		5
203(a)		1	1	1	2									5
203(b)		6	4	6	3	3	5	4	3	1	3	2		40
401(b)(1)									1					1
402		2	2	3	1	1		1	1					11
403(d)(1)					1									1
403(d)(2)					1									1
403(d)(3)					1									1
442			2											2
461(e)(2)						1								1
461(e)(1)							1							1
461(e)(3)			1											1
1110.2								1	1			1		3
1110.2(d)(1)(B), Table II		1					1	1	1					4
1110.2(d)(1)(L)							1							1
1110.2(d)(2)(A)(ii)								1						1
1146							1							1
1147		1												1
1147(c)			1	1			1							3
1153.1(c)(3)						1								1
1153.1(c)(6)						1								1
1176(f)(3)		1												1
1420 (e)(2)												1		1
1470(c)(3)(C)(iii)			1											1
1703								1	1			1		3
2004(f)(1)		6	1	3	2	1		2	2		1	1		19
2011(c)(2)			1									1		2
2012(c)(2)(A)				1										1
2012(c)(3)(A)				1										1
3002							1							1
3002(a)			1											1
3002(c)						1						1		2
3002(c)(1)		3	4	4	2		1	4	2	1	1	1		23
H&S 41700		2	2	3	1	1		1	1					11

**DISTRICT RULES AND REGULATIONS INDEX
FOR 2017 HEARING BOARD CASES AS OF November 30, 2017**

REGULATION II – PERMITS

Rule 202 Temporary Permit to Operate
Rule 203 Permit to Operate

REGULATION IV – PROHIBITIONS

Rule 401 Visible Emissions
Rule 402 Nuisance
Rule 403 Fugitive Dust
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 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters
Rule 1147 NOx Reductions from Miscellaneous Sources
Rule 1153 Commercial Bakery Ovens
Rule 1176 Sumps and Wastewater Separators

REGULATION XIV – TOXICS

Rule 1420 Emissions Standard for Lead
Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Ignition Engines

REGULATION XVII - PREVENTION OF SIGNIFICANT DETERIORATION (PSD)

Rule 1703 PSD Analysis

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

Rule 2004 Requirements

Rule 2011 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Sulfur (SO_x) Emissions

Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO_x) Emissions

REGULATION XXX - TITLE V PERMITS

Rule 3002 Requirements

CALIFORNIA HEALTH AND SAFETY CODE

§41700 Prohibited Discharges

§41701 Restricted Discharges

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 10

REPORT: Civil Filings and Civil Penalties Report

SYNOPSIS: This reports the monthly penalties from November 1 through November 30, 2017, and legal actions filed by the General Counsel's Office from November 1 through November 30, 2017. An Index of District Rules is attached with the penalty report.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file this report.

Kurt R. Wiese
General Counsel

KRW:lc

There were no civil filings in November.

Attachments

November 2017 Penalty Report

Index of District Rules and Regulations

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

November 2017 Settlement Penalty Report

Total Penalties

Civil Settlements:	\$128,673.00
MSPAP Settlements:	\$27,470.00
Total Cash Settlements:	\$156,143.00
Total SEP Value:	\$0.00
Fiscal Year through 11 / 2017 Cash Total:	\$2,753,532.97
Fiscal Year through 11 / 2017 SEP Value Only Total:	\$1,120,000.00

Fac ID	Company Name	Rule Number	Settled Date	Initials	Notice Nbr	Total Settlement
Civil Settlements						
115536	AES REDONDO BEACH, LLC	203(b), 2004, 2012, 3002(c)(1)	11/7/2017	WBW	P60572	\$15,150.00
3704	ALL AMERICAN ASPHALT, UNIT NO.01	2004 3002(c)(1) 3002(c)(1) 3002(c)(1)	11/3/2017	ML	P14153 P56328 P56333 P56341	\$16,000.00
155474	BICENT (CALIFORNIA) MALBURG LLC	2004, 2012, 3002	11/9/2017	BST	P62077	\$4,000.00
178639	ECO SERVICES OPERATIONS LLC	2012	11/1/2017	VKT	P57824	\$1,200.00
173033	GARDNERS COMMUNITY SERVICE	203 (a) 203 203	11/22/2017	WBW	P64552 P64563 P64566	\$3,000.00
149473	GLIDEWELL LABORATORIES	2202	11/29/2017	SH	P60343	\$750.00
110581	GOLDEN STATE ENG., INC.	203 (a)	11/17/2017	DH	P63714	\$7,000.00
77266	JSL FOODS INC.	203(b), 1146	11/16/2017	BST	P64108	\$7,200.00
164251	JR FUELING 2005	461(c)(2)(B)	11/30/2017	NAS	P61667	\$200.00
168205	KINDRED HOSPITAL BALDWIN PARK	2202	11/17/2017	VKT	P60346	\$8,173.00
44287	PHIBRO-TECH INC	203 (b)	11/29/2017	BST	P64458	\$19,000.00

Fac ID	Company Name	Rule Number	Settled Date	Initials	Notice Nbr	Total Settlement
137520	PLAINS WEST COAST TERMINALS LLC	2004 2012 2004 2012 2004, 2004(f)(1), 2012 3002, 2012(d)(2)(A)	11/28/2017	MJR	P56573 P57088 P59390 P59392 P62954	\$6,000.00
181119	QAI LABORATORIES	402, 41700	11/29/2017	BST	P63961	\$5,000.00
19167	R J NOBLE COMPANY Suspended: \$1,000 suspended penalty for one year commencing November 1, 2017 through November 1, 2018. If facility is issued a NOV for any District fugitive dust rule or regulation, facility shall pay a suspended penalty of \$1,000.	403(d)(1), 403(d)(2)	11/1/2017	NAS	P60409	\$1,000.00
800330	THUMS LONG BEACH	1176(e)(1) 1176(e)(1)	11/14/2017	WBW	P65301 P65302	\$4,000.00
182050	TORRANCE VALLEY PIPELINE CO LLC	2004	11/9/2017	BST	P62082	\$2,000.00
18452	UNIVERSITY OF CALIFORNIA, LOS ANGELES	1146.2 1146.2 3002(c)(1)	11/28/2017	MJR	P60142 P60146 P60688	\$2,000.00
45973	UNIVERSITY OF REDLANDS	1110.2 1110.2 1110.2	11/16/2017	SH	P62008 P62026 P62044	\$27,000.00
Total Civil Settlements:						\$128,673.00

Fac ID	Company Name	Rule Number	Settled Date	Initials	Notice Nbr	Total Settlement
MSPAP Settlements						
178188	BIGGE CRANE	203(a)	11/17/2017	JS	P66653	\$800.00
180567	BOZAH, INC.	461, 461(c)(2)(B), 41960.2	11/29/2017	JS	P65026	\$650.00
174177	CIRCLE K STORES INC #2709493	461, 41960	11/29/2017	JS	P64919	\$595.00
182101	COMPLETE AUTOMOTIVE RECONDITIONING SPECI	203 (a)	11/29/2017	JS	P65558	\$2,800.00
175084	DJ FOODS INC., HISHAM FARSAKH	461, 461(e)(5)	11/29/2017	GC	P64334	\$1,100.00
175084	DJ FOODS INC., HISHAM FARSAKH	461	11/29/2017	GC	P64339	\$600.00
149485	FIVE POINTS GEN STORE, KISHORE RAMLAGAN	203 (a), 461, 461(e)(1) 461(E)(2)(A)	11/29/2017	GC	P63128	\$1,300.00
176766	G & S STATION, GEHAN KHAFAGY	461(c), 41960.2	11/17/2017	GC	P60084	\$875.00
124776	H&S ENERGY, LLC. H&S 4	203(a), 461, 41960.2	11/17/2017	GC	P65706	\$1,200.00
183626	HOLIDAY INN EXPRESS WEST LA	1146.2	11/17/2017	GC	P62917	\$1,100.00
124529	HUSTLER CASINO	1146.2	11/29/2017	GC	P64017	\$1,100.00
129121	IRVINE TOYOTA	461(E)(2)(A) 461(e)(2)(C)	11/17/2017	GC	P63605	\$850.00
178426	LAKEWOOD ARCO AM-PM	461, 41960.2	11/17/2017	GC	P65710	\$300.00

Fac ID	Company Name	Rule Number	Settled Date	Initials	Notice Nbr	Total Settlement
184394	MR. HERNANDEZ CONCRETE PUMPING	203(a)	11/17/2017	TF	P59693	\$300.00
18294	NORTHROP GRUMMAN SYSTEMS CORP	2004	11/3/2017	TF	P57098	\$1,300.00
184199	ORANGE COATING AND SANDBLASTING	109, 203(a)	11/17/2017	TF	P63861	\$750.00
181196	PARDEE HOMES	403	11/3/2017	TF	P64368	\$2,300.00
140997	QUIXTOP	201, 203, 461	11/3/2017	TF	P65717	\$1,650.00
166107	SHAHKOT GAS & MART, INC.	461, 41960.2	11/3/2017	GV	P65709	\$1,000.00
140518	SHANCOR TESTING	461(e)(3)	11/3/2017	GV	P65454	\$200.00
43300	SKANSKA USA CIVIL WEST CA DISTRICT INC	403	11/3/2017	GV	P65253	\$1,700.00
183750	VALENIA CUSTOM FINISHER	109, 203(a)	11/2/2017	GV	P62918	\$1,100.00
180653	VATANI ENTERPRISES INC/DBA DAVE'S ARCO	203(a), 461	11/17/2017	GC	P64664	\$3,500.00
167195	VIRSA FOOD MART	461, 41960.2 461(c)(2)(B)	11/3/2017	GV	P65452	\$400.00

Total MSPAP Settlements: \$27,470.00

**DISTRICT RULES AND REGULATIONS INDEX
FOR NOVEMBER 2017 PENALTY REPORT**

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 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*)

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1110.2 Emissions from Gaseous- and Liquid-Fueled Internal Combustion Engines (*Amended 11/14/97*)

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 1176 Sumps and Wastewater Separators (*Amended 9/13/96*)

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*)

CALIFORNIA HEALTH AND SAFETY CODE § 41700

41960.2 Gasoline Vapor Recovery
41700 Violation of General Limitations

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 11

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 November 1, 2017 and November 30, 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 Natri
Executive Officer

PF:SN:MK: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 November 1, 2017 through November 30, 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 130 CEQA documents were received during this reporting period and 34 comment letters were sent. A notable project in this report is the Zero-Emission Airport Shuttle Bus Regulation proposed by the California Air Resources Board.

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. 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. Staff 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; 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 at: <http://www.aqmd.gov/home/regulations/ceqa/air-quality-analysis-handbook/mitigation-measures-and-control-efficiencies>. 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 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 staff testified at a hearing for the proposed project, a notation is provided under the "Comment Status." If there is no notation, then staff did not provide testimony at a hearing for the proposed project.

During the period November 1, 2017 through November 30, 2017, the SCAQMD received 130 CEQA documents. Of the total of 154 documents* listed in Attachments A and B:

- 34 comment letters were sent;
- 68 documents were reviewed, but no comments were made;
- 29 documents are currently under review;
- 10 documents did not require comments (e.g., public notices);
- 0 documents were not reviewed; and
- 13 documents were screened without additional review.

* These statistics are from November 1, 2017 to November 30, 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 five active projects during November.

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
November 01, 2017 to November 30, 2017

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Warehouse & Distribution Centers LAC171108-02 Development Plan Approval No. 927, Conditional Use Permit No. 782, and Tentative Parcel Map No. 78229	The proposed project consists of construction of a 145,032-square-foot warehouse and a 1,344-square-foot office on 2.04 acres. The project is located at 13461 Rosecrans Avenue on the northwest corner of Best Avenue and Rosecrans Avenue. Reference LAC171012-01 <p style="text-align: center;">Comment Period: N/APublic Hearing: 11/13/2017</p>	Notice of Public Hearing	City of Santa Fe Springs	Document reviewed - No comments sent
Warehouse & Distribution Centers LAC171110-13 Development Plan Approval Case No. 925 and Conditional Use Permit Case No. 780	The proposed project consists of demolition of five buildings and construction of a 75,275-square-foot self-storage building on 33,985 square feet. The project is located at 13020 Telegraph Road on the southeast corner of Telegraph Road and Shoemaker Avenue. <p style="text-align: center;">Comment Period: N/APublic Hearing: 11/13/2017</p>	Notice of Public Hearing	City of Santa Fe Springs	Document does not require comments
Warehouse & Distribution Centers LAC171116-06 California State University, Long Beach (CSULB) Technology Park Phase III	The proposed project consists of construction of a 205,060-square-foot warehouse on 10 acres. The project is located at 1901 West Pacific Coast Highway on the northwest corner of Pacific Coast Highway and Cota Avenue. Reference LAC171004-01 and LAC170908-04 <p style="text-align: center;">Comment Period: N/APublic Hearing: 11/30/2017</p>	Notice of Public Hearing	City of Long Beach	Document reviewed - No comments sent
Warehouse & Distribution Centers LAC171117-08 California State University, Long Beach (CSULB) Technology Park Phase III	The proposed project consists of construction of a 205,060-square-foot warehouse on 10 acres. The project is located at 1901 West Pacific Coast Highway on the northwest corner of Pacific Coast Highway and Cota Avenue. Reference LAC171116-06, LAC171004-01 and LAC170908-04 <p style="text-align: center;">Comment Period: N/APublic Hearing: 12/7/2017</p>	Notice of Public Hearing	City of Long Beach	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
November 01, 2017 to November 30, 2017**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Warehouse & Distribution Centers SBC171110-07 The 4th Street and Utica Avenue Warehouse Project	The proposed project consists of construction of three industrial logistics buildings totaling 293,283 square feet on 13.96 acres. The project is located on the northwest corner of 4th Street and Utica Avenue. Comment Period: 11/1/2017 - 12/13/2017 Public Hearing: 12/13/2017	Mitigated Negative Declaration	City of Rancho Cucamonga	Document reviewed - No comments sent
Warehouse & Distribution Centers SBC171114-07 Colony Commerce Center East Specific Plan (PSP 16-03)	The proposed project consists of construction of a 1,914,365-square-foot industrial development on 95 acres. The project is located on the southwest corner of Merrill Avenue and Archibald Avenue. Reference SBC170321-04 Comment Period: 11/13/2017 - 1/3/2018 Public Hearing: N/A	Draft Environmental Impact Report	City of Ontario	Under review, may submit written comments
Warehouse & Distribution Centers SBC171117-03 Design Review 2016-014 (DR 16-014)	The proposed project consists of construction of two warehouses totaling 155,044 square feet on 12.95 acres. The project is located on the northwest corner of 5th Street and Church Avenue. Comment Period: 11/16/2017 - 12/15/2017 Public Hearing: 12/19/2017	Mitigated Negative Declaration	City of Highland	Document reviewed - No comments sent
Warehouse & Distribution Centers SBC171122-03 Alliance California Gateway South Building 4 Project	The proposed project consists of demolition of existing site improvements and construction of a 1,063,852-square-foot warehouse on 62.02 acres. The project is located at 1494 South Waterman Avenue on the southeast corner of Dumas Street and South Waterman Avenue. Reference SBC170615-04 and SBC170215-01 Comment Period: N/A Public Hearing: 12/6/2017	Final Environmental Impact Report	City of San Bernardino	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.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Warehouse & Distribution Centers</i> SBC171128-03 Southwest Fontana Logistics Center	The proposed project consists of construction of two warehouses totaling 1,628,936 square feet on 73.3 acres. The project is located on the southeast corner of Santa Ana Avenue and Oleander Avenue. Reference SBC170905-02 and SBC160923-01 Comment Period: N/A Public Hearing: 12/5/2017	Response to Comments	City of Fontana	Document reviewed - No comments sent
<i>Warehouse & Distribution Centers</i> SBC171129-01 Cedar Avenue Technology Center (P20161600435/CUP)	The proposed project consists of construction of a 184,770-square-foot warehouse on 9.8 acres. The project is located on the northeast corner of Cedar Avenue and Orange Street in the community of Bloomington. Reference SBC171025-02 Comment Period: N/A Public Hearing: N/A	Response to Comments	County of San Bernardino	Document reviewed - No comments sent
<i>Industrial and Commercial</i> LAC171101-01 Mattco Forge Dust Collection System	The proposed project consists of installation of five dust collection systems. The project is located at 16443 Minnesota Avenue on the northwest corner of Harrison Street and Minnesota Avenue. Comment Period: 11/1/2017 - 11/14/2017 Public Hearing: 11/14/2017	Negative Declaration	City of Paramount	Document reviewed - No comments sent
<i>Industrial and Commercial</i> LAC171109-02 Continental Grand Campus Specific Plan	The document extends the public review period from November 6, 2017 to December 6, 2017 for the proposed project. The proposed project consists of demolition of a 57,082-square-foot building, and construction of a 328,612-square-foot building and an eight-level parking structure on 12.5 acres. The project is located at 333 Continental Boulevard, 455-475 Continental Boulevard, and 1955 Grand Avenue on the northwest corner of East Grand Avenue and Continental Boulevard. Reference LAC170926-07, LAC170921-05 and LAC170106-02 Comment Period: 11/6/2017 - 12/6/2017 Public Hearing: N/A	Extension of Time	City of El Segundo	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.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Industrial and Commercial LAC171109-03 Spring Street Hotel	The proposed project consists of demolition of existing parking lot and restaurant, and construction of a 105,841-square-foot hotel with 170 rooms and subterranean parking on 0.2 acres. The project is located at 631, 633, and 635 South Spring Street near the northeast corner of 7th Street and Spring Street in the community of Central City. Reference LAC170201-05 and LAC 151006-08 Comment Period: N/A Public Hearing: N/A	Response to Comments	City of Los Angeles	Document reviewed - No comments sent
Industrial and Commercial LAC171110-10 8775 Sunset Boulevard Billboard Project	The proposed project consists of demolition of existing billboard and five surface parking spaces, and installation of a billboard structure of 71 feet in height on one acre. The project is located on the northeast corner of Horn Avenue and Sunset Boulevard. Comment Period: 11/9/2017 - 11/30/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of West Hollywood	Document reviewed - No comments sent
Industrial and Commercial LAC171114-02 100 North Crescent Drive Beverly Hills Media Center Project	The proposed project consists of construction of 55,070 square feet of commercial uses and renovation of existing 106,085 square feet of office uses on 1.34 acres. The project is located at 100 North Crescent Drive on the northeast corner of North Crescent Drive and Wilshire Boulevard. Reference LAC170505-01 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-100ncrescentdr-121917.pdf Comment Period: 11/13/2017 - 1/5/2018 Public Hearing: 12/14/2017	Draft Environmental Impact Report	City of Beverly Hills	SCAQMD staff commented on 12/19/2017
Industrial and Commercial LAC171117-06 City Yards Project	The proposed project consists of demolition, removal, and redevelopment of 16 existing buildings totaling 65,348 square feet, and construction of 51,013 square feet of new industrial buildings on 14.2 acres. The project is located at 2500 Michigan Avenue on the southeast corner of Michigan Avenue and 24th Street. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-cityyards-121317.pdf Comment Period: 11/15/2017 - 12/15/2017 Public Hearing: 11/30/2017	Notice of Preparation	City of Santa Monica	SCAQMD staff commented on 12/13/2017

- 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
November 01, 2017 to November 30, 2017**

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Industrial and Commercial</i> LAC171128-02 The Culver Studios Innovation Plan - Comprehensive Plan Amendment No. 7	The proposed project consists of demolition of buildings totaling 236,293 square feet, and construction of a new building and two parking structures totaling 649,420 square feet on 14.3 acres. The project is located at 9336 Washington Boulevard on the southwest corner of Washington Boulevard and Ince Boulevard. Reference LAC170926-11, LAC170926-06 and LAC161117-06 Comment Period: N/A Public Hearing: 12/13/2017	Notice of Public Hearing	City of Culver City	Document reviewed - No comments sent
<i>Industrial and Commercial</i> RVC171101-13 Cannabis Cultivation Project	The proposed project consists of construction of sixteen commercial cannabis cultivation facilities totaling 286,080 square feet on 52.96 acres. The project is located on the southwest corner of Sanderson Avenue and Ramona Boulevard. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-cannabiscultivation-110717.pdf Comment Period: 11/1/2017 - 11/7/2017 Public Hearing: N/A	Site Plan	City of San Jacinto	SCAQMD staff commented on 11/7/2017
<i>Industrial and Commercial</i> RVC171110-01 General Drive Industrial Park (MA17250, SDP17113)	The proposed project consists of construction of five industrial buildings totaling 328,056 square feet on 26.27 acres. The project is located on the southeast corner of General Drive and Clay Street. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-generaldriveindustrial-111717.pdf Comment Period: 11/13/2017 - 12/1/2017 Public Hearing: N/A	Site Plan	City of Jurupa Valley	SCAQMD staff commented on 11/17/2017
<i>Industrial and Commercial</i> SBC171108-03 Euclid Commerce Center - Master Site Approval (PL16-0701), Site Approval (PL16-0702), Tentative Parcel Map 19380 (PL16-0703), and Tentative Parcel Map 19831 (PL17-0048)	The proposed project consists of construction of four industrial buildings totaling 186,618 square feet on 10 acres. The project is located at 15723-15739 Euclid Avenue near the southeast corner of Euclid Avenue and Kimball Avenue. Reference SBC160913-10 and SBC140808-05 Comment Period: N/A Public Hearing: 11/13/2017	Notice of Public Hearing	City of Chino	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.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Industrial and Commercial</i> SBC171118-05 Agua Mansa Grading Project	The proposed project consists of transportation of 884,742 cubic yards of crushed and screened fill material to raise and level existing grades on 66 acres. The project is located at 2200 South Riverside Avenue near the southeast corner of Agua Mansa Road and South Riverside Avenue. Comment Period: 11/20/2017 - 12/11/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Colton	Document reviewed - No comments sent
<i>Waste and Water-related</i> LAC171101-04 Former Pomona Manufactured Gas Plant Site	The proposed project consists of removal of contaminated soil. The project is located at 148 Huntington Drive on the southeast corner of West Commercial Street and North Huntington Drive in the City of Pomona. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-formerpomona-111417.pdf Comment Period: 10/27/2017 - 11/27/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	Department of Toxic Substances Control	SCAQMD staff commented on 11/14/2017
<i>Waste and Water-related</i> LAC171101-05 99th Street Filtration Plant Project	The proposed project consists of construction of a water treatment facility and underground installation of 1,180 feet of power lines. The project is located at 9880 Wadsworth Avenue on the northeast corner of East 98th Street and Wadsworth Avenue in the community of Watts. Comment Period: 10/30/2017 - 12/8/2017 Public Hearing: 11/15/2017	Notice of Intent to Adopt a Mitigated Negative Declaration	Los Angeles Department of Water and Power	Document reviewed - No comments sent
<i>Waste and Water-related</i> LAC171102-06 DeMenno-Kerdoon	The proposed project consists of replacement of one tank with identical function and equipment. The project is located at 2000 North Alameda Street on the southeast corner of Alameda Street and East Pine Street in the City of Compton. Comment Period: N/A Public Hearing: N/A	Permit Modification	Department of Toxic Substances Control	Document reviewed - No comments sent

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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> LAC171109-06 Preliminary Endangerment Assessment Report for the Ladera Linda Site	The proposed project consists of assessment, sampling, and investigation of potential presence of asbestos-containing materials on 24,000 square feet. The project is located at 32201 Forrestal Drive on the southeast corner of Forrestal Drive and Main Sail Drive in the City of Rancho Palos Verdes. Comment Period: 11/9/2017 - 12/8/2017 Public Hearing: 11/16/2017	Community Notice	Department of Toxic Substances Control	Document reviewed - No comments sent
<i>Waste and Water-related</i> LAC171114-05 Los Angeles County Waterworks District No. 29 Priority Capital Deficiencies Improvements	The proposed project consists of demolition of two water tanks, removal of an existing 34,300-foot underground pipeline, and construction of one tank reservoir and a 6,300-foot underground pipeline on 30,000 acres. The project is located south of the Santa Monica Mountains, west of Topanga Canyon and the City of Los Angeles boundary, east of Ventura County, and north of the Pacific Ocean within the boundaries of the City of Malibu and the community of Topanga. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-prioritycapital-120517.pdf Comment Period: 11/9/2017 - 12/18/2017 Public Hearing: N/A	Notice of Preparation	Los Angeles County Waterworks District	SCAQMD staff commented on 12/5/2017
<i>Waste and Water-related</i> LAC171118-02 Safety-Kleen (Highland) Facility	The proposed project consists of termination of hazardous waste storage facility permit and conversion of operations to a 10-day transfer facility. The project also includes decontamination and removal of underground storage tanks, return/fill structure, and container storage area. The project is located at 7979 Palm Avenue on the northeast corner of Palm Avenue and East 3rd Street in the City of Highland. Comment Period: N/A Public Hearing: N/A	Permit Modification	Department of Toxic Substances Control	Document reviewed - No comments sent
<i>Waste and Water-related</i> LAC171118-04 Los Cerritos Wetlands Oil Consolidation and Restoration Project	The proposed project consists of consolidation and relocation of existing oil operations, and implementation of wetlands habitat restoration on 195 acres. The project would also include construction of a 5,200-square-foot office building, a 9,725-square-foot warehouse, and a 169-foot public trail. The project is located near the southwest corner of the Los Cerritos Channel and Studebaker Road. Reference LAC170727-01 and LAC160429-05 Comment Period: N/A Public Hearing: N/A	Final Environmental Impact Report	City of Long Beach	Document reviewed - No comments sent

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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

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<p><i>Waste and Water-related</i> LAC171118-09 Cal Water Service (CWS) Project</p>	<p>The proposed project consists of installation of a 1,000-gallon aboveground, solar-powered, diesel fuel tank on a 1.38-acre portion of five acres. The project is located at 5837 Crest Road near the northeast corner of Highridge Road and Crest Road.</p> <p style="text-align: center;">Comment Period: 11/16/2017 - 12/12/2017 Public Hearing: N/A</p>	Mitigated Negative Declaration	City of Rancho Palos Verdes	Document reviewed - No comments sent
<p><i>Waste and Water-related</i> LAC171121-03 Los Cerritos Wetlands Oil Consolidation and Restoration Project</p>	<p>The proposed project consists of consolidation and relocation of existing oil operations, and implementation of wetlands habitat restoration on 195 acres. The project would also include construction of a 5,200-square-foot office building, a 9,750-square-foot warehouse, and a 169-foot public trail. The project is located near the southwest corner of the Los Cerritos Channel and Studebaker Road. Reference LAC171118-04, LAC170727-01 and LAC160429-05</p> <p style="text-align: center;">Comment Period: N/A Public Hearing: 11/30/2017</p>	Notice of Public Hearing	City of Long Beach	Document reviewed - No comments sent
<p><i>Waste and Water-related</i> LAC171128-05 Puente Valley Operable Unit, Intermediate Zone Interim Remedy Project</p>	<p>The proposed project consists of installation of a groundwater extraction well and construction of a treatment plant with associated conveyance infrastructure. The project is located at 111 Hudson Avenue on the northwest corner of Hudson Avenue and Stafford Street in the City of Industry.</p> <p style="text-align: center;">Comment Period: 11/15/2017 - 12/15/2017 Public Hearing: 12/21/2017</p>	Mitigated Negative Declaration	La Puente Valley County Water District	Document reviewed - No comments sent
<p><i>Waste and Water-related</i> LAC171128-10 DeMenno-Kerdoon</p>	<p>The proposed project consists of modification to existing permit to change facility contact information. The project is located at 2000 North Alameda Street on the southeast corner of East Pine Street and Alameda Street in the City of Compton. Reference LAC171102-06</p> <p style="text-align: center;">Comment Period: N/A Public Hearing: N/A</p>	Permit Modification	Department of Toxic Substances Control	Document reviewed - No comments sent

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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

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<i>Waste and Water-related</i> SBC171107-09 Lighting Resources, LLC	The proposed project consists of permit renewal to continue existing storage and treatment of hazardous waste. The project is located at 805 East Francis Street on the northwest corner of East Francis Street and South Taylor Avenue in the City of Ontario. Comment Period: N/A Public Hearing: N/A	Permit Renewal	Department of Toxic Substances Control	Document reviewed - No comments sent
<i>Waste and Water-related</i> SBC171110-02 New 7.5 MG Reservoir and Related Water System Improvements Project (SP-17-10 and EAR-0056)	The proposed project consists of construction of a 7.5-million-gallon water storage reservoir on 4.76 acres. The project is located at 1723 North Benson Avenue on the northwest corner of 17th Street and Benson Avenue. Comment Period: 11/2/2017 - 12/4/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Upland	Document reviewed - No comments sent
<i>Waste and Water-related</i> SBC171121-01 Corrective Measures Proposed for Former Aerojet Facility, Management Areas 1 & 2, in Chino Hills	The proposed project consists of development of corrective measures study and alternatives to clean up areas with munitions and explosives concerns. The project is located at 3100 Woodview Road near the northeast corner of Woodview Road and Soquel Canyon Road in the City of Chino Hills. Reference SBC160518-02 and SBC160329-03 Comment Period: N/A Public Hearing: N/A	Response to Comments	Department of Toxic Substances Control	Document reviewed - No comments sent
<i>Utilities</i> LAC171114-03 Inglewood Oil Field Specific Plan Project	This document extends the public review period from November 14, 2017 to March 14, 2018 for the proposed project. The proposed project consists of update and superseding of the City's existing oil drilling regulations to establish safeguards and controls for drilling and production of oil, gas, and other hydrocarbon substances on 77.8 acres. The project is located on the northwest corner of South Fairfax Avenue and La Cienega Boulevard. Reference LAC171017-05, LAC170914-10, LAC170905-03, LAC170711-11, LAC170117-01, and LAC151008-17 Comment Period: 9/15/2017 - 3/14/2018 Public Hearing: N/A	Extension of Time	City of Culver City	Document reviewed - No comments sent

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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

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<i>Utilities</i> SBC171102-02 Lazer Broadcasting Facility (Project No. P201000215)	The proposed project consists of construction of a radio broadcast facility with a 43-foot monopole and a 100-square-foot equipment shelter on 38.12 acres. The project is located near the northeast corner of Oak Spur Road and Oak Grove Road in the community of Yucaipa. Reference SBC170901-07 and SBC141104-01 Comment Period: N/A Public Hearing: 11/9/2017	Notice of Public Hearing	County of San Bernardino	Document reviewed - No comments sent
<i>Utilities</i> SBC171122-05 Rialto Bioenergy Facility Project	The proposed project consists of production of 13.38 megawatts (MW) in equivalent electricity of renewable energy on 6.2 acres. The project is located at 503 East Santa Ana Avenue near the southeast corner of South Riverside Avenue and East Santa Ana Avenue. Reference SBC170907-06 Comment Period: 11/16/2017 - 1/5/2018 Public Hearing: N/A	Draft Environmental Impact Report	City of Rialto	Under review, may submit written comments
<i>Transportation</i> LAC171128-12 Rosemead Boulevard Complete Streets Improvement Project - Phase I	The proposed project consists of construction of access enhancement for pedestrians, cyclists, and transit along a 2.6-mile portion of Rosemead Boulevard between Rush Street and Gallatin Road in the cities of South El Monte, Pico Rivera and the Whittier Narrows Recreation area. Comment Period: N/A Public Hearing: 12/5/2017	Notice of Public Hearing	County of Los Angeles	Document does not require comments
<i>Transportation</i> ORC171122-01 State Route 73 MacArthur Boulevard Southbound Off-Ramp Improvement Project	The proposed project consists of widening of the southbound State Route 73 off ramp to MacArthur Boulevard from one lane to two lanes. The project is located near the northeast corner of Bison Avenue and MacArthur Boulevard in the City of Newport Beach, Orange County. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-sr73macarthurbld-122017.pdf Comment Period: 11/22/2017 - 12/23/2017 Public Hearing: N/A	Mitigated Negative Declaration	California Department of Transportation	SCAQMD staff commented on 12/20/2017

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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

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<i>Transportation</i> RVC171103-01 Salt Creek Trail Project	The proposed project consists of construction of two trail segments totaling 7.9 miles. The western trail segment is located from the intersection of Goetz Road and Canyon Lake Drive to the intersection of Antelope Road and Aldergate Drive in the City of Menifee. The eastern trail segment is located from the intersection of Sanderson Avenue and Domenigoni Parkway to the intersection of State Street and Chambers Street in the City of Hemet. Reference RVC170810-07 Comment Period: N/A Public Hearing: 11/14/2017	Response to Comments	County of Riverside	Document reviewed - No comments sent
<i>Transportation</i> RVC171107-01 Canyon Estates Drive/Canyon View Drive Intersection Improvement Project	The proposed project consists of demolition of existing roadways, construction of a four-way intersection, and roadway improvements. The project is located at the intersection of Canyon Estates Drive and Canyon View Drive. Comment Period: 11/1/2017 - 11/30/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Lake Elsinore	Document reviewed - No comments sent
<i>Transportation</i> RVC171110-12 Interstate-10/Avenue 50 New Interchange Project	The proposed project consists of construction of a new interchange at Interstate-10 and Avenue 50, from Post Mile R62.3 to R63.7. The project is located 3.4 miles east of the existing interchange at Interstate-10 and Dillon Road in the eastern portion of the City of Coachella. Reference RVC170201-02 Comment Period: N/A Public Hearing: N/A	Response to Comments	California Department of Transportation	Document reviewed - No comments sent
<i>Transportation</i> SBC171114-04 Widening of Fortieth Street from Johnson Street to Electric Avenue Project	The proposed project consists of widening of a 0.3-mile segment of Fortieth Street from two lanes to four lanes between Johnson Street and Electric Avenue. Comment Period: 11/13/2017 - 12/14/2017 Public Hearing: 1/17/2018	Mitigated Negative Declaration	City of San Bernardino	Document reviewed - No comments sent

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ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<p><i>Institutional (schools, government, etc.)</i> LAC171122-04 Conditional Use Permit Project No. 2048-CUP</p>	<p>The proposed project consists of establishment of a religious facility within the existing commercial facility. The project is located at 1019-1023 Fair Oaks Avenue on the northwest corner of Oxley Street and Fair Oaks Avenue.</p> <p style="text-align: center;">Comment Period: 11/15/2017 - 12/4/2017 Public Hearing: N/A</p>	Negative Declaration	City of South Pasadena	Document reviewed - No comments sent
<p><i>Institutional (schools, government, etc.)</i> LAC171128-06 North Hollywood High School Comprehensive Modernization Project</p>	<p>The proposed project consists of demolition of 144,257 square feet of existing buildings and construction of three buildings totaling 233,590 square feet on 25.1 acres. The project is located at 5231 Colfax Avenue on the southwest corner of Colfax Avenue and Chandler Boulevard in the community of North Hollywood.</p> <p style="text-align: center;">Comment Period: 11/28/2017 - 12/28/2017 Public Hearing: 11/29/2017</p>	Notice of Intent to Adopt a Mitigated Negative Declaration	Los Angeles Unified School District	Under review, may submit written comments
<p><i>Medical Facility</i> LAC171101-09 ENV-2016-1662/Providence Tarzana Medical Center</p>	<p>The proposed project consists of demolition of 37,198 square feet of structures and construction of 294,000 square feet on 13 acres. The project is located at 18321 Clark Street on the northwest corner of Clark Street and Etiwanda Avenue in the community of Encino-Tarzana. Reference LAC171024-07, LAC170616-03 and LAC160715-01</p> <p style="text-align: center;">Comment Period: N/A Public Hearing: N/A</p>	Final Environmental Impact Report	City of Los Angeles	Document reviewed - No comments sent
<p><i>Medical Facility</i> LAC171114-08 Oakmont Agoura Hills Project (CUP-01358-2017, SIGN-01361-2017, and OAK-01360-2017)</p>	<p>The proposed project consists of construction of a 71,020-square-foot elder care facility with 75 units on 5.7 acres. The project is located at 29353 Canwood Street on the northwest corner of Canwood Street and Kanan Road.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-oakmontagourahills-121417.pdf</p> <p style="text-align: center;">Comment Period: 11/16/2017 - 12/18/2017 Public Hearing: N/A</p>	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Agoura Hills	SCAQMD staff commented on 12/14/2017

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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

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Medical Facility LAC171116-04 City of Hope Campus Plan (General Plan Amendment & Zone Change 15-01)	The proposed project consists of demolition of 387,500 square feet of existing buildings and construction of 1,426,000 square feet of new buildings on 116 acres. The project is located on the southeast corner of Duarte Road and Cinco Robles Drive. Reference LAC151016-02 Comment Period: 11/15/2017 - 1/4/2018 Public Hearing: 12/6/2017	Draft Environmental Impact Report	City of Duarte	Under review, may submit written comments
Retail RVC171108-11 MA17245 (Site Development Plan 17111 & Conditional Use Permit 17004)	The proposed project consists of construction of a 2,900-square-foot gas station with six fueling dispensers, a 4,500-square-foot convenience store, a 2,100-square-foot office, and a 2,500-square-foot restaurant on 1.1 acres. The project is located on the northwest corner of Pedley Road and Ben Nevis Boulevard. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-ma17245-111717.pdf Comment Period: 11/3/2017 - 11/22/2017 Public Hearing: N/A	Site Plan	City of Jurupa Valley	SCAQMD staff commented on 11/17/2017
Retail RVC171115-06 Conditional Use Permit No. 17-004	The proposed project consists of construction of a 9,874-square-foot commercial center including a gasoline station with 12 fueling pumps on 6.27 acres. The project is located on the northeast corner of Stetson Avenue and Sanderson Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-cupno17004-111617.pdf Comment Period: N/A Public Hearing: 11/30/2017	Site Plan	City of Hemet	SCAQMD staff commented on 11/16/2017
Retail RVC171115-07 Preliminary Review No. 17-013 (Brethren Square)	The proposed project consists of construction of a 11,000-square-foot retail building with a self-service gas station on 2.01 acres. The project is located on the southeast corner of Cawston Avenue and Stetson Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-brethrensquare-111617.pdf Comment Period: N/A Public Hearing: 11/2/2017	Site Plan	City of Hemet	SCAQMD staff commented on 11/16/2017

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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Retail RVC171121-02 General Plan Amendment No. 1165, Change of Zone No. 7900, and Conditional Use Permit No. 3739 AMD No. 1 (EA42871)	The proposed project consists of construction of a gasoline dispensing station with 10 fueling pumps, a 5,881-square-foot convenience store, a 1,262-square-foot car wash facility, and a 6,549-square-foot canopy on 2.6 acres. The project is located on the northeast corner of Cajalco Road and Temescal Canyon Road in the community of Temescal Canyon. Reference RVC171026-01 Comment Period: N/A Public Hearing: 12/5/2017	Notice of Public Hearing	County of Riverside	Document reviewed - No comments sent
Retail RVC171128-08 Plot Plan No. 25793	The proposed project consists of construction of two restaurants totaling 7,245 square feet on 2.06 acres. The project is located on the southwest corner of Winchester Road and Benton Road in the community of Southwest Area. Reference RVC170321-02 Comment Period: N/A Public Hearing: 12/12/2017	Notice of Public Hearing	County of Riverside	Document reviewed - No comments sent
Retail SBC171110-05 Hotel & Casino Expansion Project	The proposed project consists of construction of 795,000 square feet of entertainment and hospitality facilities on 70 acres. The project is located on the northwest corner of East Lynwood Drive and North Victoria Avenue within and adjacent to the existing San Manuel Casino on the Tribe's Reservation. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-hotelandcasino-120517.pdf Comment Period: 11/7/2017 - 12/7/2017 Public Hearing: N/A	Notice of Preparation	San Manuel Band of Mission Indians	SCAQMD staff commented on 12/5/2017
Retail SBC171117-04 Greenspot Connection - Conditional Use Permit (CUP-17-003), Design Review Application (DRA-17-006) and Tentative Parcel Map (17-002)	The proposed project consists of construction of a 3,500-square-foot convenience store and a gasoline station with six fueling pumps on 1.51 acres. The project is located at 28099 Greenspot Road near the southwest corner of Greenspot Road and Boulder Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-greenspotconnection-120517.pdf Comment Period: 11/13/2017 - 11/27/2017 Public Hearing: N/A	Site Plan	City of Highland	SCAQMD staff commented on 12/5/2017

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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

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General Land Use (residential, etc.) LAC171110-09 Vermont Corridor Project	The proposed project consists of development of three sites. On the first site, the project would include demolition of 44,113 square feet of office buildings, and construction of a 471,000-square-foot office building and a 390,000-square-foot parking structure on 2.5 acres. On the second site, the project would include demolition of a 52,000-square-foot office building, conversion of a 154,793-square-foot mental health building to a residential building with 172 units, and construction of a 116,324-square-foot parking structure on one acre. On the third site, the project would include demolition of a 29,292-square-foot office building, and construction of a 80,837-square-foot residential building with 72 units, a 13,200-square-foot community center, and subterranean parking on 0.5 acres. The project is located on the northeast corner of South Vermont Avenue and West 6th Street in the community of Wilshire. Reference LAC170505-05 Comment Period: 11/3/2017 - 1/19/2018 Public Hearing: 11/28/2017	Draft Environmental Impact Report	County of Los Angeles	Document reviewed - No comments sent
General Land Use (residential, etc.) LAC171116-02 ENV-2016-4511: 1350-1360 N. Western Ave., 5433-5499 W. Fernwood Ave. and 1377 N. Serrano Ave.	The proposed project consists of construction of a 319,516-square-foot building with 203 residential units on 119,698 square feet. The project is located on the northeast corner of Western Avenue and Fernwood Avenue in the community of Hollywood. Comment Period: 11/16/2017 - 12/18/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
General Land Use (residential, etc.) LAC171118-01 Rio Rancho III Residential Project	The proposed project consists of construction of 110 residential units on 11.58 acres. The project is located on the southwest corner of West Lexington Avenue and South White Avenue. Reference LAC161209-03 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-rioranchoiii-residential-122017.pdf Comment Period: 11/20/2017 - 1/4/2018 Public Hearing: N/A	Draft Environmental Impact Report	City of Pomona	SCAQMD staff commented on 12/20/2017

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ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017

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<i>General Land Use (residential, etc.)</i> ORC171107-07 The Koll Center Residences Project	This document extends the public review period from November 3, 2017 to November 13, 2017 for the proposed project. The proposed project consists of construction of a mixed-use development with 260 residential units, a 1.17-acre public park, and subterranean parking on 13.16 acres. The project is located at 4400 Von Karman Avenue on the southeast corner of Birch Street and Von Karman Avenue. Reference ORC171019-07, ORC170914-07, and ORC170201-03 Comment Period: 10/27/2017 - 11/13/2017 Public Hearing: N/A	Extension of Time	City of Newport Beach	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> ORC171108-01 Euclid and Broadway Residential Project (Development Project No. 2016-00042)	The proposed project consists of demolition of 102,432 square feet of commercial buildings and construction of 39 residential units totaling 87,529 square feet on 2.35 acres. The project is located at 312-400 South Euclid Street and 1678 West Broadway on the southeast corner of Euclid Street and West Broadway. Reference ORC171004-02 Comment Period: N/A Public Hearing: 11/13/2017	Response to Comments	City of Anaheim	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> ORC171115-01 Tentative Tract Map 18125	The proposed project consists of subdivision of 20 acres for future development of 218 residential units. The project is located on the northeast corner of Victory Road and Tustin Ranch Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-ttm18125-111617.pdf Comment Period: 11/9/2017 - 11/24/2017 Public Hearing: N/A	Site Plan	City of Tustin	SCAQMD staff commented on 11/16/2017
<i>General Land Use (residential, etc.)</i> ORC171118-07 Tiny Tim Plaza Project	The proposed project consists of demolition of a 1,060-square-foot building and construction of a 90,280-square-foot building with 51 residential units on 2.33 acres. The project is located on the northeast corner of North Hawley Street and West 5th Street. Comment Period: 11/16/2017 - 12/5/2017 Public Hearing: 11/27/2017	Mitigated Negative Declaration	City of Santa Ana	Document reviewed - No comments sent

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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

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<i>General Land Use (residential, etc.)</i> ORC171128-01 Tentative Tract Map 18125	The proposed project consists of subdivision of 20 acres for future development of 218 residential units. The project is located on the northeast corner of Victory Road and Tustin Ranch Road. Reference ORC171115-01 Comment Period: N/A Public Hearing: N/A	Response to Comments	City of Tustin	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> RVC171108-05 Villages of Lakeview Specific Plan	The proposed project consists of construction of 11,350 residential units and 70.5 acres of commercial uses on 2,883 acres. The project is located on the southwest corner of Princess Ann Road and Ramona Expressway in the community of Lakeview/Nuevo. Reference RVC170815-07, RVC170809-01, RVC160930-03, and RVC130725-01 Comment Period: N/A Public Hearing: 11/14/2017	Notice of Public Hearing	County of Riverside	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> RVC171108-09 Altair Specific Plan (Formerly "Village West")	The proposed project consists of construction of 1,750 residential units and amenities on 270 acres. The project is located near the southeast corner of Ridge Park Drive and Rancho California Road. Reference RVC160920-11, RVC160802-07, RVC160503-07, and RVC141107-07 Comment Period: N/A Public Hearing: 11/15/2017	Notice of Public Hearing	City of Temecula	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> RVC171110-03 Lakeview Manor (Planning Application No. 2016-58, Residential Design Review No. 2017-01, and Tentative Tract Map No. 37280)	The proposed project consists of construction of 11 condominium buildings with 104 units totaling 164,347 square feet on 7.5 acres. The project will also preserve 21,268 square feet of open space. The project is located on the southwest corner of Lakeshore Drive and Machado Street. Comment Period: 11/6/2017 - 12/5/2017 Public Hearing: 12/5/2017	Mitigated Negative Declaration	City of Lake Elsinore	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.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> RVC171115-05 Tentative Parcel Map No. 37412 (MAP No. 17-002)	The proposed project consists of subdivision of 8.74 acres into four lots. The project is located on the northeast corner of Sanderson Avenue and Stetson Avenue. <div style="text-align: right;">Public Hearing: 11/30/2017</div>	Site Plan	City of Hemet	Document does not require comments
<i>General Land Use (residential, etc.)</i> RVC171116-03 Fleming Ranch (Specific Plan No. 2017-187)	The proposed project consists of construction of 1,080 residential units, 27.5 acres of water quality basins, 20.4 acres of commercial uses, 36.6 acres of street improvements, and 12.9 acres of open space on 331 acres. The project is located near the southeast corner of Rouse Road and Encanto Drive. Reference RVC170901-02 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-flemingranch-120517.pdf	Notice of Preparation	City of Menifee	SCAQMD staff commented on 12/5/2017
<i>General Land Use (residential, etc.)</i> RVC171116-05 MA17224 (EOT for TTM32722)	The proposed project consists of request to extend the expiration of Tentative Tract Map from October 3, 2017 to October 3, 2018 for the proposed project. The proposed project consists of subdivision of 5.66 acres for future development of 16 residences. The project is located on the southwest corner of Mission Boulevard and Sunnyhill Drive.	Extension of Time	City of Jurupa Valley	Document does not require comments
<i>General Land Use (residential, etc.)</i> RVC171116-07 Mill Creek Promenade Specific Plan No. 2016-246	The proposed project consists of construction of 398 residential units on a 34.52-acre portion of 58.5 acres. The project will also include development of 117,208 square feet of commercial uses, 33,288 square feet of industrial park, and 8.03 acres of open space. The project is located on the southwest corner of Garbani Road and Haun Road. Reference RVC170613-05, RVC161115-01 and RVC160308-07 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-millcreekpromenade-120517.pdf	Notice of Preparation	City of Menifee	SCAQMD staff commented on 12/5/2017

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November 01, 2017 to November 30, 2017

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
General Land Use (residential, etc.) SBC171102-03 Pepper Avenue Specific Plan	The proposed project consists of construction of 275 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 SBC171101-08, SBC170310-01, and SBC160126-05 Comment Period: N/A Public Hearing: 11/8/2017	Notice of Public Hearing	City of Rialto	Document reviewed - No comments sent
General Land Use (residential, etc.) SBC171108-04 Richland Communities - Master Site Approval (PL16-0491) and Tentative Tract Map No. 20008 (PL16-0490)	The proposed project consists of construction of 200 residential units on 20.6 acres. The project is located on the northwest corner of Moonflower Avenue and Bickmore Avenue. Reference SBC160913-10 and SBC140808-05 Comment Period: N/A Public Hearing: 11/13/2017	Notice of Public Hearing	City of Chino	Document reviewed - No comments sent
General Land Use (residential, etc.) SBC171114-01 Armstrong Ranch Specific Plan/PSP15-002	The proposed project consists of construction of 891 residential units and a 10-acre elementary school on 189.8 acres. The project is located on the northeast corner of Vineyard Avenue and Chino Avenue. Reference SBC171010-04 and SBC161004-06 Comment Period: N/A Public Hearing: 11/21/2017	Response to Comments	City of Ontario	Document reviewed - No comments sent
General Land Use (residential, etc.) SBC171114-09 Chino Annexation Area Project	The proposed project consists of annexation of 13.35 acres from the County of San Bernardino into the City of Chino. The project includes construction of 43 residential units on 13.35 acres. The project is located on the northwest corner of Pipeline Avenue and Chino Avenue. Reference SBC170301-01 Comment Period: 11/14/2017 - 12/4/2017 Public Hearing: 12/4/2017	Notice of Public Hearing	City of Chino	Document reviewed - No comments sent

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ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<p>Plans and Regulations</p> <p>LAC171107-02 City of Carson General Plan Update</p>	<p>The proposed project consists of city-wide updates to the existing General Plan and establishment of guidelines, policies, and strategies to guide future development, transportation, and environmental quality in the City through 2040.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-cityofcarsongeneralplan-111717.pdf</p> <p style="text-align: center;">Comment Period: 10/30/2017 - 12/15/2017 Public Hearing: 12/7/2017</p>	Notice of Preparation	City of Carson	SCAQMD staff commented on 11/17/2017
<p>Plans and Regulations</p> <p>LAC171109-05 City of Carson General Plan Update</p>	<p>This document extends the public review period from December 1, 2017 to December 15, 2017 for the proposed project. The proposed project consists of city-wide updates to the existing General Plan and establishment of guidelines, policies, and strategies to guide future development, transportation, and environmental quality in the City through 2040. Reference LAC171107-02</p> <p style="text-align: center;">Comment Period: 10/30/2017 - 12/15/2017 Public Hearing: 12/7/2017</p>	Extension of Time	City of Carson	Document reviewed - No comments sent
<p>Plans and Regulations</p> <p>LAC171110-14 Revocation of Conditional Use Permit Case No. 667</p>	<p>The proposed project consists of revocation and nullification of Conditional Use Permit Case No. 667. The project is located at 14138 Rosecrans Avenue near the southwest corner of Rosecrans Avenue and Valley View Avenue.</p> <p style="text-align: center;">Comment Period: N/A Public Hearing: 11/13/2017</p>	Notice of Public Hearing	City of Santa Fe Springs	Document does not require comments
<p>Plans and Regulations</p> <p>LAC171110-15 Local Coastal Program Amendment No. 17-002 and Zoning Map Amendment No. 17-004</p>	<p>The proposed project consists of amendment to the City's Local Coastal Program and the Malibu Municipal Code Title 17 La Costa Overlay District Map to designate the subject parcel as Building Height Classification Type "D" Lot.</p> <p style="text-align: center;">Comment Period: N/A Public Hearing: 11/27/2017</p>	Notice of Public Hearing	City of Malibu	Document does not require comments

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INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Plans and Regulations</i> LAC171116-09 Draft Port Master Plan Amendment of 2017	The proposed project consists of map changes to add maritime support to three areas: 1) visitor-serving commercial area at Berth 73A; 2) institutional area adjacent to the municipal fish market; and 3) Jankovich barge area at B51. Comment Period: N/A Public Hearing: 12/14/2017	Notice of Public Hearing	Port of Los Angeles	Document does not require comments
<i>Plans and Regulations</i> LAC171121-04 Parking Restriction Ordinance	The proposed project consists of amendment to add Chapter 10 to Title 10 of the Malibu Municipal Code to establish a citywide restriction to prohibit the parking of commercial oversize vehicles on City streets and limit the parking time of non-commercial vehicles on public streets. Comment Period: N/A Public Hearing: 11/27/2017	Notice of Public Hearing	City of Malibu	Document does not require comments
<i>Plans and Regulations</i> LAC171128-04 City of Long Beach Unattended Donation Box Ordinance Project	The proposed project consists of amendment to the Zoning Code to allow unattended donation boxes as an accessory use in all Commercial, Institutional, Planned Development and Special Plan Districts throughout the City. Comment Period: 11/14/2017 - 12/13/2017 Public Hearing: N/A	Notice of Intent to Adopt a Negative Declaration	City of Long Beach	Document does not require comments
<i>Plans and Regulations</i> ORC171101-07 Local Coastal Program Amendment No. 3-17 (Minor)	The proposed project consists of amendment to the Local Coastal Program to designate the Lido Villas community as a Planned Community in the City of Newport Beach. Comment Period: N/A Public Hearing: 11/9/2017	Community Notice	California Coastal Commission	Document reviewed - No comments sent

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INCOMING CEQA DOCUMENTS LOG
November 01, 2017 to November 30, 2017**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Plans and Regulations</i> RVC171102-01 East Lake Specific Plan Amendment No. 11 Project	The proposed project consists of establishment of land use regulations and development guidelines for circulation, drainage, architectural features, and natural resources protection on 2,950 acres. The project is located on the northwest corner of Grand Avenue and Corydon Road. Reference RVC170425-10 and RVC161110-07 Comment Period: N/A Public Hearing: 11/7/2017	Notice of Public Hearing	City of Lake Elsinore	Document reviewed - No comments sent
<i>Plans and Regulations</i> RVC171117-05 East Lake Specific Plan Amendment No. 11 Project	The proposed project consists of establishment of land use regulations and development guidelines for circulation, drainage, architectural features, and natural resources protection on 2,950 acres. The project is located on the northwest corner of Grand Avenue and Corydon Road. Reference RVC171102-01, RVC170425-10 and RVC161110-07 Comment Period: N/A Public Hearing: 11/28/2017	Response to Comments	City of Lake Elsinore	Document reviewed - No comments sent

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

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Warehouse & Distribution Centers</i> RVC171004-04 Duke Warehouse at Patterson Avenue and Markham Street Project	The proposed project consists of construction of a 811,620-square-foot warehouse on 37.3 acres. The project is located on the southeast corner of Markham Street and Patterson Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-dukewarehouse-110117.pdf Comment Period: 10/4/2017 - 11/2/2017 Public Hearing: 11/1/2017	Notice of Preparation	City of Perris	SCAQMD staff commented on 11/1/2017
<i>Warehouse & Distribution Centers</i> RVC171019-01 Development Review (DPR) 17-00006	The proposed project consists of construction of a 210,629-square-foot industrial building on 9.8 acres. The project is located on the southwest corner of Harley Knox Boulevard and Redlands Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-dr1700006-110817.pdf Comment Period: 10/19/2017 - 11/13/2017 Public Hearing: N/A	Site Plan	City of Perris	SCAQMD staff commented on 11/8/2017
<i>Warehouse & Distribution Centers</i> SBC171005-05 Pacific Freeway Center	The proposed project consists of construction of two warehouses totaling 522,000 square feet on 26.62 acres. The project is located at 10829 Etiwanda Avenue on the southeast corner of Interstate 10 and Etiwanda Avenue. Reference SBC170406-06 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-pacificfreewaycenter-111517.pdf Comment Period: 10/5/2017 - 11/20/2017 Public Hearing: 11/7/2017	Draft Environmental Impact Report	City of Fontana	SCAQMD staff commented on 11/15/2017
<i>Warehouse & Distribution Centers</i> SBC171025-02 Cedar Avenue Technology Center (P20161600435/CUP)	The proposed project consists of construction of a 184,770-square-foot warehouse on 9.8 acres. The project is located on the northeast corner of Cedar Avenue and Orange Street in the community of Bloomington. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-cedaravenue-110817.pdf Comment Period: 10/25/2017 - 11/13/2017 Public Hearing: N/A	Mitigated Negative Declaration	County of San Bernardino	SCAQMD staff commented on 11/8/2017
<i>Waste and Water-related</i> ODP170908-05 Santa Susana Field Laboratory Project	The proposed project consists of cleanup of contaminated soil and groundwater and removal of existing facilities on 2,850 acres. The project is located on the southeast corner of Service Area Road and Woolsey Canyon Road in Ventura County. Reference ODP170420-07, ODP170405-01, ODP140116-02, ODP131121-02, ODP100930-02, LAC131018-05, LAC130918-13 and LAC110510-12 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/dpeir-santasusana-112817.pdf Comment Period: 9/7/2017 - 12/7/2017 Public Hearing: 10/5/2017	Draft Program Environmental Impact Report	Department of Toxic Substances Control	SCAQMD staff commented on 11/28/2017

*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
Utilities LAC170914-10 Inglewood Oil Field Specific Plan Project	The proposed project consists of update and superseding of the City's existing oil drilling regulations to establish safeguards and controls for drilling and production of oil, gas, and other hydrocarbon substances on 77.8 acres. The project is located on the northwest corner of South Fairfax Avenue and La Cienega Boulevard. Reference LAC170905-03, LAC170711-11, LAC170117-01 and LAC151008-17 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-inglewoodoilfield-111417.pdf Comment Period: 9/15/2017 - 3/14/2018 Public Hearing: 10/24/2017	Draft Environmental Impact Report	City of Culver City	SCAQMD staff commented on 11/14/2017
Transportation LAC171013-07 Division 20 Portal Widening and Turnback Facility Project	The proposed project consists of demolition of 306,875 square feet of existing buildings, construction of tracks and switches on Metro Red and Purple lines, installation of traction power substation and emergency backup power generator, reconfiguration of existing tracks and access roads, and modification to the 1st Street Bridge on 45 acres. The project is located on the southeast corner of Commercial Street and Center Street in the community of Central City North. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-division20portal-111417.pdf Comment Period: 10/18/2017 - 11/17/2017 Public Hearing: 10/25/2017	Notice of Preparation	Los Angeles County Metropolitan Transportation Authority	SCAQMD staff commented on 11/14/2017
Institutional (schools, government, etc.) LAC171018-01 Roosevelt High School Comprehensive Modernization Project	The proposed project consists of demolition of 17 portable classroom buildings and construction of six administrative and classroom buildings totaling 236,000 square feet on 22.7 acres. The project is located at 456 South Mathews Street on the northeast corner of South Soto Street and East 6th Street in the community of Boyle Heights. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-roosevelthigh-111417.pdf Comment Period: 10/18/2017 - 11/16/2017 Public Hearing: N/A	Notice of Preparation	Los Angeles Unified School District	SCAQMD staff commented on 11/14/2017
Institutional (schools, government, etc.) LAC171019-02 Los Angeles County Consolidated Correctional Treatment Facility Project (Men's Central Jail Replacement Project)	The proposed project consists of demolition of the existing jail facility and construction of a 2.4 million-square-foot new facility with 3,885 beds on 17.7 acres. The project will also include construction of a parking structure with either 1,500 spaces under Option One or 3,000 spaces under Option Two. The project is located on the northeast corner of North Vignes Street and Bauchet Street in the community of Central City North. Reference LAC150618-14 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-menscentraljail-121217.pdf Comment Period: 10/19/2017 - 12/18/2017 Public Hearing: 10/30/2017	Draft Environmental Impact Report	County of Los Angeles	SCAQMD staff commented on 12/12/2017

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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>Institutional (schools, government, etc.)</i> LAC171026-02 ArtCenter College of Design Master Plan	The proposed project consists of development of two campuses: the Hillside Campus and the South Campus over 15 years. The Hillside Campus will include construction of two buildings totaling 19,020 square feet and photovoltaic canopies with a maximum height of 20 feet on 155.95 acres. The South Campus will include construction of two student housing buildings with a maximum of 850 beds totaling 240,000 square feet and four administrative buildings totaling 220,000 square feet on 6.68 acres. The Hillside Campus of the project is located at 1700 Lida Street on the southeast corner of Pegfair Lane and Figueroa Street. The South Campus of the project is located on the northeast corner of South Raymond Avenue and East Glenarm Street. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-artcentercollege-120517.pdf Comment Period: 10/26/2017 - 12/18/2017 Public Hearing: 11/8/2017	Draft Environmental Impact Report	City of Pasadena	SCAQMD staff commented on 12/5/2017
<i>Institutional (schools, government, etc.)</i> LAC171026-03 LACMA Building for the Permanent Collection	The proposed project consists of demolition of five museum facilities totaling 392,871 square feet and construction of a 387,500-square-foot museum building on 2.5 acres. The project is located on the southeast corner of Wilshire Boulevard and Spaulding Avenue. Reference LAC160804-06 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-lacmabuilding-120517.pdf Comment Period: 10/26/2017 - 12/15/2017 Public Hearing: 11/7/2017	Draft Environmental Impact Report	County of Los Angeles	SCAQMD staff commented on 12/5/2017
<i>Institutional (schools, government, etc.)</i> SBC171025-03 Ling Yen Mountain Temple	The proposed project consists of construction of 24 buildings totaling 145,174 square feet on 37 acres. The project is located at 13938 Decliff Drive on the northwest corner of Decliff Drive and Dawnridge Drive in the community of Etiwanda. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-lingyenmountaintemple-111717.pdf Comment Period: 10/25/2017 - 11/27/2017 Public Hearing: N/A	Notice of Preparation	County of San Bernardino	SCAQMD staff commented on 11/17/2017
<i>Retail</i> RVC171012-02 Vinters Retail Center - Conditional Use Permit No. 2016-290 and Tentative Parcel Map No. 2016-091 - PC1	The proposed project consists of construction of a 28,925-square-foot retail center and a 4,608-square-foot gas station with six fueling pumps on 4.82 acres. The project is located on the northwest corner of Trumble Road and Highway 74. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-vintersretailcenter-110117.pdf Comment Period: 10/11/2017 - 11/3/2017 Public Hearing: N/A	Site Plan	City of Menifee	SCAQMD staff commented on 11/1/2017

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ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
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<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Retail RVC171024-02 Planning Application No. 2017-061	The proposed project consists of subdivision of 15.33 acres for future development of a gasoline dispensing station with eight dual pumps, a 3,800-square-foot convenience store, a 2,080-square-foot car wash facility, and a 4,365-square-foot restaurant. The project is located on the southwest corner of Ethanac Road and Barnett Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-ethanacandbarnett-110717.pdf Comment Period: 10/24/2017 - 11/8/2017 Public Hearing: N/A	Site Plan	City of Menifee	SCAQMD staff commented on 11/7/2017
Retail RVC171026-01 Genral Plan Amendment No. 1165, Change of Zone No. 7900, and Conditional Use Permit No. 3739 AMD No. 1 (EA42871)	The proposed project consists of construction of a gasoline dispensing station with 10 fueling pumps, a 5,881-square-foot convenience store, a 1,262-square-foot car wash facility, and a 6,549-square-foot canopy on 2.6 acres. The project is located on the northeast corner of Cajalco Road and Temescal Canyon Road in the community of Temescal Canyon. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-gpano1165-110117.pdf Comment Period: 10/26/2017 - 11/15/2017 Public Hearing: 11/15/2017	Negative Declaration	County of Riverside	SCAQMD staff commented on 11/1/2017
Retail SBC171024-01 P201700395/CUP	The proposed project consists of construction of a 340-square-foot building, a 5,112-square-foot canopy, and a gasoline fueling station on 1.11 acres. The project is located on the southwest corner of Whittram Avenue and Cherry Avenue within the boundaries of City of Fontana. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-p201700395cup-110217.pdf Comment Period: 10/24/2017 - 11/2/2017 Public Hearing: N/A	Site Plan	County of San Bernardino	SCAQMD staff commented on 11/2/2017
General Land Use (residential, etc.) LAC171003-15 668 S. Alameda Street Project (ENV-2016-3576-EIR)	The proposed project consists of demolition of four buildings totaling 131,350 square feet, and construction of a 577,301-square-foot building with 475 residential units and subterranean parking on 3.75 acres. The project is located on the southeast corner of South Alameda Street and Industrial Street in the community of Central City North. Reference LAC161202-01 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-668salamedastreet-110817.pdf Comment Period: 9/28/2017 - 11/13/2017 Public Hearing: N/A	Draft Environmental Impact Report	City of Los Angeles	SCAQMD staff commented on 11/8/2017
General Land Use (residential, etc.) LAC171005-02 ENV-2016-2684: 1800 E. 7th St.	The proposed project consists of demolition of a parking lot and construction of a 129,440-square-foot building with 122 residential units and subterranean parking on 0.67 acres. The project is located on the southeast corner of 7th Street and Decatur Street in the community of Central City North. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-1800e7thst-110117.pdf Comment Period: 10/5/2017 - 11/6/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 11/1/2017

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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>General Land Use (residential, etc.)</i> LAC171006-06 1001 Olympic (Olympia) - ENV-2016-4889-EIR	The proposed project consists of demolition of a 43,892-square-foot medical facility, and construction of three buildings totaling 1,845,831 square feet with subterranean parking on 3.26 acres. The project will be developed with one of the two options. Option one will include 1,367 residential units. Option two will include 879 residential units and a hotel with 1,000 rooms. The project is located on the northwest corner of Olympic Boulevard and Georgia Street in the community of Central City. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-1001olympic-110117.pdf Comment Period: 10/5/2017 - 11/6/2017 Public Hearing: 10/19/2017	Notice of Preparation	City of Los Angeles	SCAQMD staff commented on 11/1/2017
<i>General Land Use (residential, etc.)</i> LAC171012-03 The Fig (ENV-2016-1892-EIR)	The proposed project consists of demolition of eight residential buildings totaling 33,720 square feet, and construction of a 624,167-square-foot building with a 298-room hotel, 408 residential units, and subterranean parking on 4.4 acres. The project is located on the southwest corner of 39th Street and Flower Drive in the community of Southeast Los Angeles. Reference LAC160719-02 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-thefig-111717.pdf Comment Period: 10/12/2017 - 11/27/2017 Public Hearing: N/A	Draft Environmental Impact Report	City of Los Angeles	SCAQMD staff commented on 11/17/2017
<i>General Land Use (residential, etc.)</i> LAC171017-06 The District at South Bay Specific Plan	The proposed project consists of construction of 1,601,500 square feet of commercial uses, 1,250 residential units, and two hotels with a total of 350 rooms on 168 acres. The project is located on the southeast corner of East Del Amo Boulevard and Main Street. Reference LAC171017-02 and LAC170801-08 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/dseir-thedistrictatsouthbay-111617.pdf Comment Period: 10/3/2017 - 11/17/2017 Public Hearing: N/A	Notice of Availability of Draft Supplemental Environmental Impact Report	City of Carson	SCAQMD staff commented on 11/16/2017
<i>General Land Use (residential, etc.)</i> ORC171005-01 Village Center	The proposed project consists of demolition of 155,296 square feet of commercial uses, construction of 237 residential units totaling 281,368 square feet, and redevelopment of 42,300 square feet of commercial uses on 21.87 acres. The project is located on the northwest corner of Beach Boulevard and Garden Grove Boulevard. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-villagecenter-110317.pdf Comment Period: 10/4/2017 - 11/6/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Stanton	SCAQMD staff commented on 11/3/2017

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

**ATTACHMENT C
ACTIVE SCAQMD LEAD AGENCY PROJECTS
THROUGH NOVEMBER 30, 2017**

PROJECT DESCRIPTION	PROPONENT	TYPE OF DOCUMENT	STATUS	CONSULTANT
<p>Edgington Oil Company (Edgington) is proposing the following modifications at its existing Edgington Refinery site to allow for additional flexibility in using the site for terminal operations: 1) add 18 offloading arms at its existing rail tank car loading facility to allow for the offloading of distillates, biodiesel, and renewables (diesel and jet fuels), ethanol, naphtha, alkylates, reformate, and isooctane; 2) modify seven truck loading racks to allow distillates, biodiesel, and renewables to be loaded; 3) modify one rack (two arms) to allow unloading of crude oil from trucks; and 4) modify 16 existing fixed-roof asphalt storage tanks to allow storage of distillates, biodiesel, and renewables.</p>	<p>Edgington Oil Company</p>	<p>Initial Study (IS)</p>	<p>An Initial Study has been prepared by the consultant and SCAQMD staff has provided comments. The consultant is in the process of revising the Initial Study.</p>	<p>InterAct</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 SCAQMD staff has provided comments. The consultant is in the process of revising the NOP/IS.</p>	<p>Trinity Consultants</p>

**ATTACHMENT C
ACTIVE SCAQMD LEAD AGENCY PROJECTS
THROUGH NOVEMBER 30, 2017**

PROJECT DESCRIPTION	PROPONENT	TYPE OF DOCUMENT	STATUS	CONSULTANT
<p>Southern California Edison (SCE) is proposing to modify the air pollution control system for the Barre Peaker unit to repair current and prevent future water damage by: 1) decreasing the water-injection rate into the turbine’s combustor; 2) replacing the oxidation catalyst and increasing the overall area of catalyst beds in the selective catalytic reduction (SCR) unit; 3) replacing the ammonia injection grid to improve the deliverability of ammonia to the catalyst; and, 4) increasing the concentration of the aqueous ammonia that is delivered to the facility, stored on-site, and injected into the SCR unit from 19% to 29%. In addition, SCE is proposing to revise its SCAQMD Title V Operating Permit to allow the turbine to generate power over its full operating range, from less than one megawatt (MW) to full load (e.g., 45 MW net), while continuing to meet the emission limits in the current permit.</p>	<p>Southern California Edison</p>	<p>Addendum to the April 2007 Final Mitigated Negative Declaration for the Southern California Edison Barre Peaker Project in Stanton</p>	<p>A draft Addendum has been prepared by the consultant and is under review by SCAQMD staff.</p>	<p>Yorke Engineering, LLC</p>
<p>Southern California Edison (SCE) is proposing to modify the air pollution control system for the Mira Loma Peaker unit to repair current and prevent future water damage by: 1) decreasing the water-injection rate into the turbine’s combustor; 2) replacing the oxidation catalyst and increasing the overall area of catalyst beds in the Selective Catalytic Reduction (SCR) unit; 3) replacing the ammonia injection grid to improve the deliverability of ammonia to the catalyst; and, 4) increasing the concentration of the aqueous ammonia that is delivered to the facility, stored on-site, and injected into the SCR unit from 19% to 29%. In addition, SCE is proposing to revise its SCAQMD Title V Operating Permit to allow the turbine to generate power over its full operating range, from less than one megawatt (MW) to full load (e.g., 45 MW net), while continuing to meet the emission limits in the current permit.</p>	<p>Southern California Edison</p>	<p>Addendum to the April 2007 Final Mitigated Negative Declaration for the Southern California Edison Mira Loma Peaker Project in Ontario</p>	<p>A draft Addendum has been prepared by the consultant and is under review by SCAQMD staff.</p>	<p>Yorke Engineering, LLC</p>

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 12

REPORT: Rule and Control Measure Forecast

SYNOPSIS: This report highlights SCAQMD rulemaking activities and public workshops potentially scheduled for 2018.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Executive Officer

PMF:SN:AF:RM

The following provides a summary of rulemaking activities and other AQMP-related programs in 2017.

Summary of 2016 AQMP Implementation: The 2016 AQMP was adopted in March 2017 and approved by the California Air Resources Board in the same month. The purpose of the 2016 AQMP is to demonstrate attainment of the 2008 8-hour ozone standard (75 ppb), 2012 annual PM_{2.5} standard (12 µg/m³), 2006 24-hour PM_{2.5} standard (35 µg/m³) and provide an update in meeting the 1997 8-hour (80 ppb) and 1979 1-hour (120 ppb) ozone standards. The emission reduction commitments are achieved through control measures to be adopted into rules or federally enforceable commitments that are provided in Table 1. As noted in the table, one control measure, CTS-01, included commitments for adoption in 2017 and 1.0 ton per day (tpd) of VOC reductions. This commitment was fulfilled with the October 2017 amendment to Rule 1168 – Adhesive and Sealant Applications, resulting in a VOC reduction of 1.4 tpd by 2023, exceeding the commitment in the 2016 AQMP. There are also a number of 2016 AQMP control measures for which development was initiated in 2017, including rules, incentive programs, and continuing implementation of ongoing mobile source programs such as the Surplus Off-Road Opt-In for NO_x (SOON) exchange program and Carl Moyer grant program, but those reductions have not yet been submitted into the State

Implementation Plan (SIP) as they need to be quantified, verified, and shown to be compliant with U.S. EPA requirements. The other control measures being developed into rules, such as CMB-03 (Non-Refinery Flares), are anticipated to be adopted and implemented in the upcoming years to fulfill the adoption schedule and emission reduction commitments in the 2016 AQMP, and thus achieve the federal air quality standards by the statutory deadlines.

TABLE 1

2016 AQMP Emission Reductions (tons per day) by Measure/Adoption Date

Control Measure #	CONTROL MEASURE TITLE	Adoption Date	COMMITMENT		ACHIEVED	
			2023	2031	2023	2031
VOC EMISSIONS						
CTS-01	Further Emission Reductions from Coatings, Solvents, Adhesives, and Sealants [R1168]	2017/2021	1.0	2.0	1.4	--
FUG-01	Improved Leak Detection and Repair	2019	2.0	2.0	--	--
CMB-01	Transition to Zero and Near-Zero Emission Technologies for Stationary Sources	2018	1.2	2.8	--	--
CMB-03	Emission Reductions from Non-Refinery Flares [R1118.1]	2018	0.4	0.4	--	--
ECC-02	Co-Benefits from Existing Residential and Commercial Building Energy Efficiency Measures	2018	0.07	0.3	--	--
ECC-03	Additional Enhancements in Reducing Existing Residential Building Energy Use	2018	0.2	0.3	--	--
BCM-10	Emission Reductions from Greenwaste Composting	2019	1.5	1.8	--	--
TOTAL VOC REDUCTIONS			6.4	9.6	1.4	--
NOx EMISSIONS						
CMB-01	Transition to Zero and Near-Zero Emission Technologies for Stationary Sources	2018	2.5	6.0	--	--
CMB-02	Emission Reductions from Replacement with Zero or Near-Zero NOx Appliances in Commercial and Residential Applications	2018	1.1	2.8	--	--
CMB-03	Emission Reductions from Non-Refinery Flares [R1118.1]	2018	1.4	1.5	--	--
CMB-04	Emission Reductions from Restaurant Burners and Residential Cooking	2018	0.8	1.6	--	--

NO_x EMISSIONS						
CMB-05	Further NO _x Reductions from RECLAIM Assessment	2022	0.0	5.0	--	--
ECC-02	Co-Benefits from Existing Residential and Commercial Building Energy Efficiency Measures	2018	0.3	1.1	--	--
ECC-03	Additional Enhancements in Reducing Existing Residential Building Energy Use	2018	1.2	2.1	--	--
MOB-10	Extension of the SOON Provision for Construction/Industrial Equipment	Ongoing	1.9	1.9	TBD	TBD
MOB-11	Extended Exchange Program	Ongoing	2.9	1.0	TBD	TBD
MOB-14	Emission Reductions from Incentive Programs	Ongoing	11	7.8	TBD	TBD
TOTAL NO_x REDUCTIONS			23.1	31.0	TBD	TBD
PM_{2.5} EMISSIONS			COMMITMENT		ACHIEVED	
Control Measure #	CONTROL MEASURE TITLE	Adoption Date	2021	2025	2021	2025
BCM-01	Further Emission Reductions from Commercial Cooking	2018	0.0	3.3	--	--
BCM-04	Emission Reductions from Manure Management Strategies [NH ₃]	2019	0.26	0.2	--	--
BCM-10	Emission Reductions from Greenwaste Composting [NH ₃]	2019	0.1	0.1	--	--
TOTAL PM_{2.5} REDUCTIONS			TBD	3.3	0.0	0.0

2017 Rule Activities

There were twelve amendments to rules approved by the SCAQMD Board in 2017 along with the adoption of the 2016 AQMP. Five of the rules strengthened toxic regulations for lead, metal grinding, soils, and at new/modified facilities. One rule achieved VOC emission reductions by lowering VOC content limits from a variety of adhesive and sealant categories. Two rules addressed refinery operations such as reducing flare activity and requiring fenceline monitoring around refinery facilities. The latter rule could assist refineries in detecting and identifying possible leaks from equipment; however, it is a monitoring and disclosure rule so no emission reductions were quantified or assumed to occur as a result of implementation. One rule provided temporary relief from existing requirements with a permanent forgone NO_x emissions reduction of only 0.03 tons per day. Two rules focused on administrative topics such as fee updates and equipment exempt from permitting, and another rule mitigates odors from rendering facilities.

2017/2018 Ongoing Activities

In 2017, staff began work on fulfilling the Board directive from the 2016 AQMP development and control measure CMB-05 to transition facilities in the REgional CLean Air Incentives Market (RECLAIM) Program to command-and-control regulations. Accomplishing this task includes restricting new facilities into the RECLAIM program, and providing exit and opt-out provisions. Work was also initiated on the development of facility-based measures for the Ports, warehouses, airports, railyards, and development projects pursuant to the 2016 AQMP control measures MOB-01 through MOB-04 and EGM-01. Staff are also leading an effort to address concerns with the use of hydrogen fluoride at two refineries through numerous working groups, site visits, and presentations from a variety of stakeholders and interested parties. All of these activities will continue in 2018.

Mobile Source Incentive Programs

Table 2 summarizes efforts and emission reductions from several mobile source incentive programs for 2017.

TABLE 2
Summary of SCAQMD's Board Approved 2017 Incentive Programs¹

Program	Funding Amount	No. of Equipment	NO_x (tpy)	PM_{2.5} (tpy)
Carl Moyer & SOON	\$27,354,682	410	190	7.9
AB 134	\$51,701,413	324	373	15.7
Proposition 1B*	\$62,640,000	589	274	2.7
Electric & CNG School Buses	\$10,089,867	41	5.4	0.3
Voucher Incentive (VIP)	\$2,325,000	49	33.2	4.1
TOTAL	\$136,190,386²	1,413	875.6	30.7

* The truck projects under Proposition 1B were approved in December 2016, but the contracts were executed in CY 2017.

In addition to the above programs, the Board approved \$9 million as partial funding for eleven Tier 4 locomotives for Metrolink from the AB 923 funds.

2018 MASTER CALENDAR

The table below summarizes 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.

1111	Reduction of NO_x Emissions from Natural Gas Fired, Fan-Type Central Furnaces
PAR 1111 is being moved from February to March. Staff will release the proposed rule that will be used to evaluate CEQA impacts and project alternatives, and provide the time required to satisfy the 45-day public review and comment period as well as respond to any public agency comments received no later than 10 days before the public hearing.	
1178	Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities
PAR 1178 is being moved from March to April to allow staff more time to work with stakeholders.	
1469	Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations
PAR 1469 is being moved from February to April in order to provide staff time to evaluate concerns regarding the toxicity of chemical fume suppressants and considerations for proposed requirements phasing out its use.	

2018 MASTER CALENDAR

Symbols have been added to indicate the following:

- * *This rulemaking is a potentially significant hearing.*
- + *This rulemaking will reduce criteria air contaminants and assist toward attainment of ambient air quality standards.*
- # *This rulemaking is part of the transition of RECLAIM to a command and control regulatory structure.*

March	Title and Description	Type of Rulemaking
120	<p>Credible Evidence Rule Proposed Rule 120 will allow any credible evidence to be used for the purpose of establishing that a person has violated or is in violation of any plan, order, permit, rule, regulation, or law. This rule will establish presumptively credible evidence. <i>Michael Krause 909.396.2706 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
408	<p>Circumvention Proposed Amended Rule 408 would require prior approval from the Executive Officer to use equipment or techniques to mitigate nuisance odors. The proposed amendment would also prohibit temporary alterations to normal business operations or equipment to dilute, suppress, or conceal detection during monitoring or testing. <i>Michael Krause 909.396.2706 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1111 ⁺	<p>Reduction of NOx Emissions from Natural Gas Fired, Fan-Type Central Furnaces Rule 1111 proposed amendments would extend the mitigation fee dates, increase the mitigation fee to encourage manufacturers to commercialize compliant units and add a rebate program to encourage consumers to purchase compliant units. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP

2018 MASTER CALENDAR

April	Title and Description	Type of Rulemaking
1146	Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters	Other
1146.1	Emissions of Oxides of Nitrogen from Small Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters	
1146.2*+##	Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers and Process Heaters Amendments to Rules 1146, 1146.1, and 1146.2 will incorporate requirements for facilities that are in RECLAIM that are required to meet BARCT emission control levels.	
2001*+##	RECLAIM - Applicability Amendments to Rule 2001 are needed to reflect the transition of RECLAIM facilities to command and control.	
1100*+##	Implementation Schedule for NOx Facilities Rule 1100 will establish the implementation schedule for specific NOx RECLAIM facilities that are transitioning to command and control. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i>	
1178+	Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities Proposed Amended Rule 1178 will incorporate provisions to allow use of a flexible enclosure option allowed under the U.S. EPA Storage Tank Emission Reduction Partnership Program for floating roof storage tanks equipped with a slotted guide pole. <i>David De Boer 909.396.2329 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i>	Other
1469*	Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations Proposed Amended Rule 1469 will further reduce hexavalent chromium emissions by establishing new requirements for certain hexavalent chromium tanks that are currently not regulated and further address potential fugitive emissions from hexavalent chromium electroplating and chromic acid anodizing operations. <i>Jillian Wong 909.396.3176 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i>	Toxics

2018 MASTER CALENDAR

May		
Reg. III	<p>Fees Amendments to Regulation III will incorporate the CPI adjustment to keep pace with inflation, pursuant to Rule 320, and proposed amendments may also make any other needed adjustments. <i>Jillian Wong 909.396.3176 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
Reg. XIII*#	<p>New Source Review Amendments to Regulation XIII are needed to address New Source Review provisions for facilities that exit RECLAIM. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
June		
1118.1*+#	<p>Control of Emissions from Non-Refinery Flares Proposed Rule 1118.1 will seek to reduce emissions from flaring at non-refinery facilities, including alternate uses of gases. The rule would require use of flares that meet Best Available Control Technology at sources such as landfills, wastewater treatment plants, and oil and gas production facilities. <i>Michael Krause 909.396.2706 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1100*+#	<p>Implementation Schedule for NOx Facilities Rule 1100 will establish the implementation schedule for specific NOx RECLAIM facilities that are transitioning to command and control. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1403	<p>Asbestos Emissions from Demolition/Renovation Activities Amendments to Rule 1403 will include specific requirements when conducting asbestos-emitting demolition/renovation activities at schools, daycare centers, and possibly establishments that have sensitive populations. Amendments may include other provisions to improve the implementation of the rule. <i>Jillian Wong 909.396.3176 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
July		
1110.2*+#	<p>Emissions from Stationary Internal Combustion Engines Rule 1110.2 will be amended to incorporate provisions for facilities that are transitioning from NOx RECLAIM to command and control.</p>	AQMP
1100*+#	<p>Implementation Schedule for NOx Facilities Rule 1100 will establish the implementation schedule for specific NOx RECLAIM facilities that are transitioning to command and control. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	

2018 MASTER CALENDAR

July (continued)	Title and Description	Type of Rulemaking
1410*	<p>Hydrogen Fluoride Use at Refineries Proposed Rule 1410 will establish requirements for use of hydrogen fluoride at refineries.</p> <p><i>Michael Krause 909.396.2706 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
September		
1407* 1407.1*	<p>Control of Emissions of Arsenic, Cadmium and Nickel from Non- Ferrous Metal Operations 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 and expand the applicability to address ferrous metal operations and hexavalent chromium emissions.</p> <p><i>David De Boer 909.396.2329 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
1480*	<p>Toxics Monitoring Proposed Rule 1480 will establish provisions for when ambient monitoring is required and the toxic air contaminants that will be monitored.</p> <p><i>Jillian Wong 909.396.3176 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
October		
Reg. IX Reg. X	<p>Standards of Performance for New Stationary Sources (NSPS) National Emission Standards for Hazardous Air Pollutants (NESHAPS) Amendments to Regulations IX and X are periodically made to incorporate by reference new or amended federal 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><i>Carol Gomez 909.396.3264 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other

2018 MASTER CALENDAR

October (continued)	Title and Description	Type of Rulemaking
1134*+ [#]	<p>Emissions of Oxides of Nitrogen from Stationary Gas Turbines Proposed Amended Rule 1134 will update the emission standard to incorporate Best Available Retrofit Control Technology and incorporate an implementation schedule for NO_x facilities that are exiting RECLAIM.</p>	AQMP
1100*+ [#]	<p>Implementation Schedule for NO_x Facilities Rule 1100 will establish the implementation schedule for other NO_x RECLAIM facilities that are transitioning to command and control. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	
Reg. XVI	<p>Mobile Source Offset Programs Amendments to various Regulation XVI rules will be proposed to provide greater opportunity to reduce mobile source emissions and to obtain credit in the State Implementation Plan for these reductions where possible, including addressing the recent U.S. EPA proposed disapproval of Rule 1610. <i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
November		
1135*+ [#]	<p>Emissions of Oxides of Nitrogen from Electric Power Generating Facilities Proposed Amended Rule 1135 will incorporate requirements for electric power generating facilities that are to transition from NO_x RECLAIM to command and control. <i>David De Boer 909.396.2329 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1100*+ [#]	<p>Implementation Schedule for NO_x Facilities Rule 1100 will establish the implementation schedule for specific NO_x RECLAIM facilities that are transitioning to command and control. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	
1435*	<p>Control of Emissions from Metal Heat Treating Processes Proposed Rule 1435 would establish requirements to reduce hexavalent chromium emissions from heat treating processes. <i>Jillian Wong 909.396.3176 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Toxics

2018 MASTER CALENDAR

December	Title and Description	Type of Rulemaking
1109.1*+ [#]	<p>Refinery Equipment Proposed Rule 1109.1 will establish requirements for refineries that are transitioning from RECLAIM to command and control. <i>Michael Krause 909.396.2706 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1100*+ [#]	<p>Implementation Schedule for NOx Facilities Rule 1100 will establish the implementation schedule for specific NOx RECLAIM facilities that are transitioning to command and control. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	
2202	<p>On-Road Motor Vehicle Mitigation Options Proposed amendments to Rule 2202 would enhance emission reductions obtained from the Employee Commute Reduction Program (ECRP) rule option. <i>Carol Gomez 909.396.3264 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other

**2018 MASTER CALENDAR
2018 To-Be-Determined**

To-Be-Determined	Title and Description	Type of Rulemaking
102	<p>Definition of Terms Staff may propose amendments to Rule 102 to add or revise definitions in order to support amendments to other Regulation XI rules.</p> <p align="right"><i>CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
113*#	<p>Monitoring, Reporting, and Recordkeeping (MRR) Requirements for NOx and SOx Sources Proposed Rule 113 will establish MRR requirements for facilities exiting RECLAIM and transitioning to a command and control regulatory structure.</p> <p align="right"><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
218	<p>Continuous Emission Monitoring Amendments to Rule 218 may be needed for facilities exiting RECLAIM and transitioning to a command and control regulatory structure.</p> <p align="right"><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	
218.1	<p>Continuous Emission Monitoring Performance Specifications Amendments to Rule 218.1 may be needed for facilities exiting RECLAIM and transitioning to a command and control regulatory structure.</p> <p align="right"><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	
219	<p>Equipment Not Requiring a Written Permit Pursuant to Regulation II It is periodically necessary to amend Rule 219 to remove or add certain exemptions for low-emission processes or equipment.</p> <p align="right"><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 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.</p> <p align="right"><i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 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 rule.</p> <p align="right"><i>Zorik Pirveysian 909.396.3421 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other

**2018 MASTER CALENDAR
2018 To-Be-Determined (continued)**

To-Be-Determined	Title and Description	Type of Rulemaking
416*	<p>Odors from Kitchen Grease Processing Proposed Rule 416 will reduce ambient 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: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
429*+#	<p>Start-Up and Shutdown Exemption Provisions for Oxides of Nitrogen It may be necessary to amend Rule 429 to address start-up/shutdown provisions related to the transition of NOx RECLAIM to a command and control regulatory program and if U.S. EPA requires updates to such provisions. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 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: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1106 1106.1*+	<p>Marine Coating Operations Pleasure Craft Coating Operations Rule 1106.1 is proposed to be rescinded; Rule 1106 would subsume the requirements of Rule 1106.1, revise VOC content limits for several categories in order to align limits with U.S. EPA Control Techniques Guidelines and other California air districts, and add new categories for several categories. <i>Michael Krause 909.396.2706 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1107+	<p>Coating of Metal Parts and Products Potential amendments to Rule 1107 would further reduce VOC emissions and improve rule clarity and enforceability. <i>Michael Krause 909.396.2706 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1109*+#	<p>Emissions of Oxides of Nitrogen from Boilers and Process Heaters in Petroleum Refineries Amendments to Rule 1109 may be needed to establish BARCT emission limits for refineries that are exiting RECLAIM and subject to command and control rules. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP

2018 MASTER CALENDAR
2018 To-Be-Determined (continued)

To-Be-Determined	Title and Description	Type of Rulemaking
1111.1 ⁺	<p>Reduction of NOx Emissions from Natural Gas Fired Commercial Furnaces Proposed Rule 1111.1 will establish equipment-specific NOx emission limits and other requirements for the operation of commercial space heaters. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1113 ⁺	<p>Architectural Coatings Depending on the final recommendations from the Scientific Review Panel for the Office of Environmental Health Hazard Assessment (OEHHA), staff may propose amendments to the tBAc exemption. <i>Michael Krause 909.396.2706 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	
1117* ^{##}	<p>Glass Melting Furnaces Proposed amendments will control NOx emissions from glass melting furnaces. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1123* ⁺	<p>Refinery Process Turnarounds Proposed amendments will establish procedures that better quantify emission impacts from start-up, shutdown or turnaround activities. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1136* ⁺ 1450*	<p>Wood Products Coatings Amendments may be proposed to existing rule limits and other provisions. Control of Methylene Chloride Emissions The proposed rule would reduce exposure to methylene chloride from furniture stripping, remove potential regulatory loopholes, achieve emission reductions where possible and cost effective, include reporting requirements, and improve consistency with other SCAQMD VOC rules. <i>David De Boer 909.396.2329 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP Toxics
1142*	<p>Marine Tank Vessel Operations Proposed revisions to Rule 1142 would address VOC emissions from marine tank vessel operations and provide clarifications. <i>David De Boer 909.396.2329 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1147.1* ^{##}	<p>Large Miscellaneous Combustion Rule 1147.1 will include large miscellaneous combustion sources currently at RECLAIM facilities. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1147.2* ^{##}	<p>Metal Melting and Heat Treating Furnaces Proposed Rule 1147.2 will reduce NOx emissions from metal melting and heat treating furnaces. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP

2018 MASTER CALENDAR
2018 To-Be-Determined (continued)

To-Be-Determined	Title and Description	Type of Rulemaking
1147.3*+##	<p>Emission Reductions for Equipment at Aggregate Facilities Proposed Rule 1147.3 will reduce NOx emissions from aggregate operations. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1148.1 1148.2	<p>Oil and Gas Production Wells 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. <i>Jillian Wong 909.396.3176 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1148.3*	<p>Requirements for Natural Gas Underground Storage Facilities Proposed Rule 1148.3 will establish requirements to address public nuisance and VOC emissions from underground natural gas storage facilities. <i>Jillian Wong 909.396.3176 CEQA: Michael Krause 909.396.2706 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 New Source Performance Standards for Municipal Solid Waste Landfills and Existing Guidelines and Compliance Timelines for Municipal Solid Waste Landfills, as well as CARB GHG requirements. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1151*+	<p>Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations Depending on the final recommendations from the Scientific Review Panel for the Office of Environmental Health Hazard Assessment (OEHHA), staff may propose amendments to the tBAC exemption. <i>Michael Krause 909.396.2706 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
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. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other

2018 MASTER CALENDAR
2018 To-Be-Determined (continued)

To-Be-Determined	Title and Description	Type of Rulemaking
1159.1*+ [#]	<p>Nitric Acid Units - Oxides of Nitrogen Proposed Rule 1159.1 will address NO_x emissions from processes using nitric acid and is needed as part of the transition of RECLAIM to command and control. <i>David De Boer 909.396.2329 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
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 oil and gas regulations. <i>Michael Krause 909.396.2706 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1177 ⁺	<p>Liquefied Petroleum Gas Transfer and Dispensing Potential amendments may be proposed to include additional sources of emissions from the dispensing and transfer of LPG. <i>Michael Krause 909.396.2706 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1188 ⁺	<p>VOC Reductions from Vacuum Trucks 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>David De Boer 909.396.2329 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1190, 1191, 1192, 1193, 1194, 1195, 1196, & 1186.1*+ [#]	<p>Fleet Vehicle Requirements Amendments to fleet rules may be necessary to improve rule implementation. In addition, the current fleet rules may be expanded to achieve additional air quality and air toxic emission reductions. <i>Zorik Pirveysian 909.396.2431 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1304.2*	<p>California Public Utilities Commission Regulated Electrical Local Publicly Owned Electrical Utility Fee for Use of SO_x, PM₁₀ and NO_x Offsets</p>	Other
1304.3*	<p>Local Publicly Owned Electrical Generating Facility Fee for Use of SO_x, PM₁₀ and NO_x Offsets Proposed Rules 1304.2 and 1304.3 would allow new greenfield facilities and additions to existing electricity generating facilities (EGFs) conditional access to SCAQMD internal offset accounts for a fee, for subsequent funding of qualifying improvement projects consistent with the AQMP. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other

2018 MASTER CALENDAR
2018 To-Be-Determined (continued)

To-Be-Determined	Title and Description	Type of Rulemaking
1415 1415.1	<p>Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems, and Reduction of Refrigerant Emissions from Stationary Refrigeration Systems</p> <p>Amendments will align with proposed CARB Refrigerant Management Program and U.S. EPA's Significant New Alternatives Policy Rule provisions relative to prohibitions on specific hydrofluorocarbons (HFCs).</p> <p><i>David De Boer 909.396.2329 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1426*	<p>Emissions from Metal Finishing Operations</p> <p>Proposed amendments to Rule 1426 will establish requirements to reduce nickel, cadmium and other air toxics from plating operations.</p> <p><i>Jillian Wong 909.396.3176 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
1430	<p>Control of Emissions from Metal Grinding Operations at Metal Forging Facilities</p> <p>Proposed amendments to Rule 1430 may be needed to reducing emissions from metal forging operations.</p> <p><i>Jillian Wong 909.396.3176 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
1445*	<p>Control of Toxic Emissions from Laser Arc Cutting</p> <p>Proposed Rule 1445 will establish requirements to reduce toxic metal particulate emissions from laser arc cutting.</p> <p><i>David De Boer 909.396.2329 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
1469.1*	<p>Spraying Operations Using Coatings Containing Chromium</p> <p>Proposed Amended Rule 1469.1 would establish additional requirements for facilities that are conducting spraying using chromium coatings to further reduce hexavalent chromium emissions.</p> <p><i>Jillian Wong 909.396.31 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
1470*	<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 engines 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 less polluting.</p> <p><i>CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
1902	<p>Transportation Conformity</p> <p>Amendments to Rule 1902 may be necessary to bring the SCAQMD's Transportation Conformity rule in line with current U.S. EPA requirements.</p> <p><i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other

2018 MASTER CALENDAR
2018 To-Be-Determined (continued)

To-Be-Determined	Title and Description	Type of Rulemaking
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: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
Reg. XVII	<p>Prevention of Significant Deterioration (PSD) Proposed amendments to Regulation XVII will align the SCAQMD's Prevention of Significant Deterioration program with federal requirements. <i>CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other
Reg. XX*+##	<p>RECLAIM Amendments to rules within Regulation XX will be needed as facilities transition from RECLAIM to a command and control regulatory structure. <i>Tracy Goss 909.396.3106 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
Reg. XXIII	<p>Facility Based Mobile Sources Regulation XXIII would contain rules related to reducing emissions from mobile sources that visit certain types of facilities. Facility types could include commercial airports, marine ports, rail yards, warehouses, and new and development projects. Regulation XXIII may include other sources as identified in the Final 2016 AQMP. <i>Ian MacMillan 909.396.3244 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
Reg. XXV	<p>Intercredit Trading 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 2016 AQMP includes two measures that seek to accelerate early deployment of near-zero and zero emission on-road heavy-duty trucks and off-road equipment, through generation of MSERCs that could be used for purposes of recognizing mobile source emission reductions at facilities covered in the AQMP Facility-Based Measures. <i>Zorik Pirveysian 909.396.2431 CEQA: Michael Krause 909.396.2706 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. <i>Zorik Pirveysian 909.396.2431 CEQA: Michael Krause 909.396.2706 and Socio: Jillian Wong 909.396.3176</i></p>	Other

**2018 MASTER CALENDAR
2018 To-Be-Determined (continued)**

To-Be-Determined	Title and Description	Type of Rulemaking
Reg. II, IV, XI, XIV, XXX and XXXV, XXIV*+ #	<p>Various rule amendments may be needed to meet the requirements of state and federal laws, implement OEHHA’s 2015 revised risk assessment guidance, address variance issues/ technology-forcing limits, to abate a substantial endangerment to public health or welfare, address odor nuisance issues, air toxics, 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, and 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. Rule amendments, proposed new source-specific, or industry-specific rules within Regulation XI may be needed to meet the requirements of AB 617 and the 2016 AQMP commitment to transition the RECLAIM program to a command and control regulatory structure. Amendments to Regulation XIV may be needed for implementation of AB 617.</p>	Other/AQMP

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 13

REPORT: 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, December 8, 2017, Reviewed

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Executive Officer

RMM: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
January 5, 2018 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 items approved by Administrative Committee; improvements include new custom Calendar and changes to navigation and content organization	\$117,475	<ul style="list-style-type: none"> • Developed new Calendar • Developed new Home Page • Developed master pages and widgets • Set up beta site on SCAQMD server • Applied Calendar fixes to improve load time • Completed content migration and QA checking • Applied design updates • Completed final user acceptance checking • Deployment of new website 	<ul style="list-style-type: none"> • Three months of site maintenance
Implementation of Enterprise Geographic Information System (EGIS)	Support accomplishment of the agency's mission through the effective and cost-efficient implementation of EGIS and related technologies	\$173,255	<ul style="list-style-type: none"> • Board approved purchase of recommended hardware and software • Formed SCAQMD EGIS Governance/Working Group • Created EGIS Governance/Working Group Charter • Created agency-wide catalog of GIS software and staff resources • Developed prioritized project list and schedule • Attended EGIS project planning meeting September 13, 2017 	<ul style="list-style-type: none"> • Continue implementation of the nine prioritized EGIS projects

Project	Brief Description	Budget	Completed Actions	Upcoming Milestones
Implementation of Enterprise Geographic Information System (EGIS) <i>(continued)</i>			<ul style="list-style-type: none"> • Completed three of the nine prioritized EGIS projects: <ul style="list-style-type: none"> ○ EGIS Program Management ○ System Installation, Configuration and Phasing Plan ○ ESRI Software Installation, Configuration, Testing and Training 	
Permitting System Automation Phase 1	New Web application to automate the filing of all permit applications with immediate processing and issuance of permits for specific application types: Dry Cleaners (DC), Gas Stations (GS) and Automotive Spray Booths (ASB)	Phase 1 \$450,000 Phase 1.1 \$200,000	<ul style="list-style-type: none"> • Phase 1 400A Form Filing and DC permit processing application complete and deployed to production • Phase 1.1 GS and ASB permit processing modules enhanced to support R1401 Rule changes adopted in September 2017 	<ul style="list-style-type: none"> • End of Limited Live assisted filing and full deployment of initial module • Full deployment of GS and ASB modules scheduled for February 2018
Permitting System Automation Phase 2	Enhanced Web application to automate permit application process for Registration Equipment, IC Engines, and Vapor Recovery systems; and implement electronic permit folder and workflow for internal SCAQMD users	\$610,000	<ul style="list-style-type: none"> • Phase 2 task order issued and awarded • Board letter for contract amendment and project approved at December Board Meeting 	<ul style="list-style-type: none"> • Start of Phase 2 development work scheduled for February 2018

Project	Brief Description	Budget	Completed Actions	Upcoming Milestones
Information Technology Review	Secure independent firm to perform technology review to help determine opportunities for hardware, system, and software modernization	\$75,000	<ul style="list-style-type: none"> • Work initiated September 2017 • Business Process Reviews, IT interviews and systems review work completed • Analysis work in progress for final Findings report completed 	<ul style="list-style-type: none"> • Draft Findings report scheduled for delivery
Permit Application Status and Dashboard Statistics	New Web application to allow engineers to update intermediate status of applications; create dashboard display of status summary with link to FIND for external user review	\$100,000	<ul style="list-style-type: none"> • Task order issued and awarded • Board letter for contract amendment and project approved at December Board Meeting 	<ul style="list-style-type: none"> • Start of Detailed Project Planning
Agenda Tracking System Replacement	Replace aging custom agenda tracking system with 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 	<ul style="list-style-type: none"> • Continue parallel testing • Final acceptance to follow successful testing and training
Emission Reporting System	Upgrade 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 Board March 3, 2017 	<ul style="list-style-type: none"> • Modify scope of work pending RECLAIM program discussions
Air Quality Index Rewrite and Migration	Develop new Web Service and/or Web API to migrate Air Quality Index function from FORTRAN computer to STA's data management system	\$65,000	<ul style="list-style-type: none"> • AQI Calculation Web Service and Hourly Update development work completed, staged and ready for deployment 	<ul style="list-style-type: none"> • Deployment pending final user buyoff

Project	Brief Description	Budget	Completed Actions	Upcoming Milestones
Replace Your Ride	New Web application to allow residents to apply for incentives to purchase newer, less polluting vehicles	\$211,820	<ul style="list-style-type: none"> Phase 1 Applicant Filing and Case Manager processing module complete and deployed to production 	<ul style="list-style-type: none"> Acceptance testing in progress for Phase 2 Finance and System Admin. modules and reports
Fiber Cable Network Infrastructure Upgrade	Replace the existing fiber network cable infrastructure to support core computer networking (interconnect) in the agency; the Fiber Network Cable System will support higher bandwidth (min. 10 Gbps) from current (1 Gbps) to support increasing computing demands	\$250,000	<ul style="list-style-type: none"> Released RFP November 3, 2017 	<ul style="list-style-type: none"> Award contract February 2, 2018 Install fiber cable April, 2018
Prequalify Vendor List for PCs, Network Hardware, etc.	Establish list of prequalified vendors to provide customer, network, and printer hardware and software, and to purchase desktop computer hardware upgrades	\$300,000	<ul style="list-style-type: none"> Released RFQQ November 3, 2017 	<ul style="list-style-type: none"> Approve Vendors List February 2, 2018
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"> Request Board approval February 2, 2018 Execute contract April 6, 2018

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 15

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee held a meeting on Friday, December 8, 2017. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Dr. William A. Burke, Chair
Administrative Committee

nv

Committee Members

Present: Dr. William A. Burke/Chair (videoconference), Mayor Pro Tem Ben Benoit/Vice Chair, Council Member Judith Mitchell, and Dr. Clark E. Parker, Sr. (videoconference)

Absent: None

Call to Order

Chair Burke called the meeting to order at 10:03 a.m.

DISCUSSION ITEMS:

1. **Board Members' Concerns:** None to report.
2. **Chairman's Report of Approved Travel:** As noted on the travel report, Council Member Mitchell will attend the CARB Board meeting as the SCAQMD representative in Sacramento, December 13-14, 2017.
3. **Report of Approved Out-of-Country Travel:** None to report.

4. **Review January 5, 2018 Governing Board Agenda:** Mr. Harvey Eder, Solar Power Coalition, inquired if each item on the January Board agenda is being addressed since he has comments on multiple items. For clarification, Council Member Mitchell responded that the agenda itself is being approved at this time, not the substance of the agenda items.
5. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** General Counsel Kurt Wiese reported that Dr. Parker is requesting a change in compensation for his current Board Consultant Kana Miyamoto.

Moved by Mitchell; seconded by Benoit, unanimously approved.

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

6. **Status Report on Major Ongoing and Upcoming Projects for Information Management:** Ron Moskowitz, Assistant Deputy Executive Officer/Information Management, reported that all projects are moving forward and the new website is ready for deployment, pending comment by the Board.

Regarding the e-GIS project, three of the nine projects were anticipated to be completed by the end of the fiscal year, and actually four of the nine have been completed; the remaining five projects will be completed by the end of the fiscal year. The IT review vendor has prepared a draft report and this will be presented to the Administrative Committee. (No motion required.)

Dr. Burke noted that he had a belated comment related to Board Member concerns, relative to Dr. Parker being elected at the December 1 Board Meeting as the next Board Vice Chair. Dr. Burke mentioned that he has asked Board Member Benoit to serve as a special consultant to assist the Chair with Riverside and San Bernardino/Palm Springs area matters. Dr. Burke requested that paperwork on this be prepared for the January Board meeting.

7. **SCAQMD Pension Status Update:** Chief Administrative Officer Michael O’Kelly reported that the SBCERA Board of Retirement met on December 7, 2017 and approved their actuarial valuation and review and related information for the next fiscal year. The pension plan is calculated to promise a benefit to an employee upon retirement after meeting certain criteria. Those benefits are not based on the actual dollars the employee or employer has paid into the system. The goal is to make those dollars equal with what has been paid out, but that doesn’t always happen, resulting in pension liabilities. Mortality rates and salaries change very little; but the volatility that is introduced in the defined

benefit plans is in the investment assumption and the actual performance of those investments. SBCERA had a great year in FY 2016-17, earning 13.4 percent. Dr. Burke inquired about what the other state agencies are doing about pension liability. Mr. O’Kelly stated that they are paying increased contribution rates. Council Member Mitchell inquired about the SBCERA pension formula. Mr. O’Kelly responded that it is 2 percent at 55; for example, if retirement is at the age of 55 with 30 years of service, an employee will receive 60 percent of their pensionable compensation. If retirement is at age 64, it is 3 percent for every year of service, resulting in 90 percent pensionable compensation. Council Member Mitchell inquired whether there is any interest paid on the pension liability. Mr. O’Kelly responded yes, the liability includes interest that would have otherwise been earned, and the rate would be at a discounted rate of 7.25percent.

8. **Proposed Amendments to Rule 301 – Permitting and Associated Fees are Exempt from CEQA and Amend Rule 301:** Deputy Executive Officer/Planning, Rule Development & Area Sources Dr. Philip Fine reported that when Regulation III was amended last year, some text was omitted when the text was converted to a table format. This item is an administrative change to restore authority to charge for the preparation of notices for projects that require notification, which will allow recovery of \$75,000-\$125,000 a year. There is not a need for a set hearing or 30-day documents. Dr. Burke inquired how this action is consistent with state legal restrictions on fee increases by local agencies. Mr. Wiese responded that under this proposal, fee payers will not be required to pay more money than what they would normally have been required to pay. Chief Deputy Counsel Barbara Baird commented that as a practical matter the sources that are subject to this rule have been paying fees because it was always in the rule before and it was understood that it was a rule requirement and by restoring this language, the existing authority is being clarified.

ACTION ITEMS:

9. **Recognize Revenue and Appropriate Funds, Approve Positions, Amend Contracts, Issue Solicitations and Purchase Orders for AB 617 Implementation and Transfer and Appropriate Funds and Approve Positions for AB 134 Implementation:** Council Member Mitchell indicated that she does not have a financial interest in the matter, but wanted to identify for the record that she is a CARB Board Member which is involved in this item. Chief Operating Officer Jill Whynot reported that this is a substantial resource request required due to two significant bills that passed the legislature last year. AB 617 is a companion bill to the extension of the state’s greenhouse gas cap and trade program. Significant funding is being received through AB 109 with \$10.7 million for the first year of AB 617 program implementation. AB 617 has

accelerated the BARCT work that is being done for RECLAIM. Communities in environmental justice areas that are burdened by air toxics and other pollutants will be identified, resulting in significant monitoring activity. Some of those communities will need specific emission reduction plans. AB 617 also requires a statewide clearing house for BACT and BARCT and improved consistency in statewide reporting. The request for AB 617 is 36.5 full-time staff, \$400,000 for equipment maintenance contracts and about \$2.35 million for equipment for lab and analysis capabilities. For AB 134, \$107.5 million will be received for additional Carl Moyer projects. Up to 6.25 percent of that funding is available for administrative costs, for the first year that is \$6.7 million. It is anticipated when the budget is brought back in six months, there will be additional FTE requests, but this will be a huge start on both of these projects. Dr. Parker inquired what is the total amount of costs? Ms. Whynot responded that \$400,000 is for the contracts; approximately \$2.35 million for equipment, other contracts and related supplies; and \$3.5 million for staffing for AB 617; and \$560,000 for staffing for AB 134.

Moved by Benoit; seconded by Mitchell, unanimously approved.

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

10. **Issue RFP for Emission Reduction Projects Using Incentive Funding from SCAQMD Special Funds, Allocate Funds, and Execute Contract:** Dr. Philip Fine reported that there is a significant amount of money in special funds that the SCAQMD has accumulated over the years, either through settlement agreements, mitigation funds set up by rules, or agreements with other agencies. There are approximately 11-12 funds that have different restrictions, but they are essentially meant to get emission reductions within the District's jurisdiction to help achieve AQMP and other goals. The fund balances range from \$200,000 to \$29 million. Staff is recommending to not have this money accumulate and to spend it in timely cost-effective ways to improve air quality. Rather than to have a separate program for each fund, the approach proposed is to do a very broad request for proposals to get a large number of proposals in different areas. A \$1 billion per year incentive fund need was identified in the 2016 AQMP. The RFP will be open to mobile sources as well as stationary sources. Once the projects are evaluated, the projects will be matched to the appropriate fund based on the fund restriction and project. Staff plans to recommend giving extra points for environmental justice areas. Proposals and recommendations will go to the Board for decisions on the projects that are funded. Staff is also recommending a sole source contract to Build It Green, a nonprofit, which is an administrator of the state's Low-Income Weatherization Program, a statewide program for

residential energy efficiency. They would be paid on a per-project basis. Build It Green is doing full home assessments to make them as energy-efficient as possible, but they have to go through certain cost-effectiveness criteria for energy efficiency. Dr. Burke inquired as to the amount of the original grant. Dr. Fine responded that the state grant to Build It Green was \$25 million in cap-and-trade funds statewide, which is restricted to only the Bay Area and SCAQMD. Mr. Nastri clarified this is targeted at low-income communities. A solar-thermal insulation is approximately \$3,500, with \$500 being given to the household as an incentive.

Mr. Eder, Public Solar Power Coalition, commented that he was displeased with what he felt was his inability to receive information from staff with respect to the solar initiative and was adamant that this item should not go to the Board next month. Dr. Parker commented that the contractor already has a \$25 million grant and the SCAQMD will be supplementing the grant at a cost of \$500 for each household participating; which will incentivize individuals to convert to solar water heaters. Dr. Fine commented that the information was just made available a week prior and Mr. Eder was provided advance notice a few weeks ago about the item coming to Administrative Committee. Council Member Mitchell inquired whether a sole source contract asking companies to solicit proposals for solar hot water heaters would be more appropriate. Mr. Nastri responded by noting that going through an RFP process will take months and in the meantime, the opportunity to team with someone who is already offering solar technology could be lost. The Board has made it clear through the AQMP adoption to try to deploy solar technology. Rita Loof, Radtech, commented that she was very appreciative of incentives for stationary sources. She attended a workshop for Rule 1469 – Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations and she supported efforts to try to partner with some of the small- and medium-sized businesses that are attempting to move away from toxics and invest in cleaner technology. Mr. Bill La Marr, California Small Business Alliance, commented that staff proposes to issue a broad program announcement via a request for proposals for stationary and mobile source emissions, but the conversation has primarily been about weatherization and solar contractors. He asked for outreach to the public about potential projects providing community benefits as was done in 2003 during the BP refinery settlement. He further added that he had received a \$1 million grant for dry cleaners which was subsequently replenished by a second \$1 million, which was highly successful and he would welcome the opportunity to participate again if he has prior knowledge.

Moved by Benoit; seconded by Mitchell, unanimously approved.

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

11. **Recognize Revenue and Appropriate Funds to Maintain, Improve and Expand Existing Low-Cost Sensor Network for Monitoring PM Emissions:** Assistant Deputy Executive Officer/Science & Technology Advancement Dr. Jason Low reported that this item is to recognize revenue in the amount of \$70,000 and appropriate funds for continued operation of the existing sensor network that is located at the Rainbow Transfer Recycling facility in Huntington Beach and expand that network into the neighboring communities. Council Member Mitchell inquired whether the network is already in place. Dr. Low responded that the existing network of nine sensors located at the Rainbow Transfer Recycling facility and the proposal is to expand by an additional 20-30 sensors. Vice Chair Benoit inquired whether Rainbow will be paying for this. Dr. Low responded this SCAQMD will be receiving \$70,000 as part of a Stipulated Order for Abatement.

Moved by Parker; seconded by Benoit, unanimously approved.

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

12. **Transfer and Appropriate Funds, Issue Purchase Orders for Monitoring and Lab Equipment, Approve Surrender of Fixed Assets, and Execute or Amend Contract for Monitoring Services:** The presentation on this item was waived.

Moved by Mitchell; seconded by Benoit, unanimously approved.

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

13. **Amend Contract for Consultant Services for SCAQMD Environmental Justice Outreach and Initiatives:** Deputy Executive Officer/Legislative & Public Affairs & Media Office Derrick Alatorre reported that this item is to approve the second and final contract extension for the Lee Andrews Group to coordinate, plan and execute the Environmental Justice Community Partnership (EJCP) program. The EJCP aims to strengthen SCAQMD's relationships with

stakeholders in Environmental Justice communities by holding a series of events, with the most recent event held in Los Angeles, which was very successful. These types of events give the public an opportunity to express their concerns. Dr. Burke commented that Mayor Pro Tem Larry McCallon attended the recent Los Angeles event and did a great job. In past years, successful senior events were held in SCAQMD areas; Dr. Burke recommended holding one or two senior events in 2018 to familiarize seniors with the SCAQMD and its public health role.

Moved by Benoit; seconded by Mitchell, unanimously approved.

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

14. **Amend Contracts for Legislative Representation in Washington, D.C.:** Mr. Alatorre reported that this item is to approve the second and final contract extension for Federal consultants, Kadesh & Associates, the Carmen Group, and Cassidy & Associates. This extension will cover calendar year 2018. In the past, the three consultant groups have partnered with SCAQMD in Washington, D.C., to not only represent SCAQMD at the Capitol, but also to set up meetings with elected officials and stakeholder organizations. In 2018, an RFP will be issued.

Moved by Mitchell; seconded by Benoit, unanimously approved.

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

WRITTEN REPORTS:

15. **Local Government & Small Business Assistance Advisory Group Minutes for the October 13, 2017 Meeting:** Mr. Alatorre reported that this item is a written report.
16. **Environmental Justice Advisory Group Draft Minutes for the October 27, 2017 Meeting:** Mr. Alatorre reported that this item is a written report.

OTHER MATTERS:

17. **Other Business**

There was no other business.

18. **Public Comment**

Mr. Eder claimed there were numerous items that went to vote without comments by the public. For the incentive funding for AB 617, there should also be meteorological data completed for solar in accessing microclimates from low-cost sensors and these data should be worked into the program. Mr. Eder further asserted that the Brown Act had been violated. Ms. Barbara Baird responded that during the Legislative Committee Mr. Eder mentioned that he wanted to speak on an item on the agenda and she advised that the members of the public do have the right to address the committee on any agenda item before or during consideration of that item; however, he was allowed to speak on subsequent items. She did not believe the Brown Act was violated by not specifically asking for public comment after each item. The agenda informs members of the public that they have the right to comment by raising their hands during an item. Mr. Eder further added that there should be further outreach to the community to attend meetings.

19. **Next Meeting Date**

The next regular Administrative Committee meeting is scheduled for January 12, 2018 at 10:00 a.m.

Adjournment

The meeting adjourned at 11:18 a.m.

Attachments

Local Government & Small Business Assistance Advisory Group Minutes for the October 13, 2017 Meeting

Environmental Justice Advisory Group Draft Minutes for the October 27, 2017 Meeting



South Coast Air Quality Management District

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LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP FRIDAY OCTOBER 13, 2017 MEETING MINUTES

MEMBERS PRESENT:

Ben Benoit, Mayor Pro Tem, City of Wildomar and LGSBA Chairman
Felipe Aguirre
Paul Avila, P.B.A. & Associates
Geoffrey Blake, Metal Finishers of Southern California
Todd Campbell, Clean Energy
John DeWitt, JE DeWitt, Inc.
Bill LaMarr, California Small Business Alliance
Rita Loof, RadTech International
Eddie Marquez, Paramount Petroleum
Cynthia Moran, Council Member, City of Chino Hills
David Rothbart, Los Angeles County Sanitation District

MEMBERS ABSENT:

Janice Rutherford, Supervisor, Second District, San Bernardino County
Rachelle Arizmendi, Mayor Pro Tempore, City of Sierra Madre
Maria Elena Kennedy, Kennedy Communications
LaVaughn Daniel, DancoEN

OTHERS PRESENT:

Mark Abramowitz, Board Member Consultant (*Lyou*)
David Czmanske, Board Member Consultant (*Cacciotti*)

SCAQMD STAFF:

Derrick Alatorre, Deputy Executive Officer
Philip M. Fine, Deputy Executive Officer
Fabian Wesson, Asst. Deputy Executive Officer/Public Advisor
Nancy Feldman, Principal Deputy District Counsel
Philip Crabbe, Community Relations Manager
Mike Morris, Program Supervisor
Elaine-Joy Hills, AQ Inspector II
Lori Langrell, Secretary

Agenda Item #1 - Call to Order/Opening Remarks

Chair Ben Benoit called the meeting to order at 11:30 a.m.

Agenda Item #2 – Approval of September 8, 2017 Meeting Minutes/Review of Follow-Up/Action Items

Chair Benoit called for approval of the September 8, 2017 meeting minutes.

Mr. Bill LaMarr indicated that JoKay Ghosh should be referred to by her title Dr. instead of Ms. The September 8, 2017 minutes will be amended to reflect the change.

Chair Benoit called for approval as amended. The minutes were approved unanimously.

Agenda Item #3 – Follow Up/Action Items

Mr. Derrick Alatorre indicated the request for a presentation on permit streamlining will be agendized for the November meeting.

Ms. Rita Loof indicated that she has had a long standing request for a presentation on Rule 219. Ms. Loof stated in particular, at the May Governing Board meeting there was a commitment made to the Board by staff that outreach would be done on the new recordkeeping requirements. The form was found on the website, but it was not easy to find. Mr. Alatorre indicated that he will check with staff to see if they are ready to present on that rule.

Action Item: Check with staff as to when a presentation on Rule 219 can be agendized.

Agenda Item #4 – Summary of Recent Amendment to Rule 1401 – New Source Review of Toxic Air Contaminants

Mr. Mike Morris provided a summary of amendments to Rule 1401, which were adopted on September 1, 2017.

Mr. Paul Avila asked if the Office of Environmental Health Hazard Assessment (OEHHA) regulation is set in concrete, and how do you interpret it. Mr. Morris indicated there is a lot of wiggle room as to how the guidelines are determined, we use them for the AB 2588 program, and other air agencies can do their own risk analysis.

Mr. LaMarr inquired about the images on the slides showing a car in a spray booth, if the spray booths include industries other than automotive. Mr. Morris indicated that Rule 1401 applies to all spray booths, not just automotive.

Mr. LaMarr asked what toxic materials an average body shop would be applying. Mr. Morris responded that more than 85% are not using toxic materials, but about 12% to 13% are using toxics and are listed on the Material Safety Data Sheets (MSDS). Mr. LaMarr further inquired that under the coatings tables in Rule 1151, which regulates auto body shops, and does not recall seeing anything about toxics. Mr. Morris replied that the rule regulates VOC content and other application issues, but it doesn't say what type of chemicals facilities can or cannot use in the rule, such as ethylbenzene, which is why they end up getting pulled into Rule 1401.

Mr. LaMarr stated that in the furniture industry, many use paint booths. Mr. Morris stated many do, but staff did not see a large number that use solvent-based coatings. However, once we did the further analysis, we felt comfortable moving forward. Those that used hexavalent chromium had control devices on their equipment, and there is an increase in cost because of larger blowers and increased electricity use, which is the only impact we've seen from the spray booth revisions that staff looked at.

Mr. Avila asked if the technology in paint now and in the future going to be the reason for reductions. Mr. Morris responded that paint has evolved greatly in the last 20 years formulating away from VOCs and toxins, which has reduced air pollution a great deal.

Ms. Loof questioned if staff is saying that 1% of the 327 facilities are going to have issues with Rule 1401, and asked what the 1% will look like; if it will include aerospace facilities with the hexavalent chrome issues, maybe some with ethylbenzene issues, and if manufacturers will be included. Mr. Morris replied it is not an ethylbenzene issue per se, it would be facilities that want to spray heavy metals. We've seen them in aerospace, but it can be in other industries as well. Ms. Loof further indicated comments at the last Governing Board meeting, some Board Members were asking about incorporating a mechanism to inform people about alternatives to those materials. Ms. Loof asked if there is any thought in Rule 1401 about doing that kind of outreach or basic provision of basic information stating here are technologies you can use. Mr. Morris responded that Rule 1401 is a difficult place to do that, it doesn't cover just coatings, it's a very wide range in rule. On a rule by rule basis it has to be looked at and is a process that we can consider.

Mr. LaMarr stated that at possibly the Stationary Source meeting, the estimate from California Air Resources Board (CARB) indicated it would take until the end of the year working with staff to assess the difference of what the emissions factor is between the two agencies. Mr. LaMarr asked if that has changed or if we are still looking at the end of the year. Mr. Morris replied that CARB staff was making an optimistic estimate. There are studies that have to be completed by other entities. Mr. Morris indicated that it's a public process where we have to get together to decide what the right emission factor should be; therefore, it could be the end of the year, it could be earlier.

Mr. John DeWitt asked, looking at the service station industry, it theoretically went from 95% recapture into the automobile to 98%, which per site was very expensive, how is that being measured? Mr. DeWitt asked if a tent is put over it to catch emissions or is staff just guessing. Mr. Morris replied it is not a guess, there have been studies done looking at different aspects of the emission recovery system, either the storage tank itself or the fueling process. There has been new data that has come out regarding on-board refueling vapor recovery (ORVR) system, which looks at the effectiveness of the equipment. The study has been completed, but the information hasn't been peer reviewed or provided to the public yet. Mr. DeWitt asked as a follow-up if that means that a tent was put over the site or if a computer model was used. Mr. Morris stated that a computer model was not used, but they are looking at the specific aspects of the testing, the different parts of the emission control system, and reviewing it that way as opposed to reviewing it as a whole. One of the examples they did was a system that was only ORVR equipped vehicles, but no secondary control for the storage tank, then measured it that way. However, in this combined process, recently they have done testing of the exhaust for both the storage tank and vehicle at the same time.

Mr. Avila asked if an old gas station with a building and a couple of pumps puts in a new building and adds pumps, is it considered new. Mr. Morris answered if they are adding in new pumps, it's a new source.

Mr. DeWitt asked if you have the Best Available Control Technology (BACT), what does limiting the through-put do? Mr. Morris indicated that even with the top of the line equipment and new systems going in, they still emit a little bit of gasoline vapors, which have benzene and other toxic materials. We look at that emission and determine what the risk is to the nearest receptors, workers, residents, but that

one gas station they will come in and do an additional Tier 4 analysis in order to show they can be allowed that much through-put.

Mr. LaMarr inquired what a Tier 4 analysis is. Mr. Morris replied that when staff performs a risk analysis, we have a screening table, and if they come below that number, then we say they can have that through-put. However, if they are above that number, they have to do a computer analysis, where they input the geography, the meteorological conditions, the nearest receptors, and calculate what the risk is to the nearest receptor, whether it be a worker or a residence. It is basically a model that we use to determine the risks for these nearby places.

Mr. DeWitt asked if there is staff that can explain the reality of the testing. Mr. Morris indicated we have staff that can discuss the models in much more details.

Action Item: Staff to contact Mr. John DeWitt to discuss service station models.

Mr. Avila inquired if there is much deviation in replacing tanks, and if that is factored into the study. Mr. Morris replied that as far as the old tanks versus the new tanks, all of the dispensing facilities have new tanks. They're not allowed to operate if they have the new tanks. Mr. Avila asked about the life expectancies of the old and new tanks. Mr. Morris indicated that he was not sure of the the life expectancy; however, staff did notice that a lot of the old tanks were leaking.

Mr. LaMarr asked what the impact or amount of caprolactam is in gasoline. Mr. Morris indicated as far as he knew, there is no use of caprolactam in gasoline, it is found, for the most part, in the resin operations, and Rule 1141 requires controls.

Mr. David Rothbart inquired, getting to the analysis, as OEHHA has changed their methodology, which is easier to go over thresholds, if staff has seen permit applicants using HARP more than they used to and if it has become standardized. Mr. Morris indicated he was not sure as to whether he can answer that question, if we do see more work done on the front side of the analysis where someone is ready to submit a permit and do the analysis themselves. We have noticed a small increase in having to do the analysis ourselves for certain permits. Mr. Rothbart further asked if the gasoline stations were aware that if they went to a dispersion model, that they can increase their through-put. Mr. Morris responded that based on their associations that participate in the rule development process are very much aware.

Agenda Item #5 – Summary End-of-Year Report on State Legislature’s and Governor’s Actions on 2017 Legislation, and Cap and Trade

Mr. Philip Crabbe provided a summary of the Legislature and Governor’s actions on 2017 Legislation, as well as Cap and Trade

Mr. Avila asked if someone can present a Cap and Trade 101. Mr. Alatorre responded we can agendize it for possibly early next year.

Action Item: Agendize a presentation on Cap and Trade.

Mr. Dewitt asked, with all the funding coming in, if the District still needs the cost of living increase, etc. Per Mr. Alatorre, the monies are dedicated to emission reductions; therefore, they are not used for anything else outside of that.

Ms. Loof inquired if any of the funds are accessible to stationary sources, or only to mobile sources. Mr. Alatorre replied some will be available to stationary sources, but the vast majority will go to mobile sources.

Mr. Alatorre indicated there can potentially be more than the cap and trade money we are getting since there is no sunset date for AB1274. Mr. Todd Campbell stated that AB134 money is used for Proposition 1B guidelines. Mr. Alatorre commented that it will be competitive if you want cap and trade money, we will have to vie for the money, which will be up to staff who is already working on it.

Mr. Avila asked if all air districts in California are competing for Carl Moyer money. Mr. Crabbe replied we will get 43%, San Joaquin 32%, and so on, basically those districts where there is a need. Mr. Avila further asked if the Cash for Clunkers program has died off, to which Mr. Crabbe indicated it is now the Replace Your Ride program.

Mr. DeWitt asked if we can get a printout of Mr. Crabbe's presentation. Mr. Crabbe indicated he will provide his summary.

Action Item: *Provide the legislation summary to the LGSBA members.*

Mr. Rothbart asked how things are going on funding for the AQMP under this program. Mr. Crabbe indicated it is the mobile source funding for Carl Moyer that will feed into the AQMP. Mr. Alatorre indicated we got \$107.5 million dollars, but potentially another pot of money between \$200 and \$300 million, with grants from different categories.

Mr. LaMarr commented that the 2016 AQMP has a number of voluntary emission reduction measures, with the majority going to mobile sources. Mr. LaMarr asked if that will eventually impact stationary sources. Dr. Phil Fine responded that the concern is if we can't get the funding needed to incentivize a change, and we need to get to attainment, will the burden fall on stationary sources. Mr. LaMarr further asked if there are sufficient funding to meet the needs of stationary sources that have a responsibility under the 2016 AQMP. Dr. Fine indicated we pass rules that must be complied with, and there are some select cases where we provide financial incentives. However, in general we don't provide incentive funding to comply with rules and regulations, we provide incentives funding to go above and beyond or to accelerate emission reductions. Of those incentives we will allocate funding if there is affordability, but to accelerate above and beyond rules and regulations that can be deemed feasible. Mr. LaMarr indicated that BACT and BARCT are in flux, and staff is going to impose more stringent measures, which will likely have more costly measures. Per Mr. LaMarr, many are thinking that this might be the incentive funding discussed during the preparation of the AQMP to assist industry cross the goal line. Dr. Fine responded that when we talked about the 14 billion over fifteen years, we estimated that we could find about one to two billion, cost-effective NOx reductions on the stationary source side, which is very preliminary estimates. The goal is that it would all go to mobile sources, some would go to stationary as long as it's cost-effective.

Mr. Eddie Marquez requested, when staff provides the legislative update, if staff can include how the bills work with each other, for instance AB 1647 working with and aligning with AB 617 (refinery bill, fence line monitoring). Dr. Fine replied that those two pieces of legislation developed independently. We are hoping that the refinery monitoring requirements in AB 1647 will align very closely with the community monitoring requirements of AB 617, and we hope that CARB would see it the same way.

Agenda Item #6 –Monthly Report on Small Business Assistance Activities

No comments.

Agenda Item #7 - Other Business

Mr. DeWitt referenced a meeting a few days ago relating to the permitting program and asked when the group will receive a presentation on permit streamlining.

Action Item: Agendize a presentation on permit streamlining.

Ms. Loof asked for a presentation on the actions to implement the recommendations on the AQMP white papers, specifically the facility modernization paper, which involved a lot of incentives. Ms. Loof questioned what happened to the proposals and how will success be monitored in the industry.

Action Item: Agendize a presentation on the AQMP facility modernization white paper.

Mr. Rothbart requested for a presentation on Rule 1110.2 as they have had to try to lower their emission limits, but are not able to demonstrate these technologies. In experimentation, they have to pay further fees and are required to comply with a side rule as far as having incentives not to flare biogas. If they aren't successful, they will have a flare, but they aren't supposed to have a flare.

Action item; Agendize a presentation on Rule 1110.2.

Agenda Item #8 - Public Comment

No comments.

Adjournment

The meeting adjourned at 12:46 p.m.



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ENVIRONMENTAL JUSTICE ADVISORY GROUP FRIDAY, OCTOBER 27, 2017 MEETING MINUTES

MEMBERS PRESENT:

Dr. Joseph Lyou, SCAQMD Governing Board, EJAG Chairman
Manuel Arredondo, Coachella Valley School District, Retiree
Dr. Larry Beeson, Loma Linda University, School of Public Health
Suzanne Bilodeau, Knott's Berry Farm
Kerry Doi, Pacific Asian Consortium in Employment
Dr. Afif El-Hasan, American Lung Association
Mary Figueroa, Riverside Community College
Dr. Monique Hernandez, California State University, Los Angeles
Dr. Jill Johnston, University of Southern California
David McNeill, Baldwin Hills Conservancy
Daniel Morales, National Alliance for Human Rights
Donald Smith, Member of the Public
Rafael Yanez, Member of the Public

MEMBERS ABSENT:

Rheta Alexander, Valley Interfaith Council
Micah Ali, Compton Unified School District
Paul Choe, Korean Drycleaners & Laundry Association
Myron Hale, SLMQM
Maria Elena Kennedy, Quail Valley Task Force
Evelyn Knight, Long Beach Economic Development Commission
Angelo Logan, Moving Forward Network

OTHERS PRESENT:

Jim Flournoy, Save Our Community
Vallerie Gonzalez, Center for Sustainable Energy
Noemi Luna-Ochoa, Huntington Beach CivicSpark Fellow
Nicole Nishimura, Assistant to Governing Board Member Dr. Joseph Lyou
Yvonne Watson, Sierra Club

SCAQMD STAFF:

Fabian Wesson, Assistant Deputy Executive Officer/Public Advisor, Legislative, Public Affairs and Media
Susan Nakamura, Assistant Deputy Executive Officer, Planning, Rules Development & Area Sources
Nandcy Feldman, Principal Deputy District Counsel
Sam Atwood, Media Relations Manager
Daniela Arellano, Senior Public Information Specialist
Brandee Keith, Secretary

Agenda Item #1: Call to Order/Opening Remarks

Governing Board Member Dr. Joseph Lyou called the meeting to order at 12:06 PM and welcomed everyone to the meeting.

Agenda Item #2: Approval of July 28, 2017 Meeting Minutes

The minutes for the July 28, 2017 meeting were approved with no objections.

Agenda Item #3: Review of Follow-Up/Action Items

Ms. Fabian Wesson reviewed the follow up and action items from the April 28th meeting.

Action Item: Mr. Daniel Morales was concerned with the health of children at Woodrow Wilson Elementary School, considering the school's proximity to CF Equipment Incorporated. He has asked SCAQMD to monitor the area or hold a town hall meeting to determine how the district can help the constituents of the area. SCAQMD committed to collect the company's information and identify whether the company is required to operate under a SCAQMD permit, and investigate if the company is in violation of the permits. Additionally Dr. Lyou suggested SCAQMD contact the business owner and provide him with information regarding incentive programs for vehicle replacement. Dr. Lyou asked SCAQMD to investigate whether a town hall meeting could be arranged.

- Staff found no registered permits or Facility ID, nor any record of complaints. An inspector conducted a site visit and was unable to contact any site representatives. A cursory investigation of the site determined there appeared to be no equipment requiring SCAQMD permits. Additional follow-up will be conducted once staff is able to contact company representatives. Dr. Lyou suggested further action might be possible through the California Air Resources Board (CARB).

Action Item: Mr. Yanez attended SCAQMD's Inter-Agency Workshop on Environmental Complaints. Dr. Lyou requested staff inform EJAG members of upcoming events.

- SCAQMD staff will provide information to EJAG members on any upcoming meetings. Staff is currently finalizing an event summary to be shared with EJAG members via email upon completion.

Action Item: Ms. Fabian Wesson requested staff present information to members on the Environmental Justice Community Partnership and Dr. Joseph Lyou requested a presentation to be added to the October 27th meeting agenda.

- Staff shared information with EJAG members during that day's meeting.

Agenda Item #4: SCAQMD New Rules and Rule Amendments

Ms. Susan Nakamura presented SCAQMD rules that have been adopted or amended in 2017 and some key rulemaking efforts upcoming in 2018. Mr. Rafael Yanez inquired about penalties related to Rule 1118 and whether or not penalties were also amended for this rule. Dr. Lyou confirmed that during the last legislative session, the state legislature passed AB 617, which increased the maximum for criminal and civil penalties to \$5,000. Mr. Yanez also asked if Rule 1401 would require gasoline dispensing facility operators to acquire additional equipment or simply comply with new reporting requirements. Ms. Nakamura confirmed that operators are

already required to comply through the use of approved equipment, and the amendments to Rule 1401 were to incorporate the 2015 OEHHA health risk estimation methodology and incorporate CARB's emissions factors for gasoline dispensing facilities.

Ms. Yvonne Watson informed the group that the Department of Toxic Substances Control would be holding a meeting to discuss contaminated soils on October 28, 2017.

Mr. Jim Flournoy inquired whether SCAQMD was controlling flaring from non-refinery sources. Ms. Nakamura responded that SCAMQD held a working group meeting to discuss Proposed Rule 1118.1 for non-refinery flaring which is scheduled for adoption in 2018.

Agenda Item #8: Public Comment/Other Business

At this time Dr. Lyou requested to jump to Other Business, and introduced new member Mr. Donald Smith, Block President of 136th Street in Compton.

Dr. Lyou then welcomed Media Relations Manager Sam Atwood, to give a short update on the use of Spanish-language materials in the 2017-2018 Check Before You Burn (CBYB) Campaign. Mr. Atwood presented examples of new Spanish-language outreach materials and a short video advertisement. Mr. Atwood also noted that a portion of the media buy for the Check Before You Burn program would go towards Spanish Media.

Ms. Wesson briefly announced three SCAQMD-sponsored "Lung Walks" with the American Lung Association and invited members and meeting attendees to sign up to participate.

Agenda Item #5: Presentation on the Environmental Justice Community Partnership

Ms. Daniela Arellano delivered a presentation about the Environmental Justice Community Partnership, including the program's accomplishments throughout 2017, and projected efforts for 2018.

Ms. Mary Figueroa asked if it was possible for undocumented communities to also be acknowledged when defining environmental justice communities. Ms. Arellano responded it would likely be something for the Governing Board to approve. Dr. Lyou agreed it would require Governing Board Members' approval.

Action Item: Inquire about the possibility of including undocumented individuals as a defining criteria for environmental justice communities.

Ms. Figueroa also asked if any of the EJCP community meetings had been held entirely in Spanish, as opposed to English with Spanish translation. Ms. Arellano replied that meetings had not been held in Spanish, and to do so would present difficulties for staff members who do not speak Spanish, who are called upon to give presentations at the meetings. Ms. Wesson confirmed that all meetings are professionally translated to cater to the communities in which the meeting is conducted. Ms. Figueroa pointed out a significant difference in community involvement and

engagement when events are held in the communities' predominant language, as opposed to translated.

Ms. Figueroa also expressed concern that in spite of SCAQMD's efforts, local elected officials continue to approve projects that place housing and other community developments near freeways and other significant sources of air pollution. Ms. Figueroa specifically cited the case of the World Logistics Center (WLC) in Moreno Valley. Dr. Lyou pointed out that the WLC is still under litigation and has not been fully settled.

Dr. Jill Johnston suggested that SCAQMD offer child care for future events. She then asked if staff could address cases in which air monitoring data had been requested, but results were difficult to access. She suggested that The Partnership help environmental justice communities access data more readily. Dr. Lyou indicated that certain data (e.g., monitoring data from activities in Paramount) had been made available to the public but he recognized that might not be the case across all monitoring efforts. Dr. Johnston requested monitoring data related to an oil drilling site. Dr. Lyou requested that staff coordinate with the AQ Spec team on the issue.

Action Item: Staff to follow up with Dr. Jill Johnston and the AQ Spec Team regarding an oil drilling site in Los Angeles.

Mr. Rafael Yanez expressed appreciation for the efforts of the Environmental Justice Advisory Group and the Environmental Justice Community Partnership in providing support to communities. He spoke on the successes of disseminating information to environmental justice communities and the importance of further informing residents about the programs. He recommended a renewed effort in the 1-800-CUT-SMOG campaign. Mr. Yanez recommended that SCAQMD implement projects that support the transition from wood-burning logs to gas fireplaces, as well as discount programs for indoor air filters for residents.

Mr. Kerry Doi asked how SCAQMD's process for identifying EJ communities overlaid with other similar programs like Cal EnviroScreen and the U.S. EPA's EJ Screen. Dr. Lyou responded that the coordination was adequate but could be improved. Mr. Doi also echoed earlier concerns regarding language barriers and suggested that staff look into broadening SCAQMD's language reach. Dr. Lyou instructed staff to look into how other organizations managed similar needs in their communities.

Action Item: Staff to speak with Mr. Doi to further discuss how SCAQMD can broaden the scope of languages it communicates in.

Dr. Afif El-Hasan added that a scarcity of healthcare is another significant factor to consider when defining environmental justice communities. He further discussed how efforts to create affordable housing result in higher costs to society in the long run, because of the exposure to air pollution. However, due to a lack of clinics and other health program availability in low income communities, it is difficult to demonstrate reliable data trends. Dr. Lyou noted that the Department of Health Services has a health tracking program, which admittedly could be improved.

Ms. Yvonne Martinez-Watson voiced her support for conducting meetings in Spanish, to avoid alienating Spanish speakers. She recommended SCAQMD post a Spanish billboard on 1-800-CUT-SMOG, and that it translate the hotline to Spanish.

Ms. Sol Guerra introduced herself on behalf of Representative Norma Torres, and expressed the Representative's support for the Environmental Justice Community Partnership. She invited staff to approach the Representative's office for resources and partnerships in the future.

Mr. Jim Flournoy shared frustrations with the Environmental Impact Reports (EIR) for local projects, indicating the EIRs do not reflect accurate information, leaving concerned residents without a clear understanding of the impact of local projects. Dr. Lyou acknowledged the complicated nature of projects, and agreed EIRs should be more factual.

Agenda Item #6: Goals and Objectives for 2018

Ms. Fabian Wesson discussed the Goals and Objectives for 2018. Dr. Lawrence Beeson asked if the goals were presented in a specific order within the document. Dr. Lyou requested that staff clarify they are not. Dr. Beeson and Dr. Johnston requested that "AB 617" be placed on the list.

Action Item: Staff to add AB 617 to the list of Goals and Objectives for 2018, and include a note that states "Items are not listed in any particular order."

Agenda Item #7: Member Updates

Mr. Daniel Morales reported that Assemblymember Elias Reyes-Gomez convened a meeting on air quality in San Bernardino. The meeting was attended by universities and other local groups, including Dr. Philip Fine from SCAQMD. Mr. Morales further reported on a meeting convened by Dr. Luis González of South Colton, regarding the dust issues caused by a local cement plant. According to local residents, dust problems continue to impact the community. Mr. Morales requested that SCAQMD investigate the facility and that staff attend Dr. González's next meeting, scheduled for January 13th, 2018. Dr. Lyou requested that staff follow up with Mr. Morales on the issue.

Action Item: Staff to follow up with Mr. Morales on the cement plant and the upcoming meeting.

Dr. Monique Hernandez expressed gratitude for SCAQMD's effort in arranging informational events such as the student bus tour scheduled for November 11, 2017.

Agenda Item #8: Public Comment

No additional public comments were delivered.

Agenda Item #9: Adjournment

Next Meeting: Friday, January 26, 2018

 Back to Agenda

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 16

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting on Friday, December 8, 2017. The following is a summary of the meeting.

Agenda Item	Recommendation/Action
2018 Legislative Goals and Objectives	APPROVE

RECOMMENDED ACTION:

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

Judith Mitchell, Chair
Legislative Committee

DJA:PFC:MJK:jns

Committee Members

Present: Council Member Judith Mitchell/Chair, Council Member Joe Buscaino/Vice Chair (videoconference), Mayor Pro Tem Larry McCallon (videoconference), Dr. Clark E. Parker, Sr. (arrived at 9:12 a.m. via videoconference), and Supervisor Janice Rutherford (videoconference).

Absent: Supervisor Shawn Nelson

Call to Order

Chair Mitchell called the meeting to order at 9:01 a.m.

DISCUSSION ITEMS:

1. 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, Ms. Amelia Jenkins of Cassidy & Associates and Mr. Mark Kadesh of Kadesh & Associates gave verbal updates as well.

Mr. Hoitsma reported that a continuing resolution was passed by Congress that will last through December 22, and that the tax reform bill appears to be on its way to completion, possibly as soon as next week. Mr. Hoitsma also reported on the U.S. Environmental Protection Agency (U.S. EPA) proposal to repeal provisions that apply the heavy-duty truck Phase 2 emissions standards to the glider industry. A public hearing was held recently to receive public comment on this issue, during which SCAQMD staff, including Executive Officer Wayne Nastri participated and testified. Mr. Hoitsma noted that an estimated 60 other individuals and groups also testified, and that nearly all of those witnesses were opposed to the U.S. EPA proposal, due to its negative impact on emissions. The only prominent voice in support of the proposal was the Owner-Operator Independent Drivers Association, which argued that this would help the glider industry by relieving them of federal mandates. Mr. Hoitsma stated that the public comment period would be open until January 5, 2018.

Mr. Hoitsma also stated that SCAQMD staff met in Washington D.C. with new U.S. EPA Assistant Administrator for Air and Radiation Bill Wehrum. Mr. Hoitsma stated that Mr. Wehrum had been the only U.S. Senate confirmed appointee at the U.S. EPA, other than the Administrator. Mr. Hoitsma also noted that Susan Bodine was just very recently confirmed by the U.S. Senate as the U.S. EPA's Assistant Administrator for Enforcement and Compliance Assurance, and that Andrew Wheeler is still in line to be the Deputy Administrator of U.S. EPA with the expectation that he would be confirmed before Congress recesses for the year.

Mr. Hoitsma reported that the U.S. EPA on November 30 issued a final rule on the renewable fuel standard, which sets the volume requirements for ethanol, biofuel, biodiesel and how much of those should be blended into the fuel supply. Mr. Hoitsma stated that this is always an issue with strong interest because it pits the farm states against the oil states. Through the rulemaking, U.S. EPA split the difference and neither side was happy with the compromised result. President Trump met with a group of senators and others from the oil industry and tasked them with getting together with the other side to try to work together and come up with a solution on the issue.

Mr. Harvey Eder, of the Public Solar Power Coalition, made a public comment asking for clarification on whether the glider issue was related to electric vehicles in any way. In response, Mr. Nastri stated that the glider provisions involve whether an older diesel engine can be moved from an older truck that has been in an accident into a new truck chassis; the rule required the engine meet the standards of the year of installation. The proposed changes to the rule by the U.S. EPA would facilitate a loophole for dirty diesel truck engines which the rule acted to remove. Mr. Nastri stated that the testimony from the hearing was focused on whether older, higher-polluting engines without pollution controls should be allowed to continue operating in the market, rather than be phased out. Mr. Nastri stated that by repealing the

provision of the Phase 2 rule, the investments made under the Diesel Emission Reduction Act (DERA), which incentivizes the replacement of older engines, would be undone. Mr. Nastri stated that the glider issue is very specific and does not relate to solar or electric vehicles.

Ms. Jenkins gave an update relating to the U.S. EPA Administrator, Scott Pruitt's testimony before the U.S. House Energy and Commerce Committee. Ms. Jenkins stated that two California members raised questions relating to issues of interest to SCAQMD during the hearing. Congresswoman Doris Matsui asked Administrator Pruitt about the California waiver and what he was doing with it, and Administrator Pruitt assured Congresswoman Matsui that he was engaged with California and would do outreach. Ms. Jenkins stated that Congresswoman Matsui made a reference to Administrator Pruitt's philosophy regarding states' rights, to which Administrator Pruitt responded, "Federalism principles don't say that one state can dictate to the rest of the country the standard for the entire country. A multitude of considerations [exist] with respect to the waiver and they will be considered in due time." Ms. Jenkins emphasized that Administrator Pruitt did not commit to maintaining the California waiver, and when asked about states' rights, he commented that one state cannot dictate to the rest of the country.

Ms. Jenkins commented that Congressman Raul Ruiz asked Administrator Pruitt about the rewrite of the Clean Power Plan and if he was reversing U.S. EPA's position on the health effects of particle pollution. Administrator Pruitt stated that he is not reversing the position of U.S. EPA, he is replacing the plan. Ms. Jenkins stated that Cassidy would work with SCAQMD staff to see if there are any follow-up actions to consider with the two congressional members to support the issues they raised with Administrator Pruitt.

Mr. Kadesh stated that the U.S. House is preparing a \$4.4 billion wildfire relief package for Northern California, so it is very possible that there may be a future effort to help Southern California on this same issue through similar funding. Since air pollution is such a big consequence of these wildfires, his firm will work with SCAQMD staff to look for opportunities to help address related air quality issues within the South Coast region. Further, Mr. Kadesh reiterated that a continuing resolution was passed that will apply through December 22, and that it is expected that another continuing resolution will likely be passed to apply through mid-January. Mr. Kadesh mentioned that there are a number of issues that are important to SCAQMD in terms of funding, and that the Senate Interior Appropriations Subcommittee did not mark up a bill, but did produce a bill that will be a part of the conference. Mr. Kadesh noted that some of the key issues include DERA, Targeted Airshed Grants, and the Clean Air Act Section 103 and 105 grants. Also, Mr. Kadesh noted that with respect to the glider issue, although the committee did not take action, it did direct U.S. EPA to report to them on the issue, thus making it clear that Congress is keeping an eye on what U.S. EPA is doing.

2. 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. Mr. Paul Gonsalves of Joe A. Gonsalves & Son and Mr. Jacob Moss of Gonzalez, Quintana, Hunter & Cruz, LLC gave verbal updates as well.

Mr. Gonsalves stated that the Legislature is currently in recess and is scheduled to return on January 3. Mr. Gonsalves reported that it was announced that there will be a new Senate President Pro Tem; former Speaker of the Assembly, now Senator Toni Atkins, will be the next Pro Tem of the State Senate. Mr. Gonsalves noted that she would be the first female Pro Tem in the state's history. Mr. Gonsalves also noted that although the official vote would take place in January, the caucus came out in united support for Senator Atkins. Mr. Gonsalves commented that some changes in the Senate leadership team and in committees would be expected, but that many of the committee chairs would likely stay the same, such as in Transportation and Housing and other committees that have remained fairly consistent.

In response to an inquiry from Dr. Parker regarding when the formal transition would occur, Mr. Gonsalves stated that there was no announced date, but that the vote would take place in early January. Mr. Gonsalves also stated that he expects that focus will start shifting over to Senator Atkins, due to the current Senate President Pro Tem Kevin de León's focus on running for U.S. Senate.

Mr. Moss reported that the ongoing conversation about sexual harassment issues would likely continue for the next year or so, and that it will continue to be a hot topic and at the forefront in the Legislature.

ACTION ITEM:

3. Recommend 2018 Legislative Goals and Objectives [Attachment 4]

Mr. Derrick Alatorre, Deputy Executive Officer of Legislative, Public Affairs and Media, presented SCAQMD's proposed 2018 state and federal Legislative Goals and Objectives to the Committee. Mr. Alatorre stated that the two sets of legislative goals and objectives are intended to protect public health and facilitate attainment of state and federal clean air standards within the South Coast region, while serving as a resource as staff works with legislative representation and legislators in Sacramento and Washington, D.C.; the Governor's Office; the White House; federal, state, and local agencies; business, environmental and community groups; and other stakeholders. Mr. Alatorre noted that both the State and federal legislative goals and objectives focus on:

- Seeking increased funding sources for clean air programs that protect public health and ensure attainment of state and federal air quality standards, particularly incentive programs that support the 2016 AQMP;
- Working to ensure that the state and federal governments do their fair share to reduce air pollution by providing legislative, funding, and regulatory support to the SCAQMD to implement the 2016 AQMP and meet national air quality standards by upcoming deadlines;
- Supporting policies and funding that promote the development and deployment of zero and near-zero emission infrastructure, equipment and vehicles;
- Protecting and ensuring adequate SCAQMD authority for implementation of the Governing Board's clean air policies and programs, as required by state and federal law, including the 2016 AQMP;
- Supporting legislation, policies and administrative actions that encourage job retention and creation, and promote economic growth, while working toward attainment of clean air standards; and
- Supporting legislation and funding to promote environmental justice initiatives that: reduce localized health risks from criteria pollutant and toxic air emissions, and develop and expand access to clean air technology that directly benefits disproportionately impacted communities. In particular, this includes securing the necessary resources to fully implement local air districts' responsibilities created by AB 617.

In response to an inquiry from Dr. Parker regarding developments at the federal level and SCAQMD's ability to maintain funding levels to meet AQMP goals, Mr. Nastri stated that, despite some negative activity in Washington, D.C., including some proposed cuts by the Administration, he has hope that Congress will provide support to clean air efforts. Mr. Nastri is optimistic with regards to air quality, air impacts and on being able to educate elected officials and people at the local level about the continued importance of investing in air quality. He is also optimistic about SCAQMD's ability to maintain and increase funding levels for the AQMP. Mr. Nastri stated that SCAQMD will have to work collaboratively and engage in many partnerships to maintain the integrity of the Clean Air Act while providing the relief needed to address various clean air issues.

A discussion regarding AQMP funding, collaboration and partnerships ensued, including the need for increased partnerships with the Ports of Los Angeles and Long Beach.

A public comment was made by Ms. Rita Loof regarding the proposed 2018 legislative goals and objectives, and in particular the goal to reduce toxic emissions. Ms. Loof urges SCAQMD to partner with facilities that are trying to phase out chrome and that it would fit in well with these goals. For funding, Ms. Loof commented that staff should look into partnerships with those looking to eliminate toxic emissions.

Staff recommended a position of APPROVE on this item

Moved by Parker; seconded by Buscaino; unanimously approved

Ayes: Buscaino, McCallon, Mitchell, Parker, Rutherford

Noes: None

Abstain: None

Absent: Nelson

WRITTEN REPORT:

4. Report from SCAQMD Home Rule Advisory Group [Attachment 5]

Please refer to Attachment 5 for the written report.

OTHER MATTERS:

5. Other Business

There was no other business.

6. Public Comment Period

Mr. Eder commented about an L.A. Times article on a study that found that the drought in California was the most severe in 1,200 years. Mr. Eder stated that the ice in the Arctic is melting, and that this will cause changes in weather patterns as well as cause a 10-15 percent reduction in rainfall in California.

7. Next Meeting Date

The next regular Legislative Committee meeting is scheduled for Friday, January 12, 2018 at 9:00 a.m.

Adjournment

The meeting adjourned at 9:37 a.m.

Attachments

1. Attendance Record
2. Update on Federal Legislative Issues – Written Reports
3. Update on State Legislative Issues – Written Reports
4. Draft 2018 State and Federal Legislative Goals and Objectives
5. SCAQMD Home Rule Advisory Group Report – Written Report

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE ATTENDANCE RECORD – December 8, 2017

Council member Buscaino (Videoconference)	SCAQMD Board Member
Mayor Pro-Tem McCallon (Videoconference)	SCAQMD Board Member
Council member Judith Mitchell	SCAQMD Board Member
Dr. Clark E. Parker, Sr. (Videoconference)	SCAQMD Board Member
Supervisor Janice Rutherford (Videoconference)	SCAQMD Board Member
Mark Abramowitz	Board Consultant (Lyuu)
Ron Ketcham	Board Consultant (McCallon)
Gary Hoitsma (teleconference)	The Carmen Group
Amelia Jenkins (teleconference)	Cassidy & Associates
Mark Kadesh (teleconference)	Kadesh & Associates
Paul Gonsalves (teleconference)	Joe A. Gonsalves & Son
Jacob Moss (teleconference)	Gonzalez, Quintana, Hunter & Cruz
Harvey Eder	Public Solar Power Coalition - PSPC
Tom Gross	Southern California Edison
Bill LaMarr	California Small Business Alliance
Rita Loof	RadTech
Erick Martell	Port of Los Angeles
David Rothbart	Los Angeles County Sanitation Districts
Susan Stark	Andeavor
Derrick Alatorre	SCAQMD Staff
Leeor Alpern	SCAQMD Staff
Debra Ashby	SCAQMD Staff
Barbara Baird	SCAQMD Staff
Philip Crabbe	SCAQMD Staff
Philip Fine	SCAQMD Staff
Laura Garrett	SCAQMD Staff
Matt Miyasato	SCAQMD Staff
Ron Moskowitz	SCAQMD Staff
Wayne Nastri	SCAQMD Staff
Robert Paud	SCAQMD Staff
Mary Reichert	SCAQMD Staff
Jeanette Short	SCAQMD Staff
Lisa Tanaka O'Malley	SCAQMD Staff
Laki Tisopoulos	SCAQMD Staff
Todd Warden	SCAQMD Staff
Kim White	SCAQMD Staff
Jill Whynot	SCAQMD Staff
Paul Wright	SCAQMD Staff

ATTACHMENT 2



Carmen Group
I N C O R P O R A T E D

MEMORANDUM

To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: November 22, 2017

Re: Federal Update -- Executive Branch

EPA Proposes Repeal of Glider Provisions from Heavy-Truck Rule: In November, the EPA formally proposed the repeal of an Obama Administration’s rule that applied the Medium- and Heavy-Duty Truck Phase II Greenhouse Gas Emission and Fuel Efficiency Standards to the glider industry. Gliders are a specially manufactured type of heavy duty truck assembled from newly manufactured kits that include the vehicle’s frame and cab, to which a used engine, transmission and axles are added. In its new notice of proposed rulemaking (NPRM), the EPA is now arguing that the gliders should not be regulated as “new motor vehicles” or “new motor vehicle engines” under section 202(a)(1) of the Clean Air Act, and that the previous administration’s decision to do so was an example of improper regulatory overreach. EPA Administrator Scott Pruitt argued that the Obama rule was an effort to “bend the rule of law and expand the reach of the federal government in a way that threatened to put an entire industry of specialized truck manufacturers out of business.” Pruitt said the issued boiled down to an interpretation of the Clean Air Act. He also said that “Glider not only provide a more affordable option for smaller owners and operators, but also serve as a key economic driver to numerous rural communities.” His statement did not address the adverse impact a repeal of the Obama rule might have on truck emissions.

EPA Makes Final Ozone Attainment Designations in Most Areas: The EPA announced in November that the Agency had largely met the statutory deadline to make final ozone attainment designations in 90 percent of the country, and that it would continue to work with the remaining areas on their designations. Meanwhile, it did not issue a list of nonattainment area designations, but indicated that would likely come later. Under the Clean Air Act, the EPA has two years from the time new National Ambient Air Quality Standards are promulgated to when it must make its area attainment designations. In June of this year, EPA informed Governors that it was extending the deadline by one year for the 2015 NAAQS for ozone. Then in August, EPA announced it would still move forward with the 2015 ozone designations on a case-by-case basis, under which most areas in the country would still be able to meet the original deadline, and not the extended deadline. EPA described its flexibility on the matter as an example of “cooperative federalism” under which EPA would continue to work closely with the states, recognizing that certain technical and other issues might cause delays, but assuring states that they would have the long-term certainty they need to address complicating factors.

Proven Process. Proven Results.™

EPA Directive on Federal Advisory Committees: EPA Administrator Scott Pruitt announced that members the agency's three main science advisory committees would be prohibited from receiving EPA grant funding while they served on any of the committees. These would include The Science Advisory Board, the Clean Air Scientific Advisory Committee (CASAC) and the Board of Scientific Counselors (BOSC). He billed the move as an effort to promote scientific integrity and ensure that committee members are independent of the EPA. The directive also calls for committee memberships to be balanced with individuals from different states and EPA regions and for the memberships to be rotated regularly. Pruitt said EPA advisory board members had received \$77 million in grant money over the past three years. "When we have members of those committees that received tens of millions of dollars in grants at the same time that they are advising this agency on rulemaking, that is not good," he said. Subsequently, in compliance with his own directive, Pruitt announced his appointments to the three science advisory committees.

Infrastructure Update: As Congress focuses on tax reform through the end of the year, behind-the-scenes discussions on infrastructure are continuing in the White House and in key federal agencies. The issue is expected to be among the Administration's top priorities early next year once the tax debate is concluded in Congress. A key unresolved issue is how the initiative -- expected to be a minimum of \$200 billion or more over ten years in direct federal spending -- will be paid for. In October, reports surfaced that consideration was being given to a possible increase in the federal gas tax, but it appeared only to be a suggestion that the issue might be put up for a vote in Congress, not that it would be proposed by the Administration or that such a vote could pass. Conventional wisdom is that such a vote would be certain to fail, unless the President was solidly behind it.

FHWA Awards Grants for Exploring New Ways to Pay for Highways: The Federal Highway Administration (FHWA) awarded \$15 million in grants to six states -- CA, CO, DE, MO, WA, OR -- that are exploring new ways to fund highway and bridge projects and related infrastructure. This included a grant of \$1,750,000 to Caltrans to explore "mechanisms to collect revenue at pay-at-the-pump charging stations."

Senate Confirms Wehrum to Lead EPA Air Office: On November 9, the Senate voted to confirm William Wehrum to be Assistant Administrator for EPA's Office of Air and Radiation. The 49-47 vote was mostly along party lines, with Sen. Susan Collins (R-ME) being the only Republican to vote against. Democrats were united in opposition, citing Wehrum's ties to business and the fossil fuel energy industry in his recent law practice work.

Subcabinet Appointment of Interest:

Department of Energy

Linda Capuano of Texas to be **Administrator, Energy Information Administration.** Previously served as fellow at Rice University's Baker Institute for Public Policy's Center for Energy Studies; vice president of technology at Marathon Oil Corporation; chief technology office at Advanced Energy Industries. Ph.D. and M.S. from Stanford University.

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: November 22, 2017

Re: Federal Update

DC General Update

Congress spent the bulk on November focused on moving forward with tax legislation in both Chambers of Congress. The House successfully passed tax reform legislation the week prior to the Thanksgiving recess. The Senate reported similar legislation out of the Senate Finance Committee the same week. The Senate is expected to take up the legislation upon return from the Thanksgiving break with the goal of reaching agreement with the House prior to December 12.

Meanwhile, the current government funding legislation expires on December 8th. It is expected that Congress will enact a two week continuing resolution to fund the government through December 22nd to allow a broad omnibus funding bill to be fully formulated. While the House has passed the Interior and Environment appropriations bill, which would provide funding for the EPA, the Senate has released legislation that will not be marked up by the full Appropriations Committee.

Issues of Interest to SCAQMD

Comprehensive Energy Legislation

The Senate's comprehensive Energy legislation, S. 1460, remains stalled on the Senate Floor awaiting a break in the legislative calendar to be considered. At this time, Chairman Lisa Murkowski (R-AK) expects the legislation to be considered in the early Spring of 2018.

Of note for SCAQMD, the Majority Staff has asked SCAQMD to weigh in on the Section 4001 and 4002, relating to State Loan Eligibility for Incentives for Innovative Technologies as well as a Program for Rapid Deployment of Renewable Energy and Electric Power Transmission Projects.

Senator Murkowski's staff has also asked for an updated letter of support for S. 1460. SCAQMD wrote a letter of support for the legislation last year, specifically highlighting the Vehicle Innovation Act, which remains in the updated version of the legislation.

The Cassidy team will continue to work with the Energy and Natural Resources Committee on these specifics and to ensure that SCAQMD's funding and policy goals are reflected in the overall legislation as it moves forward through the Senate and into Conference.

Tax Reform Update

Last week the House passed a tax code rewrite and the Senate Finance Committee backed its own plan. There's still plenty of changes expected before a bill reaches the White House. The Senate measure has tied a partial Obamacare repeal to the tax language, which is likely to make floor action more dramatic. The two chambers will form a conference committee and try to reconcile a litany of differences, after which the House and Senate will have to vote on the compromise measure.

Tax reform has major implications for California, which has one of the largest income tax burdens of all 50 states. The main concern arises from the partial elimination of the state and local tax deduction in the House bill, and the full elimination in the Senate bill.

House Committee Actions

On November 15, House Energy & Commerce's Subcommittee on Environment marked up and approved four bills relevant to air quality. These bills will have to go through a Full Committee markup next. They are:

- HR 350, Recognizing the Protection of Motorsports Act of 2017, which would clarify that anti-tampering provisions for motor vehicles do not apply to competition vehicles. This would be most relevant for NOx.
- H.R. 453, Relief from New Source Performance Standards Act of 2017, would extend the deadlines for NSPS for new residential wood heaters. This is mostly relevant for PM, VOCs, CO, benzene and other toxics.
- H.R. 1119, the Satisfying Energy Needs and Saving the Environment (SENSE) Act, which would provide alternative compliance options with the Cross-State Air Pollution Rule (CSAPR) and Mercury and Air Toxics Standards (MATS) for coal refuse-to-energy plants. This is most relevant for SOx, mercury and air toxics.
- H.R. 1917, the Blocking Regulatory Interference from Closing Kilns (BRICK) Act of 2017, which would extend National Emission Standards for Hazardous Air Pollutants (NESHAPs) deadlines for brick, structural clay products and clay ceramics manufacturing until judicial review of the rules is completed. This is especially relevant for VOCs and PM.

On November 8, the House Science Committee held a [hearing](#) on Geoengineering and whether proposed technology options can help mitigate the worst effects of climate change. Notably it was the first climate conversation in the Committee in recent memory that largely avoided partisan rancor.

Senate Interior Appropriations

Chairman Lisa Murkowski released the Chairman's mark of the Senate Interior and Environment Appropriations bill on Monday, November 20. As a result of the late date of the release of the legislation, the bill will not be formally marked up by the full Senate Appropriations Committee.

The legislation includes \$32.6 billion in total funding in fiscal 2018, which is \$5.3 billion above President Trump's requested funding levels for the agencies of jurisdiction.

The chart below provides an overview of the overall EPA funding levels between the House and Senate legislation, the President's request and the FY17 enacted levels.

Program	House Recommendation	Senate Subcmte Recommendation	POTUS FY18 Rec ^[1]	FY17 Omnibus
EPA Total	\$7.5 billion	\$7.908b	\$5.7 billion (-30%)	\$8.06 billion
Targeted Airshed Grants	\$40 million ^[2]	\$30 million	\$0	\$30 million
DERA	\$75 million ^[3]	\$40 million	\$10 million	\$60 million

Of further interest to SCAQMD, the Chairman’s mark includes report language on the following sections:

- **“National Ambient Air Quality Standards.**—The Consolidated Appropriations Act, 2017, directed the Agency to provide the Committee with a report on potential administrative options to provide regulatory relief to help States implement ozone air quality standards. The Committee appreciates the work of the Agency to provide those options, but remains concerned about the impact of the 2015 standard for ground-level ozone. The Committee is concerned that the standard of 70 parts per billion is likely to bring additional areas of the country into non-attainment, which may have adverse economic consequences.”
- **“Targeted Airshed Grant--** These grants shall be distributed on a competitive basis to nonattainment areas that EPA determines are ranked as the top five most polluted areas relative to annual ozone or particulate matter 2.5 standards as well as the top five areas based on the 24-hour particulate matter 2.5 standard where the design values exceed the 35 mg/m3 standard.”
- **“Gliders.**—The Committee understands the [EPA] has announced plans to revisit portions of its Phase 2 Greenhouse Gas [GHG] Emissions and Fuel Efficiency Standards for Medium- and Heavy-Duty Engines following concerns related to stakeholders in the trailer and glider industry. The Committee believes that the Agency’s decision to classify glider kits as new motor vehicles raises a number of valid concerns and urges the Agency to complete its review expeditiously. Upon completion of the review, the Agency is directed to brief the Committee on the matter.”

Budget

The month of November did not match the range of high-profile action which occurred on budget related matters in Congress during the previous month (October). In fact, neither the Senate or House Budget Committees held a single hearing during this month.

However, the Senate Budget Committee is widely expected to have a critical role in the coming weeks. Under the existing reconciliation rules which are largely driving the existing budget process, the Senate Budget Committee will be tasked with combining the measures previously reported by the Senate Energy and Natural Resources Committee which permits new oil and gas exploration in the Arctic National Wildlife and the work of the Senate Finance Committee on tax reform.

^[1] <https://energy.gov/sites/prod/files/2017/05/f34/FY2018BudgetVolume3.pdf>

^[2] <https://www.eenews.net/eedaily/2017/10/16/stories/1060063665>

^[3] <https://www.eenews.net/eedaily/2017/10/16/stories/1060063665>

When the Senate Budget Committee completes this work, Senate Majority Leader McConnell will be expected to move to the combined reconciliation measure. Under the rules of the Senate, debate on this measure will be limited to 20 hours and amendments must be germane. Traditionally, the House Rules Committee typically sets limitations on debate and the offering of amendments during its consideration of reconciliation measures.

House Legislation Update

H.R.4381

Sponsor: Rep. Stephen Lynch (D-MA)

Introduced: 11/13/17

Summary: To require certain holders of a certificate of public convenience and necessity issued under the Natural Gas Act to suspend activities authorized by the certificate until violations relating to air quality are remediated, and for other purposes.

H.R.4114/S.1996 – *Environmental Justice Act of 2017*

Sponsor: Rep. Raul Ruiz (D-CA)/Sen. Cory Booker (D-NJ)

Introduced: 10/24/17

Summary: A bill to require Federal agencies to address environmental justice, to require consideration of cumulative impacts in certain permitting decisions, and for other purposes.

H.R. 3981/ S. 1930 - Pollution Transparency Act

Sponsor: Rep. McEachin (D-MD)/Sen. Bennett (D-CO)

Introduced: 10/5/2017

Summary: A bill to establish a cost of greenhouse gases for carbon dioxide, methane, and nitrous oxide to be used by Federal agencies, and for other purposes.

KADESH & ASSOCIATES, LLC

MEMORANDUM

To: South Coast AQMD Legislative Committee
From: Kadesh & Associates
Date: November 22, 2017
Re: Federal Legislative Update – December 2017 Legislative Committee

Appropriations

To date, the House has completed work on its FY18 appropriation bills, but the Senate has bills remaining for markup. At some point, appropriations staff will abandon markup efforts and will turn to preparing for conference.

In November, the Senate Appropriations Committee released the last of its 12 spending bills: the Defense and Homeland Security measures. The bills lay down the Senate's marker before negotiations next month to fund the government. Lawmakers currently face a December 8 deadline to avoid a shutdown, and have discussed another stopgap funding measure to push that date to Dec. 22. The Homeland bill follows through on Republicans' promise to fund portions of a wall on the U.S.-Mexico border. Democrats have warned that particular measure could sink a spending deal.

Meanwhile, the Defense bill released sets the stage for bicameral talks to raise spending caps, as it calls for \$581.3 billion, \$59.3 billion more than the legal ceiling set for Pentagon funding. The proposed measure would exceed the \$516.1 billion fiscal 2017 Pentagon spending and would be \$15.4 billion more than President Trump's request for 2018. Leaders will also have to secure some Democratic support to raise spending above the \$522 billion cap for the Pentagon as a result of the 2011 Budget Control Act. The Budget Control Act sets a cap of \$549 billion for all national security programs, and Pentagon spending makes up the bulk of that.

Budget and Tax Reform

In November, Congress continued the FY18 budget and appropriations processes. Building on the passage of budget resolutions in October, the House took up expedited consideration of tax reform. Ultimately, the House passed H.R. 1 -- a tax reduction/reform package of \$1.5 trillion -- on November 17 by a vote of 227 to 205. All Democrats plus 13 Republicans voted no. Of those 13, nine were from New York and New Jersey, three were from California and one from North Carolina. The current Continuing Resolution and the debt ceiling both expire on December 8.

Tax Reform and Reduction -- Senate

The Senate released the 515-page text of its sweeping tax legislation, with Republican leaders planning to hold a floor vote on it within 10 days. That short span reflects an unusually fast process in both chambers. The House passed its tax bill 14 days after releasing its text. An independent analysis found that the Senate legislation would result in between \$1.3 trillion and \$1.5 trillion in lost revenue over 10 years -- even after considering economic growth effects. The Penn-Wharton Budget Model at the University of Pennsylvania released the finding, which counters assertions from the bill's proponents that it would pay for its tax cuts with increased growth.

Senate Interior Appropriations' "Chairman's Mark" and Report Released

Unlikely to go to an actual markup, the Senate Interior Appropriations bill will serve as a vehicle to negotiate with the House. The Senate Interior Appropriations bill and Explanatory Statement (aka the Report) include several items relevant to SCAQMD:

- p. 64 **“Gliders.**—The Committee understands the Agency has announced plans to revisit portions of its Phase 2 Greenhouse Gas [GHG] Emissions and Fuel Efficiency Standards for Medium- and Heavy-Duty Engines following concerns related to stakeholders in the trailer and glider industry. The Committee believes that the Agency’s decision to classify glider kits as new motor vehicles raises a number of valid concerns and urges the Agency to complete its review expeditiously. Upon completion of the review, the Agency is directed to brief the Committee on the matter.”
- p. 71 **“Targeted Air Shed Grant.**—\$30,000,000 has been provided for Targeted Air Shed Grants. These grants shall be distributed on a competitive basis to nonattainment areas that EPA determines are ranked as the top five most polluted areas relative to annual ozone or particulate matter 2.5 standards as well as the top five areas based on the 24-hour particulate matter 2.5 standard where the design values exceed the 35 mg/m³ standard. To determine these areas, the Agency shall use the most recent design values calculated from validated air quality data. The Committees notes that these funds are available for emission reduction activities deemed necessary for compliance with national ambient air quality standards and included in a State Implementation Plan submitted to EPA. Not later than the end of fiscal year 2018, EPA should provide a report to the Committees on Appropriations that includes a table showing how fiscal year 2016 and 2017 funds were allocated. The table should also include grant recipients and metrics for anticipated or actual results.”
- p. 72: **Categorical Grants.**—For categorical grants to States and other environmental partners for the implementation of delegated programs, the bill provides \$1,091,041,000, an increase of \$25,000,000 over the fiscal year 2017 enacted level. The Committee continues to reject the elimination of the Radon program and the Beaches Protection program and funding is provided at fiscal year 2017 enacted levels for both programs. The Committee has provided additional funding to the

States because the States are expected to continue the leading role they have taken to ensure compliance with environmental statutes. The Committee believes that it is important for the Agency to work collaboratively with State partners and to provide them support as they attempt to implement delegated environmental program.

Categorical Grant: Multipurpose Grants.—Because the States are expected to take a leading role in compliance with environmental cleanup, the bill contains \$10,000,000 for Multipurpose grants to States and Tribes. The Committee was disappointed with the Agency’s funding formula in fiscal year 2016 because it did not provide the flexibility that Congress expected and instead gave preference to air programs. In fiscal year 2018, the Agency is directed to give maximum flexibility to states, so that states, not the Agency, may determine where funds from this grant program are of most value.

Categorical Grant: Nonpoint Source (Sec. 319).—The Committee has provided \$170,915,000 in Nonpoint Source grants, equal to the fiscal year 2017 level. The Committee expects the Agency to examine the allocation formula to ensure that resources are being spent in areas with the most pressing need.

Categorical Grant: Pollution Control (Sec. 106) —The bill provides \$235,806,000 for pollution control grants to help States maintain adequate programs for the prevention and control of surface and groundwater from point and nonpoint sources. This is an increase of \$5,000,000 above the fiscal year 2017 level.

Categorical Grant State and Local Air Quality Management.— The bill provides \$238,219,000 for State and Local Air Quality Management Grants, an increase of \$10,000,000. The Agency is directed to allocate funds for this program using the same formula as fiscal year 2015. The Committee understand the Office of Air and Radiation was able to provide some additional funds to the States in fiscal year 2016 using balances. The Committees encourage the Agency to do the same in fiscal year 2018 and to provide those additional funds to the regions with the highest need. Should the Agency seek to change the formula, it should submit a proposal in its fiscal year 2019 budget justification for consideration by the Committee.

p. 85

Diesel Emission Reduction Act (DERA): \$40,000,000 shall be for grants under title VII, subtitle G of the Energy Policy Act of 2005; \$30,000,000 shall be for targeted air shed grants in accordance with the terms and conditions of the report accompanying this Act;

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ATTACHMENT 3



TO: South Coast Air Quality Management District

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – November 2017

DATE: Friday, November 17, 2017

As you know, the Legislature adjourned on Friday, September 15, 2017 and will reconvene on Wednesday, January 3, 2018.

In 2017, the Legislature introduced a total of 2,980 bills (998 Senate bills and 1928 Assembly bills) and 1307 were sent to the Governor for his consideration.

The Governor had until Sunday, October 15, 2017 to take action on all 1307 bills, which he signed 1189 and vetoed 118. The remaining 1673 bills are 2-year bills and will be heard during the 2018 legislative session.

The 2018 Legislative session is scheduled to begin on Wednesday, January 3, 2018. Please see the calendar below for the 2018 Legislative Deadlines.

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

- Governor's Actions on Legislation
- Legislative Deadlines

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 extends until January 1, 2020, the requirement that the ARB dedicate 20% of California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program to support early commercial deployment of existing zero- and near-zero-emission heavy-duty trucks.

This bill was passed off the assembly floor on September 11, 2017 with a 78-0 vote. On October 10, 2017, Governor Brown signed this bill.

AB 1082 (Burke)

This bill authorizes an electrical corporation to file with the California Public Utilities Commission (CPUC) a pilot program proposal for the installation of electric charging stations at school facilities and other educational institutions.

This bill was passed off the assembly floor on September 13, 2017 with a 57-21 vote. On October 10, 2017, Governor Brown signed this bill.

AB 1083 (Burke)

This bill authorizes an electrical corporation to file with the CPUC a pilot program proposal for the installation of electric charging stations at state parks and beaches.

This bill was passed off the assembly floor on September 14, 2017 with a 55-22 vote. On October 10, 2017, Governor Brown signed this bill.

AB 1646 (Muratsuchi)

This bill requires an implementing agency to develop an integrated alerting and notification system, in coordination with local emergency management agencies, unified program agencies, local first response agencies, and the public, to be used to notify the community surrounding a petroleum refinery in the event of an incident at the refinery.

This bill was passed off the assembly floor on September 11, 2017 with a 55-18 vote. On October 8, 2017, Governor Brown signed this bill.

AB 1647 (Muratsuchi)

This bill is the companion bill to AB 1646. This bill requires community and fence-line air monitoring systems at and near each petroleum refinery.

This bill was passed off the assembly floor on September 13, 2017 with a 57-19 vote. On October 8, 2017, Governor Brown signed this bill.

2018 LEGISLATIVE DEADLINES

Jan. 1 Statutes take effect.

Jan. 3 Legislature reconvenes.

Jan. 10 Budget must be submitted by Governor.

Jan. 12 Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house in the odd-numbered year.

Jan. 19 Last day for any committee to hear and report to the **Floor** bills introduced in that house in the odd-numbered year. Last day to submit **bill requests** to the Office of Legislative Counsel.

Jan. 31 Last day for each house to pass **bills** introduced in that house in the odd-numbered year.

Feb. 16 Last day for bills to be **introduced**.

Mar. 22 **Spring Recess** begins upon adjournment.

Apr. 2 Legislature reconvenes from Spring Recess.

Apr. 27 Last day for **policy committees** to hear and report to fiscal committees **fiscal bills** introduced in their house.

May 11 Last day for **policy committees** to hear and report to the Floor **nonfiscal** bills introduced in their house.

May 18 Last day for **policy committees** to meet prior to June 4.

May 25 Last day for **fiscal committees** to hear and report to the **Floor** bills introduced in their house. Last day for **fiscal committees** to meet prior to June 4.

May 29-June 1 Floor session only. No committee may meet for any purpose except for Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees.

June 1 Last day for each house to pass bills introduced in that house.

June 4 Committee meetings may resume.

June 15 Budget Bill must be passed by midnight.

June 28 Last day for a legislative measure to qualify for the Nov. 6 General Election ballot.

June 29 Last day for **policy committees** to hear and report **fiscal bills** to fiscal committees.

July 6 Last day for **policy committees** to meet and report bills. **Summer Recess** begins on adjournment, provided Budget Bill has been passed.

Aug. 6 Legislature reconvenes from Summer Recess.

Aug. 17 Last day for **fiscal committees** to meet and report bills.

Aug. 20-31 Floor session only. No committee may meet for any purpose except Rules Committee.

Aug. 24 Last day to **amend** on Floor.

Aug. 31 Last day for each house to pass bills. **Final Recess** begins on adjournment.

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SCAQMD Report
Gonzalez, Quintana, Hunter & Cruz, LLC
December 8, 2017 Legislative Committee Hearing

General Update

Because of California Senate President Pro Tem Kevin de Leon’s announcement that he is running for the U.S. Senate, there is a high likelihood of an election for a new Pro Tem. The four likely candidates are Senator Toni Atkins from San Diego, Senator Connie Leyva from the Inland Empire, Senator Bob Hertzberg from the San Fernando valley, and Senator Nancy Skinner from the East Bay Area. The Democratic Caucus can convene and vote at any time regardless of the legislative calendar. It is unclear whether or not a new Pro Tem would immediately reorganize the chairmanships within the Senate or would maintain continuity for the second year of this session. The Senate has seen both complete turnover and continuity in the past.

Pending 2-year Bills

Authors have not yet made public commitments about which bills they will be moving forward in January or later next year. With the pending election of a new Pro Tem, this uncertainty is likely to remain until that election takes place.



South Coast Air Quality Management District

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ATTACHMENT 4

DRAFT

SCAQMD's Federal Legislative Goals & Objectives for 2018

The following goals and objectives are identified to facilitate attainment of federal clean air standards within the South Coast region by statutory deadlines, while working with Congress, the White House, federal, state and local agencies, business, environmental and community groups, and other stakeholders:

Federal Support

Work to ensure that the federal government does its fair share to reduce air pollution by:

- Providing funding or regulatory authority adequate for nonattainment areas to attain National Ambient Air Quality Standards (NAAQS) for upcoming federal deadlines, and in particular, the South Coast Air Quality Management District (SCAQMD) to implement the 2016 Air Quality Management Plan (AQMP) and attain federal ozone and particulate matter standards by upcoming federal deadlines;
- Reauthorizing and expanding funding for the Diesel Emission Reduction Act (DERA);
- Increasing funding for the Targeted Air Shed Grant program;
- Authorizing and funding new programs which will reduce air pollution through the adoption and deployment of zero and near-zero emission technologies, fuels and recharging/refueling infrastructure;
- Establishing programs or policies that incentivize the federal government to purchase and use advanced clean technologies and eliminate the use of technologies generating NO_x and particulate matter emissions; and
- Incentivizing individuals, businesses, states, and local governments to purchase and use advanced clean technologies and eliminate the use of technologies generating NO_x and particulate matter emissions.

Technology Advancement

Expand funding opportunities and federal tax incentives for advanced clean technology research, development, demonstration and deployment programs, including those related to:

- Zero and near-zero emission technologies;
- Clean vehicles (such as light-, medium- and heavy-duty vehicles, locomotives, marine vessels, and aircraft technologies);
- Clean fuels and refueling/recharging technologies and infrastructure;
- Clean energy sources;
- Technologies, systems and/or processes which reduce ambient concentrations of air pollutants and/or toxic air emissions; and
- The implementation of the 2016 Air Quality Management Plan (AQMP).

Marine Vessels

Pursue legislative and/or administrative policies that will further reduce marine vessel emissions and will ensure, through regulatory and/or incentive-based policies that the cleanest vessels come to U.S. ports.

SCAQMD's Federal Legislative Goals & Objectives for 2018

Surface Transportation & Goods Movement

Pursue the adoption of legislation and/or policies which will reduce or eliminate air quality impacts from the freight sector (for both medium-duty and heavy duty vehicles), as well as off-road vehicles (such as agricultural vehicles, cargo handling equipment, freight handling equipment, and construction equipment).

Locomotives

Pursue efforts to reduce locomotive emissions, through regulatory and/or incentive-based policies.

Reduction of Toxic Emissions

Pursue efforts through legislative and administrative programs, to reduce toxic emissions, and the public's exposure to toxic emissions, within the South Coast region.

Environmental Justice

Support legislation which promotes environmental justice initiatives that will reduce localized health risks, develop clean air technologies that directly benefit disproportionately impacted communities, and enhance community participation in decision-making.

Business/Jobs Climate

Support legislation, policies or administrative actions that support and assist the regulated community to comply with rules and regulations in the most efficient and cost-effective manner that protects and encourages job retention and creation, and promotes economic growth, while working toward attainment of clean air standards.

Clean Air Act, National Ambient Air Quality Standards (NAAQS) and SIP

Support policies, legislation and/or administrative efforts to:

- Ensure adequate SCAQMD authority under the federal Clean Air Act (CAA);
- Extend or enhance SCAQMD's subvention funding under CAA Sections 103 and 105;
- Increase funding and incentive programs to help states and local regions meet attainment for clean air standards under the CAA; and
- Protect science-driven and health-based determinations of national ambient air quality standards, and efforts to streamline and provide flexible implementation of SIP requirements, as needed, to ensure feasibility of attainment.

Climate Change

Seek to influence climate change initiatives and facilitate their implementation at local levels, to promote co-benefits with NAAQS and air toxics reduction, consistent with the Board's policy.

New Source Review Offsets

Modernize federal New Source Review offset requirements for areas where the supply of offsets is inadequate, while furthering the pursuit of clean air objectives.



South Coast Air Quality Management District

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DRAFT

SCAQMD's State Legislative Goals & Objectives for 2018

The following goals and objectives are identified to protect public health and facilitate attainment of clean air standards within the South Coast region by statutory deadlines, while working with and serving as a resource to state legislators and the Governor; federal, state, and local agencies; business, environmental and community groups; and other stakeholders:

Air Quality Funding

Increase existing and identify new funding sources for clean air programs that protect public health and ensure attainment of state and federal air quality standards, particularly incentive programs and research and development projects that support the 2016 Air Quality Management Plan (AQMP) and create opportunities to partner with local businesses, communities and residents.

SCAQMD Authority / Policy Implementation

Protect and ensure adequate SCAQMD authority for implementation of the Board's clean air policies and programs, as required by state and federal law, including the 2016 AQMP.

State Support

Work to ensure that the state government does its fair share to reduce air pollution in order for the South Coast region to meet national ambient air quality standards, and provides legislative and administrative support to SCAQMD to implement the 2016 AQMP and attain federal ozone and particulate matter standards by upcoming federal deadlines.

Environmental Justice

Support legislation and funding to promote and sustain environmental justice initiatives that: reduce localized health risks resulting from criteria pollutant and toxic air contaminant emissions, develop and expand access to clean air technology that directly benefits disproportionately impacted communities, enhance community participation in decision-making, and provide the resources necessary to fully implement local air districts' new responsibilities and programs created through Assembly Bill 617 (C. Garcia, Chapter 136, Statutes of 2017).

Climate Change

Seek to influence climate change initiatives and facilitate their implementation consistent with Board policy. In particular, support efforts directing that Greenhouse Gas Reduction Fund investments maximize criteria and toxics emission reduction co-benefits, promote near-zero and zero-emission vehicles, and address air quality and public health impacts.

Clean Energy

Support legislation that advances the Board's Energy Policy which promotes reliable, cost effective and clean energy for all consumers in the District while facilitating attainment of clean air standards and support for a healthy economy. In particular, support policies and funding that promote the development and deployment of zero and near-zero emission infrastructure, equipment and vehicles.

SCAQMD's State Legislative Goals & Objectives for 2018

Business/Jobs Climate

Support legislation, policies and/or administrative actions that protect and encourage job retention and creation and promote economic growth, while working toward attainment of clean air standards; and that support and assist the regulated community in complying with rules and regulations in the most efficient and cost-effective manner.

Surface Transportation & Goods Movement

Support and expand air quality policy and funding considerations relating to the implementation of state and federal surface transportation and goods movement policies and programs, including those relating to the FAST Act.

ATTACHMENT 5



South Coast
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HOME RULE ADVISORY GROUP Wednesday, September 13, 2017 MEETING MINUTES

CHAIR:

Dr. Joseph Lyou, Governing Board member

MEMBERS PRESENT:

Curt Coleman (Southern California Air Quality Alliance); Jaclyn Ferlita (Air Quality Consultants); Nan Harrold (Orange County Waste & Recycling); Bill LaMarr (California Small Business Alliance); Kristen Torres Pawling (County of Los Angeles, Chief Sustainability Office); Terry Roberts (American Lung Association of California); David Rothbart (Los Angeles County Sanitation District); Patty Senecal (Western States Petroleum Association); and TyRon Turner (Dakota Communications).

The following members participated by conference call: Chris Gallenstein (CARB); Jayne Joy (Eastern Municipal Water District); Rongsheng Luo (SCAG); and Bill Quinn (California Council for Environmental & Economic Balance).

MEMBERS ABSENT:

Micah Ali (Compton Unified School District Board of Trustees); Mike Carroll (Regulatory Flexibility Group); Michael Downs (Downs Energy); Art Montez (AMA International); Penny Newman (Center for Community Action and Environmental Justice); Larry Rubio (Riverside Transit Agency); Larry Smith (Cal Portland Cement); and Amy Zimpfer (EPA).
Merriest

OTHER ATTENDEES:

Mark Abramowitz (Board Consultant to Dr. Lyou); Doris Lo (EPA); Bridget McCann (Western States Petroleum); Rita Loof (RadTech); Johnny Raymond (CARB); and Susan Stark (Andeavor)

SCAQMD STAFF:

Philip Fine	Deputy Executive Officer
Nicholas Sanchez	Acting Assistant Chief Deputy Counsel
Philip Crabbe	Community Relations Manager
Mike Morris	Program Supervisor
Ann Scagliola	Administrative Secretary

OPENING COMMENTS AND SELF-INTRODUCTIONS

The meeting was called to order at 10:00 a.m. by Dr. Joseph Lyou (Chairman).

APPROVAL OF JULY 2017 MEETING MINUTES

Dr. Lyou asked for comments on the July 12, 2017 meeting minutes. Hearing none, the minutes were approved.

EPA AND FEDERAL ACTIVITIES

Doris Lo-provided an update on recent U.S. EPA and federal activities.

- Final action was taken on August 15, 2017 to approve revisions to the South Coast Air Quality Management District (SCAQMD) portion of the California State Implemented Plan (SIP) concerning RECLAIM. The publication date will be September 14, 2017.
- Final action was taken on August 29, 2017 to approve revisions to the SCAQMD portion of the California State Implemented Plan (SIP) regarding RECLAIM Reasonably Available Control Technologies (RACT) demonstration. The publication date has not yet been determined.
- Final action is being proposed to evaluate RECLAIM rule modifications in relation to the previously identified 2006 State Implementation Plan RACT deficiency.
- Diesel Emission Reduction Act (DERA) funding competitive grant requests for the proposal period is ending July 5, 2017, and staff continues to review submittals and will award grants in the fall of 2017.
- The DERA School Bus Rebate Program will be announced in early October 2017.
- The Tribal DERA Program requests for proposal period will begin this month.
- Targeted Air Shed Grants requests for proposals will close on October 18, 2017.
- National Updates:
 - There are no political appointees yet for Region 9 Regional Administrator and related offices;
 - Bill Wehrum was nominated as EPA Assistant Administrator for the Office of Air and Radiation; and
 - The national ambient air quality standard (NAAQS) for ozone extension request has been withdrawn.

Discussion

Dr. Lyou inquired if Matt Miyasato was advised of the DERA tribal funding. Staff indicated that they would follow-up.

CARB REGULATORY ACTIVITIES

Johnnie Raymond reported on the following items to be discussed at the September 2017 Air Resources Board Meeting and other newsworthy items.

- Recently the California Air Resources Board celebrated its 50th anniversary, which involved new branding, a new logo and a new website is coming soon.
- The Board will consider the approval of the Ozone SIP for East Kern County.
- The Board will hear an update of the PM2.5 SIP for the San Joaquin Valley.
- Last month the Cap and Trade auction results were released, which reflected that it was successful and helped to reflect the market certainty.
- CARB is continuing to implement SB 1383 the Short-lived Climate Pollutant Strategy.
 - A Dairy Digester Subgroup meeting was held on September 7, 2017.
- There are upcoming community meetings in September 2017 to discuss concepts for minimizing community health impacts from large freight facilities including seaports, railyards, warehouses, and distribution centers. These freight related activities will also support CARB's efforts to implement AB 617.

Discussion

Kristen Torres Pawling requested the date of the Long Beach workshop. Johnnie Raymond indicated that the meeting date is September 19, from 6:00 to 8:00 pm, at the Long Beach Main Library.

Dan McGivney inquired about the possibility of having the CARB staff provide a presentation on AB 617. Dr. Lyou suggested that CARB could provide an update at the November Home Rule meeting. Phil Fine commented that AB 617 impacts both CARB and the District, and suggested a coordinated presentation from both agencies. Johnny Raymond indicated that it should not be a problem, but would need to check with the Office of Community Air Protection (OCAP) management to confirm, and will get back to Dr. Fine.

Bill Quinn requested CARB's clarification on how the facility-based measures that came out of the AQMP process are now merged into their AB 617 implementation efforts. Johnny Raymond responded that staff efforts were directed by CARB's Board request for concepts to control pollution from large freight facilities.

David Rothbart inquired if the AB 617 presentation for the November Home Rule meeting could also include the role of CARB versus South Coast. Staff indicated this would be addressed.

LEGISLATIVE UPDATE

Philip Crabbe provided a recap of the September 8, 2017 Legislative Committee meeting.

Update on Federal Legislative Issues

SCAQMD's federal legislative consultants reported that President Trump continues to talk about pushing a major infrastructure bill. This has not happened yet because the legislative agenda is currently crowded with tax reform and other matters. There is no current Administration bill and general principles have been provided regarding this proposed legislation, through which \$200 billion of federal money would be invested in order to leverage another \$800 billion from other sources to become a trillion dollar investment in infrastructure over the next 10 years. Democrats are balking at this approach and desire a bigger federal investment upfront. Once the process for this federal infrastructure bill gets moving, SCAQMD's goal is to have clean air infrastructure funding included.

The federal consultants reported that President Trump announced an environmental review executive order and reiterated that several things are already underway to streamline the permitting process and expedite infrastructure projects. This effort is designed to get more private investment into infrastructure. The executive order also repealed the previous Administration's executive order on climate change, which required agencies to factor in climate change, such as projected sea level rise and flooding issues, in their decision-making in infrastructure projects.

The Department of Transportation (DOT) announced its next round of Transportation Investment Generating Economic Recovery (TIGER) grants, which would make \$500 million available for major transportation infrastructure projects. Applications for these grants are due in October, and grants would be for projects between \$5 million and \$25 million. In the past, these grants have provided money for clean air related infrastructure developments.

The federal consultants indicated that the House continues to work its way through the spending bill package. A proposed amendment to this legislation by Congressman Gary Palmer (AL) would have tried to cut funding for Diesel Emission Reduction Act (DERA) grants. However, this amendment

as of yet has not been formally presented. The current level being proposed by the spending package is \$75 million for DERA.

Currently, there is a continuing resolution in place with regard to spending that lasts through December 8th, so spending issues may not be revisited until then.

Update on State Legislative Issues

The SCAQMD's state consultants reported there is one week left in the state legislative session and a large focus is on the \$1.5 billion in Greenhouse Gas Reduction Fund (GGRF) monies, that are yet to be allocated. The Legislature had until Tuesday to get legislation on this issue in print, due to the new rule that requires bills to be in print for 72-hours before they are voted on the Senate or Assembly floors.

Previously, Governor Jerry Brown had released his plan, which included \$1.5 billion in spending, and Senate President pro Tem Kevin de Leon also released a proposed spending plan. On Tuesday, bills were released in print that laid out the final agreement regarding allocations of the \$1.5 billion in available funding. Two of these bills: AB 134 (with an identical companion bill: SB 119) – allocated \$900 million of these monies, including:

- \$250 million for Carl Moyer Projects statewide, with 43% (based on percentage of state population) of this going to the South Coast region, i.e. \$107.5 million;
- \$85 million to reduce agricultural sector related emissions;
- \$140 million – for the Freight Equipment and Advanced Demonstration and Pilot Commercial Deployment Project;
- \$180 million for the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), with at least \$35 million going to zero-emission buses;
- \$140 million clean vehicle rebate program (CVRP); and
- \$100 million for the enhanced fleet modernization program (EFMP) and EFMP-Plus UP.

An additional bill: AB 109 (with an identical companion bill: SB 93) – allocated the remaining cap and trade monies for items including enhanced community monitoring. These allocations included: \$27 million statewide to help local air districts implement new air monitoring requirements under AB 617, for the coming year.

The state consultants provided an update on the SCAQMD sponsored bill AB 1274 (O'Donnell), which delays the first smog check for a vehicle from the end of year six to the end of year eight and instead charges a smog abatement fee of \$50 at the end of year six. This fee is less than what the consumer would have paid on average for a smog check, along with the required smog check certificate fee (\$8.25). These smog abatement fee monies are directed to the Carl Moyer Program for more effective reductions in diesel particulate matter and nitrogen oxides emissions from heavy duty vehicles.

Mr. Crabbe stated that this bill just passed the Senate on a two-thirds vote and has now headed back to the Assembly for a concurrence vote, which would also be a two-thirds vote. If successful, the bill would head to the Governor to be signed into law.

AB 1274 would add to the Carl Moyer funding pot and would more than double the amount of statewide Carl Moyer funding. SCAQMD's portion would be 43% of this new funding and would range from about \$30 million to \$40 million per year. This bill would not be implemented until January 1, 2019.

Mr. Crabbe reported that AB 617 (C. Garcia) mandates several new programs and responsibilities for SCAQMD, and other local air districts, including:

- Community Monitoring and Analysis;
- Development and implementation of community emission reduction programs;
- Best Available Retrofit Control Technology or “BARCT” Implementation: which involves new BARCT assessments and subsequent amendments to SCAQMD rules and a fast pace; and
- Uniform Emission Reporting: requires a modification of SCAQMD’s Annual Emission Reporting (AER) system. This modification is needed to accommodate additional reporting procedures for a statewide uniform emission reporting system created under AB 617.

AB 617 also increases civil and criminal penalties for air pollution violations, adjusting strict liability penalty limits which have not been increased for decades, and requires inflation adjustments going forward.

Discussion

Bill LaMarr inquired if some of the allocated \$10 to 15M will be used to offset the anticipated Rule 1469 monitoring costs. Staff indicated that the rule language has evolved over the last few months and many of the monitoring requirements have been removed.

Dr. Lyou inquired if the members had heard if the European Union had prohibited hexavalent chromium plating operations. Staff indicated that they would check into this.

Jaelyn Ferlita inquired about AB 617 and its effects on the RECLAIM program. Staff indicated that the AB 617 compressed timelines will affect the facilities coming out of RECLAIM and this issue will be addressed in future RECLAIM Working Group meetings.

Curt Coleman inquired about the status of an earlier District sponsored bill to redefine the level of emissions in fleet vehicles. Staff indicated that AB 302 was a directive from the Board as an amendment to the AQMP, which became a two-year bill and will not be addressed until next year and currently stands as a directive from the Board to go ahead and pursue.

Bill Quinn asked about the status of the budget trailer bills and if the District was taking a position. Staff indicated that we are supporting these bills going through the committee process, due to the 72-hour rule no changes can be made at this time.

UPDATE REGARDING LITIGATION ITEMS AND RELATED EPA ACTIONS

Nicholas Sanchez indicated there were no updates to the provided litigation status report handout.

RULE 1466 –CONTROL OF PARTICULATE EMISSIONS FROM SOILS WITH TOXIC AIR CONTAMINANTS

Mike Morris presented provided an overview of the recently adopted SCAQMD Rule 1466 – Control of Particulate Emissions from Soils with Toxic Air Contaminants.

Discussion

David Rothbart voiced concerns about the ability for sites to comply with the 25 µg/m³ PM10 standard. Staff explained that the concerns were not about meeting the standard but about the calibration and error inherent in the monitors and that initial side-by-side testing with SCAQMD’s dust monitors showed reasonable agreement.

Larry Smith asked if a small portion of a site was contaminated, would the entire site be required to comply with the Rule 1466. Staff responded that the rule only applies to soils with toxic air contaminants and that the other parts of the site would not be subject to the rule.

Larry Smith stressed that it should be made clear to contractors that Rule 1466 is not a “shut-down” rule. Staff concurred.

Bill LaMarr asked if clean-up action would be delayed while the Executive Officer makes a determination of rule applicability. Staff answered that the rule provisions only apply once the determination has been finalized and thus there would be no delay.

Bill LaMarr also asked if there were plans to amend Rule 403 – Fugitive Dust. Staff stated that there is a need to amend Rule 403 but given the challenges of the rule development schedule, an amendment to Rule 403 is not imminent.

CONSENSUS BUILDING

There was no report.

Dr. Lyou commented that since this is currently not an active topic that we will remove it from future meeting agendas, but will include the topic when there are items to report on.

SUBCOMMITTEE STATUS REPORTS

A. Freight Sustainability (Dan McGivney)

Dan McGivney provided updates on the following items.

- The San Pedro Bay Port Draft Clean Air Action Plan (CAAP) public review and comment period ends on September 18, 2017.
- CARB has initiated their indirect source rule efforts.
- I-710 EIR comment period was extended.

Curt Coleman commented that he attended the Marine Port Committee meeting on August 31, 2017 and thought the discussion and presentation on the CAAP was very interesting, specifically the District’s concerns on the lack of identified emission reductions before 2023 and the general interest in moving forward with the near zero-emission technology.

B. Small Business Considerations (Bill LaMarr)

Bill LaMarr reported that on September 27, 2017 there will be a walk-through demonstration of the online permit application process, with the leadership from the Korean Drycleaner and California Cleaner Associations.

C. Environmental Justice (Curt Coleman)

There was no report.

Dr. Lyou requested for future AB 617 updates to be incorporated into future Environmental Justice subcommittee status reports.

D. Climate Change (David Rothbart)

David Rothbart provided an update on California’s Cap-and-Trade Program.

Jaelyn Ferlita commented that it was interesting to see the increase in the auction activity and prices, since the passage of AB 398.

REPORT FROM AND TO THE STATIONARY SOURCE COMMITTEE

Dr. Philip Fine provided a recap of the items on the September 15, 2017 meeting agenda.

- Item to address the need to enhance the monitoring and analysis equipment for the Science and Technology Division, for elevated levels of hexavalent chromium in Paramount and Compton.
- Home Rule Advisory Group new membership appointees.
- Updates on Proposed Amended Rules 415, 1148.3, 1168, 1180 and 1420.
- Update on the permit backlog.
- Quarterly report on the RECLAIM amendments.
- Update on Draft Assessment on tBac white paper.

Discussion

Curt Coleman voiced concern about the pace of pushing the rules through Committee, without adequate time to review and provide comments. Staff responded that when we come to the Committee it can be to provide updates of where we are in the rulemaking process and to also consider the rescheduling of rules if needed, since the rule calendar is set at the beginning of the year.

Dan McGivney indicated his concern about the fast schedule for Rule 1180 and the socio-economic report has not come out yet. Staff replied that the socio-economic report will be provided at the 30-day point as required.

Bill LaMarr expressed concern about the rulemaking schedule and requested a status update on the Rule 1147 implementation guide, the use of portable analyzers and getting them accepted, and a list of acceptable low NOx burner manufacturers. Staff responded that we are working on these commitments and can provide updates.

Public Comment

Rita Loof voiced concern about the rulemaking process, the status of the Rule 219 recordkeeping form that has not been provided, and the inconvenience of the October Board meeting at the Biltmore Hotel for Rule 1168. Dr. Lyou indicated that if the issues are resolved for Rule 1168, it could possibly be only a consent item for the Board meeting. Staff indicated that they would inquire about the status of the Rule 219 recordkeeping form.

OTHER BUSINESS

TyRon Turner inquired about a community outreach update, since the last update was May 10, 2017. Bill LaMarr commented that the Local Government and Small Business Assistance Advisory Group (LGSBA) might be the appropriate Advisory Group for this type of update. Dr. Lyou requested that Legislative, Public Affairs and Media be advised of this request and have Mr. Turner added to their meeting distribution.

PUBLIC COMMENT

There were no comments.

ADJOURNMENT

The meeting was adjourned at 11:57 p.m. The next meeting of the Home Rule Advisory Group is scheduled for 10:00 a.m. on November 8, 2017, and will be held at SCAQMD in Conference Room CC-8.

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 17

REPORT: California Air Resources Board Monthly Meeting

SYNOPSIS: The California Air Resources Board met on December 14, 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 California Air Resources Board's (CARB or Board) December meeting was held on December 14, 2017 in Sacramento at the California Environmental Protection Agency Headquarters Building. Key items presented are summarized below.

DISCUSSION ITEMS

17-12-3: Public Meeting to Hear an Informational Update on Senate Bill 375 Greenhouse Gas Emissions Reduction Targets

The Board heard an informational update regarding the status of the next round of regional GHG per capita reduction targets for California's Metropolitan Planning Organizations (MPOs) as required by the Sustainable Communities and Climate Protection Act of 2008 (Senate Bill 375). The Board initially established GHG reduction targets in 2010 for all 18 MPOs and is required by Senate Bill 375 to update the GHG reduction targets every eight years. Staff informed the Board on feedback it has received from the October proposed targets. In response to the feedback, staff will adjust 2035 targets to reflect updated information and stakeholder comments, and proposes to incorporate added reporting and tracking of investments, project performance, and implementation efforts. Staff will bring a revised proposal for updated GHG targets to the Board for consideration in early 2018.

17-12-1: Public Meeting to Consider the 2017 Climate Change Scoping Plan Update

The Board approved the 2017 Climate Change Scoping Plan Update (Update) along with the related Environmental Analysis (EA) and written responses to comments received on the EA. The Update described the State's strategy for achieving California's 2030 GHG target of 40 percent reductions from 1990 levels pursuant to Senate Bill 32. The Update provides a balanced approach to achieve the 2030 target and considered cost-effectiveness, prioritizing direct emissions reductions, and minimizing leakage. The final Update includes extending the Cap-and-Trade program post-2020, implementation of the Short-Lived Climate Pollutant Plan and the Mobile Source Strategy, supporting sustainable community development, enhancing the Low Carbon Fuel Standard, increasing renewable energy generation and improving energy efficiency. A status report on implementation of the Scoping Plan will be provided to the Board annually by the Executive Officer.

17-12-4: Public Meeting to Consider the Proposed Fiscal Year 2017-18 Funding Plan for Clean Transportation Incentives

The Board approved the Proposed Fiscal Year 2017-18 Funding Plan for Clean Transportation Incentives (Funding Plan). The Funding Plan describes investments from four related funding sources: the Low Carbon Transportation Program funded with Cap-and-Trade auction proceeds; the Air Quality Improvement Program; the one-time Volkswagen settlement funding for zero emission vehicle aspects of vehicle replacement programs; and the one-time funding for Zero/Near Zero Emission Warehouse Program. These programs provide incentives for clean vehicle and equipment projects to reduce GHG, criteria pollutant and toxic emissions with a priority on benefiting disadvantaged and low-income communities and households. The Funding Plan builds on investments from previous funding cycles and will accelerate commercialization of zero-emission technologies and significantly increase funding for transformative freight funding. The Funding Plan also expands disadvantaged community and low-income projects and increases outreach to these communities to encourage participation in the programs and help with access to the funding.

Attachment

CARB December 14, 2017 Meeting Agenda



PUBLIC MEETING AGENDA

December 14, 2017

LOCATION:

California Environmental Protection Agency
California 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

December 14, 2017

9:00 a.m.

DISCUSSION ITEMS:

Note: The following agenda items may be heard in a different order at the Board meeting.

Agenda Item #

17-12-3: Public Meeting to Hear an Informational Update on Senate Bill 375 Greenhouse Gas Emissions Reduction Targets

The Board will hear an informational update regarding the status of the regional target update process for California's Metropolitan Planning Organizations (MPO) required by the Sustainable Communities and Climate Protection Act of 2008 (Senate Bill 375). Senate Bill 375 requires the Board to establish regional greenhouse gas emissions reduction targets for all 18 MPOs in California and to update those targets every eight years. The targets were initially established in 2010 and must be updated in 2018. The Board will not vote on targets at this meeting; Staff's proposed updated targets will be brought to the Board for a vote in 2018.

17-12-1: Public Meeting to Consider the 2017 Climate Change Scoping Plan Update

Spanish translation will be provided at the Board Meeting for this item, Item 17-12-1.

The Board will consider approving the 2017 Climate Change Scoping Plan Update (Update) along with the Environmental Analysis (EA) prepared for the Update and written responses to environmental comments received on the EA. The Update describes the State's proposed strategy for achieving California's 2030 greenhouse gas target pursuant to Senate Bill 32, Assembly Bill 197, and Assembly Bill 398. The strategy includes extending the Cap-and-Trade program post-2020, implementation of the Short-Lived Climate Pollutant Plan and Mobile Source Strategy, and increasing renewable energy generation and improving energy efficiency end use. This is the last of three Board hearings on this item.

17-12-4: Public Meeting to Consider the Proposed Fiscal Year 2017-18 Funding Plan for Clean Transportation Incentives

The Board will consider approving the Proposed Fiscal Year 2017-18 Funding Plan for Clean Transportation Incentives. The plan describes proposed investments from four related funding sources: the Low Carbon Transportation Program funded with Cap-and-Trade auction proceeds; the Air Quality Improvement Program; one-time Volkswagen settlement funding for the zero emission vehicle aspects of vehicle replacement programs; and one-time funding for the Zero/Near Zero Emission Warehouse Program. These programs provide incentives for clean vehicle and equipment projects to reduce greenhouse gas emissions and air pollution with a priority on benefiting disadvantaged and low-income communities and low-income households. Staff's proposal builds on investments from previous funding cycles by continuing incentives for zero-emission and plug-in passenger cars, clean trucks and buses, and advanced technology freight projects. The plan also includes a three-year strategy for heavy-duty vehicle investments to guide these funding decisions.

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 et al. v. U.S. Department of Transportation et al., United States District Court, Northern District of California, Case No. 4:17-CV-05439.

In re La Paloma Generating Company, LLC, U.S. Bankruptcy Court, District of Delaware, Case No. 16-bk-12700.

Mexichem Fluor Inc. v. United States Environmental Protection Agency et al., U.S. Court of Appeals, District of Columbia Circuit, Case Nos. 15-1328 and 15-1329.

POET, LLC, et al. v. California Air Resources Board, 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 New York, et al. v. United States Environmental Protection Agency et al., U.S. Court of Appeals, District of Columbia Circuit, Case No. 17-1185.

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.

Adam Brothers Farming, Inc. v. California Air Resources Board, et al., Santa Barbara County Superior Court, Case No. 15 CV04432.

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.

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.

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. Adam Brothers Farming Inc., Santa Barbara County Superior Court, Case No. 16CV01758.

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.)

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IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE CLERK OF THE BOARD:

**1001 I Street, 23rd Floor, Sacramento, California 95814
(916) 322-5594**

CARB 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.

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 18

PROPOSAL: Determine that Proposed Amendments to Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x) Are Exempt from CEQA and Amend Rules 2001 and 2002

SYNOPSIS: The adoption Resolution of the Final 2016 AQMP directed staff to achieve additional NO_x emission reductions and to transition the RECLAIM program to a command-and-control regulatory structure as soon as practicable. Proposed Amended Rule 2001 will commence the initial steps of this transition by ceasing any future inclusions of facilities into NO_x and SO_x RECLAIM. Proposed Amended Rule 2002 will establish notification procedures for RECLAIM facilities that will exit the program and address the RECLAIM Trading Credit holdings for these facilities.

COMMITTEE: Stationary Source Committee, November 17, 2017, Reviewed

RECOMMENDED ACTIONS:

Adopt the attached Resolution:

1. Determining that the proposed amendments to Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x) are exempt from the requirements of the California Environmental Quality Act; and
2. Amending Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x).

Wayne Natri
Executive Officer

Background

The South Coast Air Quality Management District (SCAQMD) Board adopted the Regional Clean Air Incentives Market (RECLAIM) program in October 1993. Regulation XX – RECLAIM was most recently amended on December 4, 2015 and October 7, 2016. During the adoption of the 2016 AQMP, the adopting Resolution directed staff to modify Control Measure CMB-05 to achieve an additional five tons per day NO_x emission reductions as soon as feasible but no later than 2025, and to transition the RECLAIM program to a command-and-control regulatory structure requiring Best Available Retrofit Control Technology (BARCT) level controls as soon as practicable. California State Assembly Bill (AB) 617, which was approved in July 2017, requires an expedited schedule for implementing BARCT at cap-and-trade facilities that are also subject to RECLAIM and requires the implementation of BARCT by no later than December 31, 2023.

Proposed amendments to Rule 2001 – Applicability and 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x), which are two rules within Regulation XX – RECLAIM, initiate the transition of the NO_x and SO_x RECLAIM program to a command-and-control regulatory structure by precluding any new, non-RECLAIM facilities from entering into RECLAIM. In preparation for facilities in the RECLAIM program to transition to command-and-control, the proposed amendments address the RTC holdings for the initial group of facilities that will be exited from RECLAIM, as well as establishing notification procedures for RECLAIM facilities for their transition out of the program.

Public Process

Staff has held monthly working group meetings to discuss the transition of facilities in the RECLAIM program to a command-and-control regulatory structure and to discuss key policy issues. Proposed Amended Rules 2001 and 2002 were discussed at the RECLAIM working group meetings on June 8, July 13, September 14, October 12, November 8, and December 14, 2017. In addition, staff has also met individually with numerous facility operators and industry groups regarding the transition. A public consultation meeting was held on November 8, 2017, with the comment period closing on November 22, 2017.

Proposed Amendments

The proposed amendments to Regulation XX will affect Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x). Proposed Amended Rule 2001 would preclude new or existing facilities from entering the NO_x and SO_x RECLAIM programs as of the date of amendment.

Proposed Amended Rule 2002 contains notification procedures for facilities that will be transitioned out of RECLAIM and addresses the RTC holdings for these facilities that will be transitioned out or that elect to exit RECLAIM. Under PAR 2002, the Executive Officer will provide an initial determination notification to a RECLAIM facility for

potential exit to a command-and-control regulatory structure with requirements for the facility to identify all NO_x-emitting equipment. After review of the information and if it is determined that the facility meets the criteria for the type of equipment or is in compliance with the current applicable command-and-control BARCT rules, the Executive Officer will send the facility a final determination notification that the facility will be exiting RECLAIM. Upon exiting RECLAIM, future compliance year RTCs cannot be sold or transferred and only RTCs in that current compliance year can be used.

Key Issues

Through the rulemaking process, staff has worked with stakeholders to resolve various issues and is not aware of any remaining key issues.

California Environmental Quality Act (CEQA)

SCAQMD staff has reviewed the proposed amendments to Rule 2001 and Rule 2002 pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. The effect of preventing any new or existing non-RECLAIM facility that emits four or more tons per year of NO_x or SO_x from entering the RECLAIM program would result in no change to these facilities in continuing to be subject to their current permits and/or all applicable non-RECLAIM, SCAQMD rules and regulations. Further, the action of identifying facilities that will be transitioning out of the RECLAIM program will not alter the applicability of SCAQMD rules and regulations on the identified facilities. Thus, the proposed amendments to Rule 2001 would not be expected to cause any physical changes that would affect emissions or any other environmental topic area. Similarly, the proposed amendments to Rule 2002 establishing procedures for notifying facilities to be transitioned out of the NO_x RECLAIM program, and addressing the use of RTCs during the transition period for the set of facilities, are also not expected to cause any physical changes that would affect emissions or any other environmental topic area. Therefore, staff has determined that it can be seen with certainty that there is no possibility that the proposed amendments to Rule 2001 and Rule 2002 may have a significant adverse effect on the environment. Thus, the proposed amendments to Rule 2001 and Rule 2002 are considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 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.

Socioeconomic Analysis

Among the 266 facilities currently in the NO_x RECLAIM program as of November 2017, none would be affected by PAR 2001, while staff has identified 38 facilities that would be initially affected by PAR 2002. Of the 38 facilities, 25 are located in Los Angeles, with the remaining located in Orange, Riverside, and San Bernardino counties. Based on the North American Industry Classification System (NAICS), the majority of these facilities belong to the industry sectors of Manufacturing (NAICS 31-33) and Mining, Quarrying, and Oil and Gas Extraction (NAICS 21). Based on permitting data, the RECLAIM equipment at the 38 facilities are all currently at BARCT; therefore, PAR 2002 would not result in increased costs related to compliance with current command-and-control rules. Based on an analysis of historical NO_x emissions and current NO_x RTC holdings data, if these 38 facilities were to remain in the NO_x RECLAIM program, three of them were estimated to hold a total of 0.027 TPD of surplus NO_x RTCs available for future sale or transfer, which were acquired from the market (in addition to the facilities' no-cost initial allocations) and are valued at \$62,000 per compliance year using the current market price. By comparison, 19 other facilities would have insufficient NO_x RTCs, by 0.110 TPD, than their future compliance needs. By exiting out of the NO_x RECLAIM program, these facilities – including the four directly affected small businesses – would save a total of \$254,000 per compliance year based on the current market price. Considering the past market behavior by these facilities, staff concludes that the potential impact of PAR 2002 on the demand and supply of NO_x RTC market is expected to be minimal and large price fluctuations in the NO_x RTC market are unlikely to result directly from the potential exit of these facilities out of the NO_x RECLAIM program. Therefore, PAR 2002 would have minimal impacts on the existing facilities that are not yet ready to exit the NO_x RECLAIM program. These minimal cost impacts would result in a minimal impact on jobs in the regional economy.

Resource Impacts

Existing staff resources are adequate to implement the proposed amendments.

Attachments

- A. Summary of Proposal
- B. Key Issues and Responses
- C. Rule Development Process
- D. Key Contacts List
- E. Resolution
- F. Proposed Amended Rule 2001
- G. Proposed Amended Rule 2002
- H. Final Staff Report
- I. Notice of Exemption
- J. Board Meeting Presentation

ATTACHMENT A SUMMARY OF PROPOSAL

Proposed Amended Rule 2001 – Applicability

Purpose

- Ends the addition of any facilities into the NO_x and SO_x RECLAIM programs

Proposed Amended Rule 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x)

- Establishes the process for notification of transition of a RECLAIM facility to a command-and-control regulatory structure, and freezing the sale or transfer of future compliance year RTCs upon exiting RECLAIM
- Staff has identified an initial group of 38 facilities that can potentially exit the NO_x RECLAIM program because they have no facility NO_x emissions or have NO_x emissions solely from the combination of Rule 219 equipment (unless the equipment would be subject to a command-and-control rule that it cannot reasonably comply with), various locations permits, or unpermitted equipment and/or RECLAIM equipment that meets current command-and-control BARCT rules

Notification Procedures for Facilities Exiting RECLAIM

- The Executive Officer will provide initial determination notifications to the identified facilities for potential exit. RECLAIM facilities have 45 days from the date of the notification to identify all NO_x-emitting equipment. Failure to provide the complete information will result in a freeze on RTC uses until the requested information is submitted
- If the RECLAIM facility is deemed ready for transition after Executive Officer review, it will receive a final determination notification that will require its exit from RECLAIM and the facility will become subject to command-and-control regulations
- If the RECLAIM facility is deemed as not ready for transition, it will be notified that it will remain in NO_x RECLAIM until a later time
- If a RECLAIM facility receives a final determination notification, it would not be allowed to sell or transfer future compliance year RTCs as of the date specified in the notification and may only sell or transfer that current compliance year's RTCs until it is transitioned out of RECLAIM

ATTACHMENT B

KEY ISSUES AND RESPONSES

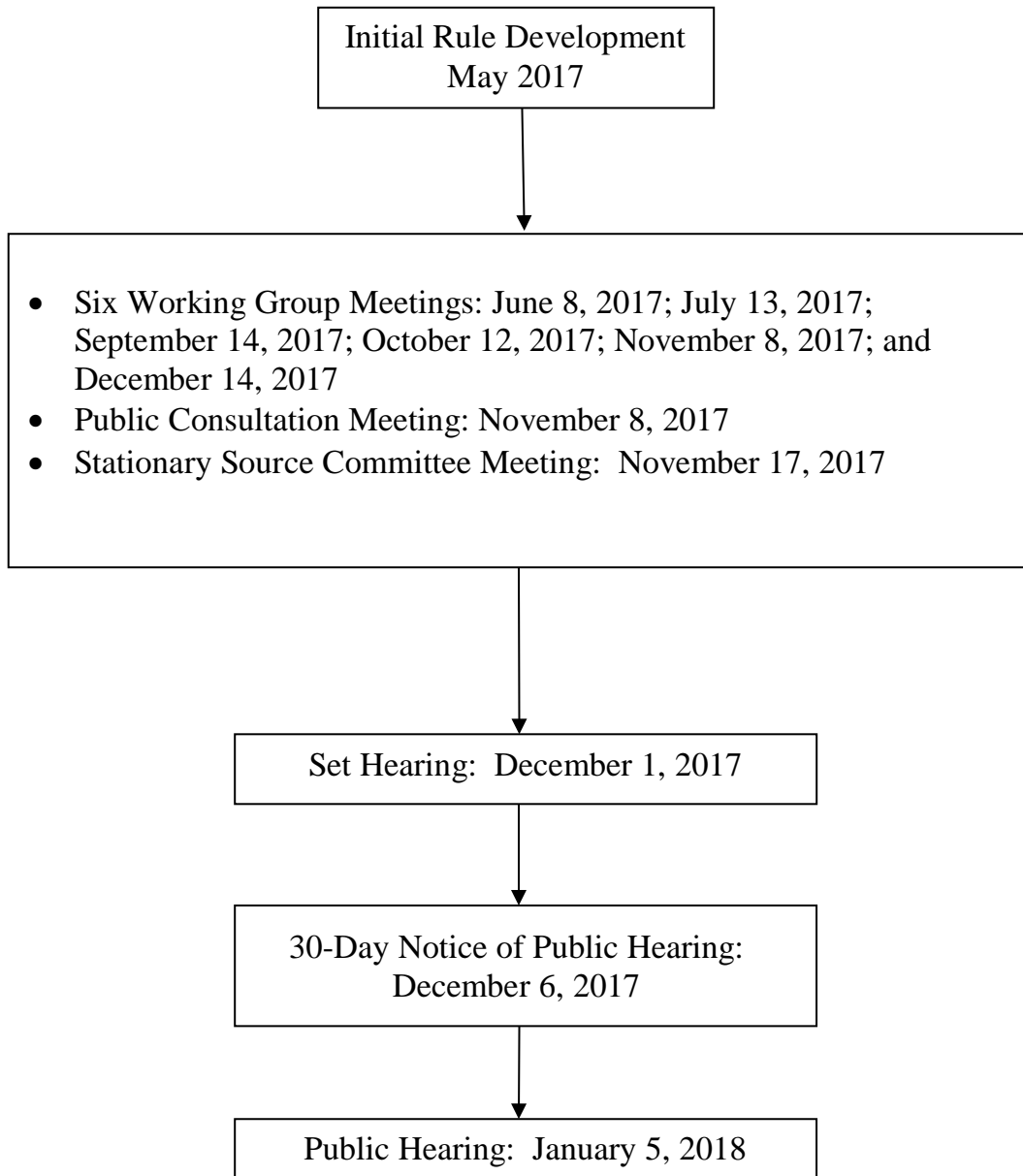
Proposed Amended Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x)

Staff is not aware of any key remaining issues.

ATTACHMENT C

RULE DEVELOPMENT PROCESS

Proposed Amended Rule 2001 – Applicability and 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x)



Eight (8) months spent in rule development.

One (1) Public Consultation Meeting

One (1) Stationary Source Committee Meeting

Six (6) Working Group Meetings

ATTACHMENT D
KEY CONTACTS LIST

Amerex Brokers, LLC
Boeing Company
California Air Resources Board
California Construction and Industrial Materials Association (CalCIMA)
California Council for Environmental and Economic Balance (CCEEB)
EarthJustice
Element Markets, LLC
Evolution Markets
Industry Coalition
National Resources Defense Council
NRG Energy, Inc.
Regulatory Flexibility Group (RegFlex)
Southern California Air Quality Alliance (SCAQA)
Southern California Gas Company (Sempra)
U.S. Environmental Protection Agency
Western States Petroleum Association (WSPA)

ATTACHMENT E

RESOLUTION NO. 18-_____

A Resolution of the Governing Board of the South Coast Air Quality Management District (SCAQMD) determining that the proposed amendments to Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx) are exempt from the requirements of the California Environmental Quality Act (CEQA).

A Resolution of the SCAQMD Governing Board amending Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx).

WHEREAS, the SCAQMD Governing Board finds and determines that the proposed amendments to Rules 2001 and 2002 are considered a “project” pursuant to CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and

WHEREAS, the SCAQMD has had its regulatory program certified pursuant to Public Resources Code Section 21080.5 and has conducted a CEQA review pursuant to such program (SCAQMD Rule 110); and

WHEREAS, the SCAQMD Governing Board finds and determines that after conducting a review of the proposed project in accordance with CEQA Guidelines Section 15002(k) - General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA, and CEQA Guidelines Section 15061 - Review for Exemption, procedures for determining if a project is exempt from CEQA, that the proposed amendments to Rules 2001 and 2002 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 Section 15061(b)(3) – Activities Covered by General Rule; and

WHEREAS, the SCAQMD staff has prepared a Notice of Exemption for the proposed project, that is completed in compliance with CEQA Guidelines Section 15062 – Notice of Exemption; and

WHEREAS, Proposed Amended Rules 2001 and 2002 and supporting documentation, including but not limited to, the Notice of Exemption, the Final Staff Report, and the Socioeconomic Impact Assessment included in the Final Staff Report, were presented to the SCAQMD Governing Board and the SCAQMD Governing Board has reviewed and considered the entirety of this information, as well as has taken and considered staff testimony and public comment prior to approving the project; and

WHEREAS, the SCAQMD Governing Board finds and determines, taking into consideration the factors in Section (d)(4)(D) of the Governing Board Procedures (codified as Section 30.5(4)(D)(i) of the Administrative Code), that the modifications to Proposed Amended Rules 2001 and 2002 since the notice of public hearing was published add clarity that meets the same air quality objective and are not so substantial as to significantly affect the meaning of the proposed amended rules within the meaning of Health and Safety Code Section 40726 because: (a) the changes do not impact emission reductions, (b) the changes do not affect the number or type of sources regulated by the rules, (c) the changes are consistent with the information contained in the notice of public hearing, and (d) the consideration of the range of CEQA alternatives is not applicable because Proposed Amended Rules 2001 and 2002 are exempt from CEQA; and

WHEREAS, Proposed Amended Rules 2001 and 2002 will be submitted for inclusion into the State Implementation Plan; and

WHEREAS, the SCAQMD staff conducted a Public Consultation Meeting regarding Proposed Amended Rules 2001 and 2002 on November 8, 2017; and

WHEREAS, Health and Safety Code Section 40727 requires that prior to adopting, amending or repealing a rule or regulation, the SCAQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication, and reference based on relevant information presented at the public hearing and in the staff report; and

WHEREAS, the SCAQMD Governing Board has determined that Proposed Amended Rules 2001 and 2002 are needed to commence the initial steps to transition facilities in the RECLAIM program to a command-and-control regulatory structure, as directed by Control Measure CMB-05 of the Final 2016 Air Quality Management Plan; and

WHEREAS, the SCAQMD Governing Board obtains its authority to adopt, amend or repeal rules and regulations from Sections 39002, 39616, 40000, 40001, 40440, 40702, 40725 through 40728, and 41508 of the Health and Safety Code; and

WHEREAS, the SCAQMD Governing Board has determined that Proposed Amended Rules 2001 and 2002 are written or displayed so that the meaning can be easily understood by the persons directly affected by it; and

WHEREAS, the SCAQMD Governing Board has determined that Proposed Amended Rules 2001 and 2002 are 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 Proposed Amended Rules 2001 and 2002 will not impose the same requirements as any existing state or federal regulations. The amendments are necessary and proper to execute the powers and duties granted to, and imposed upon, SCAQMD; and

WHEREAS, the SCAQMD Governing Board, in amending Rules 2001 and 2002, references the following statutes which the SCAQMD hereby implements, interprets, or makes specific: Health and Safety Code Sections 39002, 40001, 40702, 40440(a), and 40725 through 40728.5; and

WHEREAS, the SCAQMD Governing Board finds that Proposed Amended Rules 2001 and 2002 fall within one or more of the categories specified in Health and Safety Code Section 40727.2(g) and, therefore, comply with Health and Safety Code Section 40727.2(a); and

WHEREAS, the SCAQMD Governing Board finds that there is a problem that Proposed Amended Rule 2001 and 2002 will alleviate and that the rules will promote the attainment or maintenance of state or federal ambient air quality standards; and

WHEREAS, the SCAQMD Governing Board has determined that the Socioeconomic Impact Assessment, as contained in the Final Staff Report, of Proposed Amended Rules 2001 and 2002, is consistent with the March 17, 1989 Governing Board Socioeconomic Resolution for rule adoption; and

WHEREAS, the SCAQMD Governing Board has determined that Proposed Amended Rules 2001 and 2002 will not result in increased compliance costs, but may, upon a facility's exit out of the RECLAIM program, result in a loss if the facility has purchased future compliance year RECLAIM Trading Credits (RTCs) for future compliance and/or investment purposes, or result in net cost-savings if the facility has yet to purchase NOx RTCs needed for future compliance purposes. These impacts which are considered to be reasonable; as specified in the Socioeconomic Impact Assessment, as contained in the Final Staff Report; and

WHEREAS, the SCAQMD Governing Board has actively considered the Socioeconomic Impact Assessment, as contained in the Final Staff Report, and has made a good faith effort to minimize such impacts; and

WHEREAS, the SCAQMD Governing Board has determined that the Socioeconomic Impact Assessment, as contained in the Final Staff Report, is consistent with the provisions of California Health and Safety Code Sections 40440.8, 40728.5, and 40920.6; and

WHEREAS, the SCAQMD specifies the Planning and Rules Manager of Rules 2001 and 2002 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, a public hearing has been properly noticed in accordance with the 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

NOW, THEREFORE, BE IT RESOLVED, that the SCAQMD Governing Board does hereby determine, pursuant to the authority granted by law, that Proposed Amended Rules 2001 and 2002 are exempt from CEQA pursuant to CEQA Guidelines Section 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 Proposed Amended Rules 2001 and 2002; and

BE IT FURTHER RESOLVED, that the SCAQMD Governing Board does hereby adopt, pursuant to the authority granted by law, Proposed Amended Rules 2001 and 2002 as set forth in the attached, and incorporated herein by reference.

DATE: _____

CLERK OF THE BOARDS

ATTACHMENT F

(Adopted October 15, 1993)(Amended December 7, 1995)
(Amended February 14, 1997)(Amended May 11, 2001)(Amended January 7, 2005)
(Amended May 6, 2005)(Amended December 4, 2015)(PAR 2001 January 5, 2018)

PROPOSED AMENDED RULE 2001. APPLICABILITY

(a) Purpose

This rule specifies criteria for inclusion in RECLAIM for new and existing facilities and also establishes a final date for any facility inclusions. It also specifies requirements for sources electing to enter RECLAIM and identifies provisions in District rules and regulations that do not apply to RECLAIM sources.

(b) Criteria for Inclusion in RECLAIM

The Executive Officer will maintain a listing of facilities which are subject to RECLAIM. The Executive Officer will include facilities up until (*date of amendment*), unless otherwise exempted pursuant to subdivision (i), if emissions fee data for 1990 or any subsequent year filed pursuant to Rule 301 - Permit Fees, shows four or more tons per year of NO_x or SO_x emissions where:

(1) NO_x emissions do not include emissions from:

- (A) any NO_x source which was exempt from permit pursuant to Rule - 219 Equipment Not Requiring A Written Permit Pursuant to Regulation II;
- (B) any NO_x process unit which was rental equipment with a valid District Permit to Operate issued to a party other than the facility;
- (C) on-site, off-road mobile sources; or
- (D) ships as specified in Rule 2000(c)(62)(C) and (D).

(2) SO_x emissions do not include emissions from:

- (A) any SO_x source which was exempt from permit pursuant to Rule - 219 Equipment Not Requiring A Written Permit Pursuant to Regulation II; or
- (B) any SO_x source that burned natural gas exclusively, unless the emissions are at a facility that elected to enter the program pursuant to subparagraph (i)(2)(A); or
- (C) any SO_x process unit which was rental equipment with a valid District Permit to Operate issued to a party other than the facility;
- (D) on-site, off-road mobile sources; or

- (E) ships as specified in Rule 2000(c)(62)(C) and (D).
 - (3) The Executive Officer will not include a facility in RECLAIM if a permit holder requests exclusion no later than January 1, 1996 and demonstrates prior to October 15, 1993 through the addition of control equipment, the possession of a valid Permit to Construct for such control equipment, or a Permit to Operate condition that the emissions fee data received pursuant to Rule 301, which shows emissions equal to or greater than four tons per year of a RECLAIM pollutant, is not representative of future emissions.
- (c) Amendments to RECLAIM Facility Listing
- (1) The Executive Officer will amend the RECLAIM facility listing to add, delete, change designation of any facility or make any other necessary corrections upon any of the following actions:
 - (A) Approval by the Executive Officer pursuant to Rule 2007 - Trading Requirements, of the permanent transfer or relinquishment of all RTCs applicable to a facility.
 - (B) Approval by the Executive Officer of a change of Facility Permit holder (owner or operator) or change of facility name.
 - ~~(C) Approval by the Executive Officer of a Facility Permit for a new facility if such new facility would, under RECLAIM, have a starting Allocation equal to or greater than four tons per year of a RECLAIM pollutant NO_x or SO_x, unless the facility would be exempt pursuant to subdivision (i).~~
 - ~~(D) Approval by the Executive Officer of a Facility Permit for an existing non-RECLAIM facility, which reports NO_x or SO_x emissions pursuant to Rule 301 - Permit Fees, for any year which are equal to or greater than four tons, as specified in subdivision (b), unless the facility would be exempt pursuant to subdivision (i).~~
 - ~~(E) Approval by the Executive Officer of the election of a facility to enter the RECLAIM program pursuant to subdivision (f).~~

~~(F) Upon delegation of authority from EPA to the District for Outer Continental Shelf (OCS) sources and inclusion of RECLAIM in 40 CFR Part 55 pursuant to the consistency update process, such OCS sources shall be RECLAIM facilities. The OCS sources' starting Allocation for the year of entry and Allocations for the years 2000 and 2003 and interim years, shall be determined pursuant to Rule 2002— Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x), except that fuel usage and emissions data reported to the Minerals Management Service of the Department of the Interior be utilized where emissions data reported pursuant to Rule 301 is not available, provided that the permit holder substantiates the accuracy of such fuel usage and emissions data. The starting Allocation shall be adjusted to reflect the rate of reduction which would have been applicable to the facility if it had been in the RECLAIM program as of October 15, 1993.~~

(C) Upon the transition of a facility out of RECLAIM, pursuant to Rule 2002.

(2) The actions specified in this subdivision shall be effective only upon amendment of the Facility Listing.

(d) Cycles

(1) The Executive Officer will assign RECLAIM facilities to one of two compliance cycles by computer-generated random assignment which, to the extent possible, ensures an even distribution of RTCs. The Facility Listing will distinguish between Cycle 1 facilities, which will have a compliance year of January 1 to December 31 of each year, and Cycle 2 facilities, with a compliance year of July 1 to June 30 of each year.

(2) The issue and expiration dates of the RTCs allocated to a facility shall coincide with the beginning and ending dates of the facility's compliance year.

- (3) Within 30 days of October 15, 1993, facilities assigned to Cycle 2 may petition the Executive Office or the Hearing Board to change their cycle designation. Facilities assigned to Cycle 1 may not petition the Executive Officer or Hearing Board to change their cycle designation. Facilities entering the RECLAIM program after October 15, 1993 will be assigned to the cycle with the greatest amount of time remaining in the compliance year.
- (e) **High Employment/Low Emissions (HILO) Facility Designation**
A new facility may, after January 1, 1997 apply to the District for classification as a HILO Facility. The Executive Officer will approve the HILO designation upon the determination that the emission rate for NO_x, SO_x, ROC, and PM₁₀ is less than or equal to one-half (1/2) of any target specified in the AQMP for emissions per full-time manufacturing employee by industry class in the year 2010.
- (f) **Entry Election**
On and after (date of amendment), a non-RECLAIM facility may not elect to enter the RECLAIM program.
- ~~(1) A non-RECLAIM facility may elect to permanently enter the RECLAIM program, provided that:~~
- ~~(A) the owner or operator files an Application for Entry;~~
 - ~~(B) the facility is not listed as exempt under paragraph (i)(1);~~
 - ~~(C) the facility is not operating under an Order for Abatement or in violation of any District rule; and~~
 - ~~(D) the facility is not subject to a compliance date in an existing rule within six months of the date of Application for Entry.~~
- ~~(2) Upon approval of an Application for Entry, the Executive Officer will issue a Facility Permit. The facility's starting Allocation for the year of entry and Allocations for the years 2000 and 2003 and interim years, shall be determined pursuant to Rule 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x). If necessary, the Allocation shall be adjusted to equal the Allocations which would have been applicable to the facility if it had been subject to the RECLAIM program as of October 15, 1993.~~

~~(3) Entry into the RECLAIM program will be effective upon issuance of a Facility Permit pursuant to Rule 2006—Permits, and publication of the addition of the facility to the Facility Listing.~~

(g) Exit from RECLAIM

(1) The owner or operator of an electricity generating facility (EGF) may submit a plan application (i.e., opt-out plan) subject to plan fees specified in Rule 306 to request to opt-out of the NOx RECLAIM program provided that the following requirements are met as demonstrated in an opt-out plan submitted to the Executive Officer:

(A) At least 99 percent of the EGF's NOx emissions for the most recent three full compliance years are from equipment that meets current Best Available Control Technology (BACT) or Best Available Retrofit Control Technology (BARCT), for NOx.

(B) The EGF is subject to NOx RECLAIM as of December 4, 2015 or has been subject to NOx RECLAIM for at least 10 years as of the plan submittal date.

For the purpose of this rule an electricity generating facility (EGF) is a NOx RECLAIM facility that generates electricity for distribution in the state or local grid system, excluding cogeneration facilities.

(2) If the Executive Officer approves an opt-out plan, based on the criteria specified in paragraph (g)(1), then the EGF Facility Permit holder shall submit applications to include in its permit and accept permit conditions that ensure all of the following apply:

(A) NOx RTCs held by the EGF shall be treated as follows:

- (i) For an EGF that does not meet the definition of an existing facility, as defined in Rule 2000(c)(35), the quantity of NOx RTCs for all compliance years after the date of approval of the opt-out plan required to be held by the EGF pursuant to Rule 2005 – New Source Review for RECLAIM shall be surrendered by the facility, retired from the market, and used to satisfy any NOx requirements for continuing obligations under Regulation XIII – New Source Review. If needed to equal this amount, any Non-tradable/Non-usable RTCs and any RTCs corresponding to the EGF’s contribution to the Regional NSR Holding Account may be used for this purpose and, if RTCs from the Regional NSR Holding Account are used, these RTCs shall be removed from the Regional NSR Holding Account.
 - (ii) For existing EGFs, that meet the definition of an existing facility, as defined in Rule 2000(c)(35), an amount of NOx RTCs equivalent to the EGF’s NOx holdings as of September 22, 2015 adjusted pursuant to Rule 2002(f)(1) for all compliance years after the date of approval of the opt-out plan shall be surrendered by the EGF and retired from the market.
 - (iii) Any NOx RTCs held by an EGF beyond those referred to in clauses (i) and (ii) above may be sold, traded, or transferred by the facility.
- (B) The EGF operator shall ensure that all equipment identified in the opt-out plan as meeting BACT or BARCT shall not exceed the respective BACT or BARCT levels of emissions or any existing permit condition limiting NOx emissions that is lower than BACT or BARCT as of the date of the opt-out plan submittal.
- (C) Limits on EGF Emissions
 - (i) For an EGF that meets the definition of an existing facility in Rule 2000(c)(35), total facility emissions shall be limited to the amount of Compliance Year 2015 RTCs held as of September 22, 2015.

- (ii) For an EGF that does not meet the definition of an existing facility in Rule 2000(c)(35), emissions from each NO_x source shall be limited to the amount of RTCs required to be held for that source pursuant to Rule 2005 as of the date of opt-out plan approval.
- (D) The owner or operator of multiple EGFs under common control shall have one opportunity to apportion the NO_x emission limits among its facilities under common control for the purpose of meeting the requirements of clause (C)(i) or (C)(ii) as part of its opt-out plan as specified in paragraph (g)(1), provided all of the facilities opt out concurrently. The apportionment shall be described in the opt-out plan that shall be submitted to the Executive Officer. Each facility shall not have a limit that exceeds the amount of emissions that can be generated by all equipment located at the facility.
- (E) Subdivision (j) shall not be applicable to the EGF for any equipment installed or modified after the date of approval of the opt-out plan, and for other equipment at the earliest practicable date but no later than three years after the date of approval of the opt-out plan except Regulation XIII – New Source Review shall apply upon permit issuance.
- (F) Notwithstanding the requirements specified in subparagraph (g)(2)(E), the EGF operator shall continue to comply with the requirements of Rule 2012 and its associated protocols unless the Executive Officer has approved an alternative monitoring and recordkeeping plan which is sufficient to determine compliance with all applicable rules.
- (G) Notwithstanding the requirements specified in subparagraph (g)(2)(E), for EGFs not subject to Regulation XXX, the EGF’s permit shall be re-designated as an “opt-out facility permit” and shall remain in effect, subject to annual renewal, unless expired, revoked, or modified pursuant to applicable rules. The EGF operator shall continue to pay RECLAIM permit fees pursuant to Rule 301(l).

- (3) The Executive Officer shall approve or deny the opt-out plan within 180 days of receipt of a complete plan, unless the EGF and the Executive Officer have mutually agreed upon a longer time period. The Executive Officer shall not approve the opt-out plan unless it has been determined that the requirements of subparagraphs (g)(1)(A) and (g)(1)(B) are met, and the EGF accepts appropriate permit conditions to ensure compliance with the requirements of subparagraphs (g)(2)(B) through (H). If, within 180 days or within the mutually agreed upon time period of receiving a complete opt-out plan, the Executive Officer does not take action on the plan, the EGF may consider the plan denied. Executive Officer denial of an opt-out plan can be appealed to the Hearing Board. The Executive Officer shall not re-issue the facility permit removing the EGF from RECLAIM unless the EGF surrenders the required amount of RTCs pursuant to subparagraph (g)(2)(A). Removal from RECLAIM of an EGF with an approved opt-out plan is effective upon issuance of a facility permit incorporating the conditions specified in paragraph (g)(2).
 - (4) No facility, on the initial Facility Listing or subsequently admitted to RECLAIM, may opt out of the program, unless approved by the Executive Officer pursuant to paragraph (g)(3).
- (h) **Non-RECLAIM Facility Generation of RTCs**
Non-RECLAIM facilities may not obtain RTCs due to a shutdown or curtailment of operations which occurs after October 15, 1993. ERCs generated by non-RECLAIM facilities may not be converted to RTCs if the ERCs are based on a shutdown or curtailment of operations after October 15, 1993.
- (i) **Exemptions**
- (1) The following sources, including those that are part of or located on a Department of Defense facility, shall not be included in RECLAIM and are prohibited from electing to enter RECLAIM:
 - (A) dry cleaners;
 - (B) fire fighting facilities;
 - (C) construction and operation of landfill gas control, processing or landfill gas energy recovery facilities;
 - (D) facilities which have converted all sources to operate on electric power prior to October 15, 1993;

- (E) police facilities;
 - (F) public transit;
 - (G) restaurants;
 - (H) potable water delivery operations;
 - (I) facilities located in the Riverside County portions of the Salton Sea and Mojave Desert Air Basins, except for a facility that has elected to enter the RECLAIM program pursuant to subparagraph (i)(2)(M); and
 - (J) facilities that have permanently ceased operations of all sources before January 1, 1994.
 - (K) The facility was removed from RECLAIM pursuant to paragraph (g)(3).
- (2) The following sources, including those that are part of or located on a Department of Defense facility, shall not be initially included in RECLAIM but may enter the program pursuant to subdivision (f):
- (A) electric utilities (exemption only for the SO_x program);
 - (B) equipment rental facilities;
 - (C) facilities possessing solely "various location" permits;
 - (D) hospitals;
 - (E) prisons;
 - (F) publicly owned municipal waste-to-energy facilities;
 - (G) portions of facilities conducting research operations;
 - (H) schools or universities;
 - (I) sewage treatment facilities which are publicly owned and operated consistent with an approved regional growth plan;
 - (J) electric power generating systems owned and operated by the City of Burbank, City of Glendale or City of Pasadena or any of their successors;
 - (K) ski resorts;
 - (L) facilities located on San Clemente Island;
 - (M) any electric generating facility that has submitted complete permit applications for all equipment requiring permits at the facility on or after January 1, 2001 may elect to enter the NO_x RECLAIM program if the facility is located in the Riverside County portions of the Salton Sea or Mojave Desert Air Basins;

- (N) facilities that are an agricultural source as defined in California Health and Safety Code § 39011.5; and
- (O) any EGF as defined in paragraph (g)(1), except for an EGF that has been removed from NO_x RECLAIM, pursuant to paragraph (g)(3).

(j) **Rule Applicability**

Facilities operating under the provisions of the RECLAIM program shall be required to comply concurrently with all provisions of District rules and regulations, except those provisions applicable to NO_x emissions under the rules listed in Table 1, shall not apply to NO_x emissions from NO_x RECLAIM facilities, and those provisions applicable to SO_x emissions of the rules listed in Table 2 shall not apply to SO_x emissions from SO_x RECLAIM facilities after the later of the following:

- (1) December 31, 1994 for Cycle 1 facilities and June 30, 1995 for Cycle 2 facilities; or
- (2) the date the facility has demonstrated compliance with all monitoring and reporting requirements of Rules 2011 or 2012, as applicable.

Notwithstanding the above, NO_x and SO_x RECLAIM facilities shall not be required to comply with those provisions applicable respectively to NO_x and SO_x emissions of the listed District rules in Tables 1 and 2 which have initial implementation dates in 1994. The Facility Permit holder shall comply with all other provisions of the rules listed in Table 1 and 2 relating to any other pollutant.

Table 1

EXISTING RULES
NOT APPLICABLE TO RECLAIM FACILITIES FOR
REQUIREMENTS PERTAINING TO NO_x EMISSIONS

RULE	DESCRIPTION
218	Stack Monitoring
429	Start-up & Shutdown Exemption Provisions for NO _x
430	Breakdown Provision
474	Fuel Burning Equipment - NO _x
476	Steam Generating Equipment
1109	Emis. of NO _x Boilers & Proc. Heaters in Petroleum Refineries
1110	Emis. from Stationary I. C. Engines (Demo.)
1110.1	Emis. from Stationary I. C. Engines
1110.2	Emis. from Gaseous and Liquid-Fueled I. C. Engines
1112	Emis. of NO _x from Cement Kilns
1117	Emis. of NO _x from Glass Melting Furnaces
1134	Emis. of NO _x from Stationary Gas Turbines
1135	Emis. of NO _x from Electric Power Generating Systems
1146	Emis. of NO _x from Boilers, Steam Generators, and Proc. Heaters
1146.1	Emis. of NO _x from Small Boilers, Steam Generators, and Proc. Heaters
1159	Nitric Acid Units - Oxides of Nitrogen
Reg. XIII	New Source Review

Table 2

EXISTING RULES
NOT APPLICABLE TO RECLAIM FACILITIES FOR
REQUIREMENTS PERTAINING TO SO_x EMISSIONS

RULE	DESCRIPTION
53	Sulfur Compounds - Concentration - L.A. County
53	Sulfur Compounds - Concentration - Orange County
53	Sulfur Compounds - Concentration - Riverside County
53	Sulfur Compounds - Concentration - San Bernardino County
53A	Specific Contaminants - San Bernardino County
218	Stack Monitoring
430	Breakdown Provisions
407	Liquid and Gaseous Air Contaminants
431.1	Sulfur Content of Gaseous Fuels
431.2	Sulfur Content of Liquid Fuels
431.3	Sulfur Content of Fossil Fuels
468	Sulfur Recovery Units
469	Sulfuric Acid Units
1101	Secondary Lead Smelters/Sulfur Oxides
1105	Fluid Catalytic Cracking Units SO _x
1119	Petroleum Coke Calcining Operations - Oxides of Sulfur
Reg. XIII	New Source Review

ATTACHMENT G

(Adopted October 15, 1993)(Amended March 10, 1995)(Amended December 7, 1995)
(Amended July 12, 1996)(Amended February 14, 1997)(Amended May 11, 2001)
(Amended January 7, 2005)(Amended November 5, 2010)(Amended December 4, 2015)
(Amended October 7, 2016)(PAR 2002 January 5, 2018)

PROPOSED AMENDED RULE 2002.

ALLOCATIONS FOR OXIDES OF NITROGEN (NO_x) AND OXIDES OF SULFUR (SO_x)

(a) Purpose

The purpose of this rule is to establish the methodology for calculating facility Allocations and adjustments to RTC holdings for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x).

(b) RECLAIM Allocations

- (1) RECLAIM Allocations will begin in 1994.
- (2) An annual Allocation will be assigned to each facility for each compliance year starting from 1994.
- (3) Allocations and RTC holdings for each year after 2011 are equal to the 2011 Allocation and RTC holdings, as determined pursuant to subdivision (f) unless, as part of the AQMP process, and pursuant to Rule 2015 (b)(1), (b)(3), (b)(4), or (c), the District Governing Board determines that additional reductions are necessary to meet air quality standards, taking into consideration the current and projected state of technology available and cost-effectiveness to achieve further emission reductions.
- (4) The Facility Permit or relevant sections thereof shall be re-issued at the beginning of each compliance year to include allocations determined pursuant to subdivisions (c), (d), (e), and (f) and any RECLAIM Trading Credits (RTC) obtained pursuant to Rule 2007 - Trading Requirements for the next fifteen years thereafter and any other modifications approved or required by the Executive Officer.
- (5) Annual emission reports submitted pursuant to Rule 301 more than five years after the original due date shall not be considered by the Executive Officer in determining facility Allocations.

(c) Establishment of Starting Allocations

- (1) The starting Allocation for RECLAIM NO_x and SO_x facilities initially permitted by the District prior to October 15, 1993, shall be determined by the Executive Officer utilizing the following methodology:

$$\text{Starting Allocation} = \Sigma[A \times B_1] + \text{ERCs} + \text{External Offsets}$$

Where

- A = the throughput for each NO_x and SO_x source or process unit in the facility for the maximum throughput year from 1989 to 1992 inclusive; and
- B₁ = the applicable starting emission factor for the subject source or process unit as specified in Table 1 or Table 2
- (2) (A) Use of 1992 data is subject to verification and revision by the Executive Officer or designee to assure validity and accuracy.
- (B) The maximum throughput year will be determined by the Executive Officer or designee from throughput data reported through annual emissions reports submitted pursuant to Rule 301 - Permit Fees, or may be designated by the permit holder prior to issuance of the Facility Permit.
- (C) To determine the applicable starting emission factor in Table 1 or Table 2, the Executive Officer or designee will categorize the equipment at each facility based on information relative to hours of operation, equipment size, heating capacity, and permit information submitted pursuant to Rule 201 - Permit to Construct, and other relevant parameters as determined by the Executive Officer or designee. No information used for purposes of this subparagraph may be inconsistent with any information or statement previously submitted on behalf of the facility to the District, including but not limited to information and statements previously submitted pursuant to Rule 301 - Permit Fees, unless the facility can demonstrate, by clear and convincing documentation, that such information or statement was inaccurate.
- (D) Throughput associated with each piece of equipment or NO_x or SO_x source will be multiplied by the starting emission factors specified in Table 1 or Table 2. If a lower emission factor was utilized for a given piece of equipment or NO_x or SO_x source pursuant to Rule 301 - Permit Fees, than the factor in Table 1 or

Table 2, the lower factor will be used for determining that portion of the Allocation.

- (E) Fuel heating values may be used to convert throughput records into the appropriate units for determining Allocations based on the emission factors in Table 1 or Table 2. If a different unit basis than set forth in Tables 1 and 2 is needed for emissions calculations, the Executive Officer shall use a default heating value to determine source emissions, unless the Facility Permit holder can demonstrate with substantial evidence to the Executive Officer that a different value should be used to determine emissions from that source.
- (3) All NO_x and SO_x ERCs generated at the facility and held by a RECLAIM Facility Permit holder shall be reissued as RTCs. RECLAIM facilities will have these RTCs added to their starting Allocations. RTCs generated from the conversion of ERCs shall have a zero rate of reduction for the year 1994 through the year 2000. Such RTCs shall have a cumulative rate of reduction for the years 2001, 2002, and 2003, equal to the percentage inventory adjustment factor applied to 2003 Allocations pursuant to paragraph (e)(1) of this rule and shall have a rate of reduction for compliance year 2004 and subsequent years determined pursuant to paragraph (f)(1) of this rule.
- (4) Non-RECLAIM facilities may elect to have their ERCs converted to RTCs and listed on the RTC Listing maintained by the Executive Officer or designee pursuant to Rule 2007 - Trading Requirements, so long as the written request is filed before July 1, 1994. Such RTCs will be assigned to the trading zone in which the generating facility is located. RTCs generated from the conversion of ERCs shall have a zero rate of reduction for the year 1994 through the year 2000. Such RTCs shall have a cumulative rate of reduction for the years, 2001, 2002, and 2003, equal to the percentage inventory adjustment factor applied to 2003 Allocations pursuant to paragraph (e)(1) of this rule.
- (5) External offsets provided pursuant to Regulation XIII - New Source Review, not including any offsets in excess of a 1 to 1 ratio, will be added to the starting Allocation pursuant to paragraph (c)(1) provided:
 - (A) The offsets were not received from either the Community Bank or the Priority Reserve.
 - (B) External offsets will only be added to the starting Allocation to the extent that the Facility Permit holder demonstrates that they have not already been included in the starting Allocation or as an ERC.

RTCs issued for external offsets shall not include any offsets in excess of a 1 to 1 ratio required under Regulation XIII - New Source Review.

- (C) RTCs generated from the conversion of external offsets shall have a zero rate of reduction for the year 1994 through the year 2000. These RTCs shall have a cumulative rate of reduction for the years 2001, 2002, and 2003, equal to the percentage inventory adjustment factor applied to 2003 Allocations pursuant to paragraph (e)(1) of this rule, and for compliance year 2004 and subsequent years allocations shall be determined pursuant to paragraph (f)(1) of this rule. The rate of reduction for the year 2001 through year 2003 shall not be applied to new facilities initially totally permitted on or after January 7, 2005.
 - (D) Existing facilities with units that have Permits to Construct issued pursuant to Regulation II - Permits, dated on or after January 1, 1992, or existing facilities which have, between January 1, 1992 and October 15, 1993, installed air pollution control equipment that was exempt from offset requirements pursuant to Rule 1304 (a)(5), shall have their starting Allocations increased by the total external offsets provided, or the amount that would have been offset if the exemption had not applied.
 - (E) Existing facilities with units whose reported emissions are below capacity due to phased construction, and/or where the Permit to Operate issued pursuant to Regulation II - Permits, was issued after January 1, 1992, shall have their starting Allocations increased by the total external offsets provided.
- (6) If a Facility Permit holder can demonstrate that its 1994 Allocation is less than the 1992 emissions reported pursuant to Rule 301 - Permit Fees, and that the facility was, in 1992, operating in compliance with all applicable District rules in effect as of December 31, 1993, the facility's starting Allocation will be equal to the 1992 reported emissions.
 - (7) For new facilities initially totally permitted on or after January 1, 1993 but prior to October 15, 1993, the starting Allocation shall be equal to the external offsets provided by the facility to offset emission increases at the facility pursuant to Regulation XIII - New Source Review, not including any offsets in excess of a 1 to 1 ratio.

- (8) The Allocation for new facilities initially totally permitted on and after October 15, 1993, shall be equal to the total RTCs provided by the facility to offset emission increases at the facility pursuant to Rule 2005- New Source Review for RECLAIM.
- (9) The starting Allocation for existing facilities which enter the RECLAIM program pursuant to Rule 2001 - Applicability, shall be determined by the methodology in paragraph (c)(1) of this rule. The most recent two years reported emission fee data filed pursuant to Rule 301 - Permit Fees, may be used if 1989 through 1992 emission fee data is not available. For facilities lacking reported emission fee data, the Allocation shall be equal to the external offsets provided pursuant to Regulation XIII - New Source Review, not including any offsets in excess of a 1 to 1 ratio. The Allocation shall not include any emission offsets received from either the Community Bank or the Priority Reserve.
- (10) A facility may not receive more than one set of Allocations.
- (11) A facility that is no longer holding a valid District permit on January 1, 1994 will not receive an Allocation, but may, if authorized by Regulation XIII, apply for ERCs.
- (12) **Clean Fuel Adjustment to Starting Allocation**
Any refiner who is required to make modifications to comply with CARB Phase II reformulated gasoline production (California Code of Regulations, Title 13, Sections 2250, 2251.5, 2252, 2260, 2261, 2262, 2262.2, 2262.3, 2262.4, 2262.5, 2262.6, 2262.7, 2263, 2264, 2266, 2267, 2268, 2269, 2270, and 2271) or federal requirements (Federal Clean Air Act, Title II, Part A, Section 211; 42 U.S.C. Section 7545) may receive (an) increase(s) in his Allocations except to the extent that there is an increase in maximum rating of the new or modified equipment. Each facility requesting an increase to Allocations shall submit an application for permit amendment specifying the necessary modifications and tentative schedule for completion. The Facility Permit holder shall establish the amount of emission increases resulting from the reformulated gasoline modifications for each year in which the increase in Allocations is requested. The increase to its Allocations will be issued contemporaneously with the modification according to a schedule approved by the Executive Officer or designee (i.e., 1994 through 1997 depending on the refinery). Each increase to the Allocations shall be equal to the increased emissions resulting from the modifications solely to comply with the state or federal reformulated gasoline requirements at the refinery or facility

producing hydrogen for reformulated gasoline production, and shall be established according to present and future compliance limits in current District rules or permits. Allocation increases for each refiner pursuant to this paragraph, shall not exceed 5 percent of the refiner's total starting Allocation, unless any refiner emits less than 0.0135 tons of NO_x per thousand barrels of crude processed, in which case the Allocation increases for such refiner shall not exceed 20 percent of that refiner's starting Allocation. The emissions per amount of crude processed will be determined on the basis of information reported to the District pursuant to Rule 301 - Permit Fees, for the same calendar year as the facility's peak activity year for their NO_x starting Allocation.

(d) Establishment of Year 2000 Allocations

(1) (A) The year 2000 Allocations for RECLAIM NO_x and SO_x facilities will be determined by the Executive Officer or designee utilizing the following methodology:

$$\begin{aligned} \text{Year 2000 Allocation} &= \Sigma [A \times B_2] + \text{RTCs created from ERCs} \\ &+ \text{External Offsets,} \end{aligned}$$

Where

A = the throughput for each NO_x or SO_x source or process unit in the facility for the maximum throughput year from 1987 to 1992, inclusive, as reported pursuant to Rule 301 - Permit Fees; and

B₂ = the applicable Tier I year Allocation emission factor for the subject source or process unit, as specified in Table 1 or Table 2.

(B) The maximum throughput year will be determined by the Executive Officer or designee from throughput data reported through annual emissions reports pursuant to Rule 301 - Permit Fees, or may be designated by the permit holder prior to issuance of the Facility Permit.

(C) To determine the applicable emission factor in Table 1 or Table 2, the Executive Officer or designee will categorize the equipment at each facility based on information on hours of operation, equipment size, heating capacity, and permit information submitted pursuant to Rule 201 - Permit to Construct, and other parameters as determined by the Executive Officer or designee. No information used for purposes of this subparagraph may be inconsistent with any information or statement previously submitted on behalf of the

facility to the District including but not limited to information and statements previously submitted pursuant to Rule 301 - Permit Fees, unless the facility can demonstrate, by clear and convincing documentation, that such information or statement was inaccurate.

- (D) Throughput associated with each piece of equipment or NO_x or SO_x source will be multiplied by the Tier I emission factor specified in Table 1 or Table 2. If a factor lower than the factor in Table 1 or Table 2 was utilized for a given piece of equipment or NO_x or SO_x source pursuant to Rule 301, the lower factor will be used for determining that portion of the Allocation.
 - (E) The fuel heating value may be considered in determining Allocations and will be set to 1.0 unless the Facility Permit holder demonstrates that it should receive a different value.
 - (F) The year 2000 Allocation is the sum of the resulting products for each piece of equipment or NO_x or SO_x source multiplied by any inventory adjustment pursuant to paragraph (d)(4) of this rule.
- (2) For facilities existing prior to October 15, 1993 which enter RECLAIM after October 15, 1993, the year 2000 Allocation will be determined according to paragraph (d)(1). The most recent two years reported emission fee data filed pursuant to Rule 301 - Permit Fees, may be used if 1989 through 1992 emission fee data is not available. For facilities lacking reported emission fee data, the Allocation shall be equal to their external offsets provided pursuant to Regulation XIII - New Source Review, not including any offsets in excess of a 1 to 1 ratio.
 - (3) No facility shall have a year 2000 Allocation [calculated pursuant to subdivision (d)] greater than the starting Allocation [calculated pursuant to subdivision (c)].
 - (4) If the sum of all RECLAIM facilities' year 2000 Allocations differs from the year 2000 projected inventory for these sources under the 1991 AQMP, the Executive Officer or designee will establish a percentage inventory adjustment factor that will be applied to adjust each facility's year 2000 Allocation. The inventory adjustment will not apply to RTCs generated from ERCs or external offsets.
- (e) Allocations for the Year 2003
 - (1) The 2003 Allocations will be determined by the Executive Officer or designee applying a percentage inventory adjustment to reduce each facility's

unadjusted year 2000 Allocation so that the sum of all RECLAIM facilities' 2003 Allocations will equal the 1991 AQMP projected inventory for RECLAIM sources for the year 2003, corrected based on actual facility data reviewed for purposes of issuing Facility Permits and to reflect the highest year of actual Basin-wide economic activity for RECLAIM sources considered as a whole during the years 1987 through 1992.

(2) No facility shall have a 2003 Allocation (calculated pursuant this subdivision) greater than the year 2000 Allocation [calculated pursuant to subdivision (d)].

(f) Annual Allocations for NO_x and SO_x and Adjustments to RTC Holdings

(1) Allocations for the years between 1994 and 2000, for RECLAIM NO_x and SO_x facilities shall be determined by a straight line rate of reduction between the starting Allocation and the year 2000 Allocation. For the years 2001 and 2002, the Allocations shall be determined by a straight line rate of reduction between the year 2000 and year 2003 Allocations. NO_x Allocations for 2004, 2005, and 2006 and SO_x Allocations for 2004 through 2012 are equal to the facility's 2003 Allocation, as determined pursuant to subdivision (e). NO_x RTC Allocations and holdings subsequent to the year 2006 and SO_x Allocations and holdings subsequent to the year 2012 shall be adjusted to the nearest pound as follows:

(A) The Executive Officer will adjust NO_x RTC holdings, as of January 7, 2005 for compliance years 2007 and thereafter by multiplying the amount of RTC holdings by the following adjustment factors for the relevant compliance year, to obtain tradable/usable and non-tradable/non-usable holdings:

Compliance Year	Tradable/Usable NO _x RTC Adjustment Factor
2007	0.883
2008	0.856
2009	0.829
2010	0.802
2011 and after	0.775

(B) The Executive Officer shall adjust NO_x RTCs held as of September 22, 2015 by the RTC holders identified in Table 7 and their successors using the following adjustment factors to obtain Tradable/Usable and Non-Tradable/Non-Usable RTC Holdings:

Proposed Amended Rule 2002 (Cont.)

(January 5, 2018)

Compliance <u>Year</u>	Tradable/Usable NOx RTC <u>Adjustment Factor</u>	Non-tradable/ Non-usable NOx RTC <u>Adjustment Factor</u>
2015	1.0	0
2016	0.906	0.094
2017	0.906	0
2018	0.859	0.047
2019	0.812	0.047
2020	0.719	0.093
2021	0.625	0.094
2022	0.437	0.188
2023 and after	0.437	0

RTC holdings traded from RTC holders in Table 7 on and after September 22, 2015 and held by other RTC holders not listed in Table 7 shall be subjected to the above adjustment factors. The adjustment factor(s) for any RTC sold by an RTC holder that both purchased and sold RTCs between September 22, 2015 and December 4, 2015 shall be based on a last in/first out basis.

- (C) The Executive Officer shall adjust NOx RTCs held as of September 22, 2015 by the RTC holders identified in Table 8 and their successors using the following adjustment factors to obtain Tradable/Usable and Non-Tradable/Non-Usable RTC holdings:

Compliance <u>Year</u>	Tradable/Usable NOx RTC <u>Adjustment Factor</u>	Non-tradable/ Non-usable NOx RTC <u>Adjustment Factor</u>
2015	1.0	0
2016	0.931	0.069
2017	0.931	0
2018	0.896	0.035
2019	0.861	0.035
2020	0.792	0.069
2021	0.722	0.070
2022	0.583	0.139
2023 and after	0.583	0

RTC holdings traded from RTC holders in Table 8 on and after September 22, 2015 and held by other RTC holders not listed in Table 8 shall be subjected to the above adjustment factors. The adjustment factor(s) for any RTC sold by an RTC holder that both purchased and sold RTCs between September 22, 2015 and December 4, 2015 shall be based on a last in/first out basis.

- (D) RTCs designated as non-tradable/non-usable pursuant to subparagraphs (f)(1)(B) and (f)(1)(C) shall be held, but shall not be traded or used for reconciling emissions pursuant to Rule 2004.
- (E) Commencing on January 1, 2008 with NOx RTC prices averaged from January 1, 2007 through December 31, 2007, the Executive Officer will calculate the 12-month rolling average RTC price for all trades for the current compliance year. Commencing on May 1, 2016 with NOx RTC prices averaged from January 1, 2016 through March 31, 2016, the Executive Officer will calculate the 3-month rolling average NOx RTC price for all trades for the current compliance year NOx RTCs and the 12-month rolling average NOx RTC price for all trades for infinite year block NOx RTC as defined in subparagraph (f)(1)(I). The Executive Officer will update the 3-month and 12-month rolling average once per month. The computation of the rolling average prices will not include RTC transactions reported at no price or RTC swap transactions.
- (F) The Executive Officer shall transfer to a Regional NSR Holding account the amount of NOx RTCs holdings listed in Table 9 of this Rule from the corresponding facilities identified in the same table.
- (G) For purposes of meeting the NSR holding requirement as specified in subdivision (f) of Rule 2005, the facilities identified in Table 9 may use a combination of their Tradable/Usable and Non-tradable/Non-usable RTCs specified in subparagraph (f)(1)(C) and the amount listed for each facility in Table 9, which represents the RTCs in the Regional NSR Holding account.
- (H) In the event that the NOx RTC prices exceed \$22,500 per ton (current compliance year credits) based on the 12-month rolling average, or exceed \$35,000 per ton (current compliance year credits) based on the 3-month rolling average calculated pursuant to subparagraph (f)(1)(E), the Executive Officer will report the determination to the Governing Board. If the Governing Board finds that the 12-month rolling average RTC price exceeds \$22,500 per ton or the 3-month rolling average RTC price exceeds \$35,000 per ton, then the Non-tradable/Non-usable NOx RTCs, as specified in subparagraphs (f)(1)(B) and (f)(1)(C) valid for the period in which the RTC price is found to have exceeded the applicable

threshold, shall be converted to Tradable/Usable NO_x RTCs upon Governing Board concurrence.

- (I) In the event that the infinite year block NO_x RTC prices fall below \$200,000 per ton based on the 12-month rolling average, calculated pursuant to subparagraph (f)(1)(E) beginning in 2019 for the compliance year in which Cycle 1 facilities are operating, the Executive Officer will report the determination to the Governing Board.

For the purpose of this rule, infinite year block refers to trades involving blocks of RTCs with a specified start year and continuing into the future for ten or more years.

- (J) Pursuant to subparagraphs (f)(1)(H) and (f)(1)(I) the Executive Officer's report to the Board will also include a commitment and schedule to conduct a more rigorous control technology implementation, emission reduction, cost-effectiveness, market analysis, and socioeconomic impact assessment of the RECLAIM program. The Executive Officer's report to the Board will be made at a public hearing at the earliest possible regularly scheduled Board Meeting, but no more than 90 days from Executive Officer determination.

- (K) The NO_x emission reductions associated with the RTC adjustment factors for compliance years 2016, and 2018 through 2022 shall not be submitted for inclusion into the State Implementation Plan until the adjustments have been in effect for one full compliance year. However, the amount of NO_x RTCs adjustments specified in subparagraph (f)(1)(F) shall not be submitted for inclusion in the State Implementation Plan.

- (L) NO_x Allocations for existing facilities that enter RECLAIM after December 4, 2015 for Compliance Year 2016 and all subsequent years shall be the amount determined pursuant to subparagraph (d)(1)(A) except the variable B2 shall be the lowest of:

- (i) The applicable 2000 (Tier I) Ending Emission Factor for the subject source(s) or process unit(s), as specified in Table 1 multiplied by the percentage inventory adjustment pursuant to subdivision (e) (0.72);
- (ii) The BARCT Emission factor for the subject source as specified in Table 3; and

(iii) The BARCT Emission factor for the subject source, as specified in Table 6.

(M) SO_x RTC Holdings as of November 5, 2010, for compliance years 2013 and after shall be adjusted to achieve an overall reduction in the following amounts:

Compliance Year	Minimum emission reductions (lbs.)
2013	2,190,000
2014	2,920,000
2015	2,920,000
2016	2,920,000
2017	3,650,000
2018	3,650,000
2019 and after	4,161,000

(N) The Executive Officer shall determine Tradable/usable SO_x RTC Adjustment Factor for each compliance year after 2012 as follows:

$$F_{\text{compliance year } i} = 1 - [X_i / (A_i + B_i + C_i)]$$

Where:

$F_{\text{compliance year } i}$ = Tradable/usable SO_x RTC Adjustment Factor for compliance year i starting with 2013

A_i = Total SO_x RTCs for compliance year i held as of November 5, 2010, by all RTC holders, except those listed in Table 5

B_i = Total SO_x RTCs for compliance year i credited to any facilities listed in Table 5 between August 29, 2009 and November 5, 2010, and not included in C_i

C_i = Total SO_x RTCs held as of November 5, 2010 by facilities listed in Table 5 for compliance year i in excess of allocations as determined pursuant to subdivision (e).

X_i = Amount to be reduced for compliance year i starting with 2013 as listed in subparagraph (f)(1)(M).

(O) The Executive Officer shall determine Non-tradable/Non-usable SO_x RTC Adjustment Factors for compliance years 2017 through 2019 as follows:

$$N_{\text{compliance year } j} = F_{\text{compliance year } 2016} - F_{\text{compliance year } j}$$

Where:

$N_{\text{compliance year } j}$ = Non-tradable/Non-usable SO_x RTC Adjustment Factor for compliance year j

$F_{\text{compliance year } j}$ = Tradable/Usable SO_x RTC Adjustment Factor for compliance year j as determined pursuant to subparagraph (f)(1)(N)

j = 2017 through 2019

$F_{\text{compliance year } 2016}$ = Tradable/usable SO_x RTC Adjustment Factor for compliance year 2016 as determined pursuant to subparagraph (f)(1)(N)

Non-tradable/Non-usable SO_x RTC Adjustment Factors for compliance years 2013, 2014, 2020, and all years after 2020 shall be 0.0.

- (P) The Executive Officer shall adjust the SO_x RTC holdings as of November 5, 2010, for compliance years 2013 and after as follows:
- (i) Apply the Tradable/Usable SO_x RTC Adjustment Factor ($F_{\text{compliance year } i}$) and Non-tradable/Non-usable SO_x RTC Adjustment Factor ($N_{\text{compliance year } j}$) for the corresponding compliance year as published under subparagraph (f)(1)(Q) to SO_x RTC holdings held by any RTC holder except those listed in Table 5;
 - (ii) Apply no adjustment to SO_x RTC holdings that are held as of August 29, 2009 by a facility listed in Table 5, and that are less than or equal to the facility's allocations as determined pursuant to subdivision (e), and that were not credited between August 29, 2009 and November 5, 2010;
 - (iii) Apply the Tradable/Usable SO_x RTC Adjustment Factor ($F_{\text{compliance year } i}$) and Non-tradable/Non-usable SO_x RTC Adjustment Factor ($N_{\text{compliance year } j}$) for the corresponding compliance year as published under subparagraph (f)(1)(Q) to any SO_x RTC holding as of November 5, 2010, that is held by a facility that is listed in Table 5, and that is over the facility's allocations as determined pursuant to subdivision (e); and

- (iv) Apply the Tradable/Usable SO_x RTC Adjustment Factor ($F_{\text{compliance year } i}$) and Non-tradable/non-usable SO_x RTC Adjustment Factor ($N_{\text{compliance year } j}$) for the corresponding compliance year as published under subparagraph (f)(1)(Q) to any SO_x RTC holding that was acquired between August 29, 2009 and November 5, 2010, by a facility that is listed in Table 5.

No SO_x RTC holding shall be subject to the SO_x RTC adjustments as published under subparagraph (f)(1)(Q) more than once.

- (Q) The Executive Officer shall publish the SO_x RTC Adjustment Factors determined according to subparagraphs (f)(1)(N) and (f)(1)(O) within 30 days after November 5, 2010.
- (R) Commencing on January 1, 2017 and ending on February 1, 2020, the Executive Officer will calculate the 12-month rolling average SO_x RTC price for all trades during the preceding 12 months for the current compliance year. The Executive Officer will update the 12-month rolling average once per month. The computation of the rolling average prices will not include RTC transactions reported at no price or RTC swap transactions.
- (S) In the event that the SO_x RTC prices exceed \$50,000 per ton based on the 12-month rolling average calculated pursuant to subparagraph (f)(1)(R), the Executive Officer will report to the Governing Board at a duly noticed public hearing to be held no more than 60 days from Executive Officer determination. The Executive Officer will announce that determination on the SCAQMD website. At the public hearing, the Governing Board will decide whether or not to convert any portion of the Non-tradable/Non-usable RTCs, as determined pursuant to subparagraphs (f)(1)(O) and (f)(1)(P), and how much to convert if any, to Tradable/Usable RTCs. The portion of Non-tradable/Non-usable RTCs available for conversion to Tradable/Usable RTCs shall not include any portion of Non-tradable/Non-usable RTCs that are designated for previous compliance years and has not already been converted by the Governing Board, or that has been otherwise included in the State Implementation Plan pursuant to subparagraph (f)(1)(T).

- (T) The Executive Officer will not submit the emission reductions obtained through subparagraph (f)(1)(M) for compliance years 2017 through 2019 for inclusion into the State Implementation Plan until the adjustments for the RTC Holdings have been in effect for one full compliance year.
 - (U) SOx Allocations for compliance years 2013 and after, for facilities that enter RECLAIM after November 5, 2010, and for basic equipment listed in Table 4 shall be determined according to the BARCT level listed in Table 4 or the permitted emission limits, whichever is lower.
 - (V) By no later than July 1, 2012, SOx emissions at the exhaust of a Fluidized Catalytic Cracking Unit, as measured at the final stack venting gases originating from the facility's FCC Regenerator, including after the CO Boiler or any additional controls in the system following the regenerator (the final stack shall constitute the only exhaust gas compliance point within the FCCU facility), shall not exceed a concentration of 25 ppm dry @ 0% oxygen on a 365-day rolling average. The numeric concentration-based limit does not apply during time periods in which SOx data are determined to be incorrect due to analyzer calibration or malfunction. For the purpose of demonstrating compliance with this limit, the operator of a FCCU shall commence the use of SOx reducing additives in the FCCU no later than July 1, 2011, unless the operator has an existing wet gas scrubber in operation at BARCT levels prior to November 5, 2010 or can demonstrate to the Executive Officer that the FCCU will achieve this limit by using other control methods.
- (2) New facilities initially totally permitted, on and after October 15, 1993, but prior to January 7, 2005, and entering the RECLAIM program after January 7, 2005 shall not have a rate of reduction until 2001. Reductions from 2001 to 2003, inclusive, shall be implemented pursuant to subdivision (e). New facilities initially totally permitted on or after January 7, 2005 using external offsets shall have a rate of reduction for such offsets pursuant to subparagraph (c)(5)(C). New facilities initially totally permitted on or after January 7, 2005 using RTCs shall have no rate of reduction for such RTCs, provided that RTCs obtained have been adjusted according to paragraph (f)(1), as applicable. The Facility Permit for such facilities will require the Facility Permit holder to, at the commencement of each compliance year,

hold RTCs equal to the amount of RTCs provided as offsets pursuant to Rule 2005.

- (3) Increases to Allocations for permits issued for Clean Fuel adjustments pursuant to paragraph (c)(12), shall be added to each year's Allocation.
- (4) During a State of Emergency declared by the Governor related to electricity demand or power grid stability within the SCAQMD jurisdictional boundaries, the current compliance year Non-tradable/Non-usable NOx RTCs held by electricity generating facilities as defined in Rule 2001(g)(1) that generate and distribute electricity to the grid system(s) affected by the State of Emergency may be used to offset their emissions after completely exhausting their own Tradable/Usable NOx RTCs.

If such a facility has completely exhausted their Non-tradable/Non-usable NOx RTCs, the owner or operator of the facility may apply for the use of the NOx RTCs in the Regional NSR Holding Account. The use of such RTCs in this Account shall be based on availability at the end of each quarter. The owner or operator of each electricity generating facility requesting NOx RTCs from the Regional NSR Holding Account shall submit a written request to the Executive Officer specifying the amount of RTCs needed and the basis for requesting the required amount.

The Executive Officer will determine the amount and distribution of the NOx RTCs from the Regional NSR Holding Account based on the requesting facility meeting the following criteria:

- (i) The State of Emergency related to electricity demand or power grid stability within the SCAQMD jurisdictional boundaries, as declared by the Governor, was the direct cause of the excess emissions;
- (ii) The facility has been ordered to generate electricity in an increased amount and/or frequency due to the State of Emergency;
- (iii) The facility has adequately demonstrated their need for the specific amount of RTCs from the Regional NSR Holding Account; and
- (iv) The facility owner or operator has not sold any part of their RTC holdings for the subject compliance year.

If the total RTCs requested exceed the supply of RTCs in this Account, the RTCs will be distributed proportionately according to the offset needs of the

facilities on a quarterly basis. These RTCs will be non-tradable, but usable to offset emissions.

- (5) The Executive Officer will report to the Governing Board within 60 days of the end of the quarter in which a State of Emergency was declared by the Governor related to electricity demand or power grid stability within the SCAQMD jurisdictional boundaries. Included in this report will be, as applicable:
 - (i) the quantity of RTCs from the Regional NSR Holding Account that were distributed for compliance with the requirement to reconcile quarterly and annual emissions;
 - (ii) any adverse impacts that the State of Emergency is having on the RECLAIM program; and
 - (iii) any potential changes to the RECLAIM program that will be needed to help correct these impacts.
- (6) If the Executive Officer provides the owner or operator of a NO_x RECLAIM facility with an initial determination notification that their facility is under review for being transitioned out of NO_x RECLAIM, the owner or operator shall submit to the Executive Officer within 45 days of the initial determination notification date the identification of all NO_x RECLAIM emission equipment, including Rule 219-exempt equipment. The Executive Officer will review the information submitted and, if complete, determine if the facility will be transitioned out of the NO_x RECLAIM program.
 - (A) The Executive Officer shall indicate in writing if a facility's submission is not complete and provide a timeline for submission.
 - (B) Failure to submit the requested information within 45 days of the initial determination notification date or failure to timely revise an incomplete submission, as indicated by the Executive Officer, will result in the prohibition on all RTC uses, sales, or transfers by the facility until all requested information is submitted.
- (7) The Executive Officer will provide a final determination notification that the facility will be transitioned out of NO_x RECLAIM if the RECLAIM facility has no facility NO_x emissions or has NO_x emissions solely from the combination of the following:
 - (A) Rule 219 equipment, unless it would be subject to a command-and-control rule that it cannot reasonably comply with, various location permits, or unpermitted equipment; and/or

- (B) RECLAIM source equipment that meets current command-and-control BARCT rules.
- (8) In the event that the Executive Officer, upon review of the information pursuant to paragraphs (f)(6) and (f)(7), nonetheless determines that a facility should not yet be transitioned out of the NO_x RECLAIM program, the owner or operator will be notified.
- (9) Any RECLAIM facility that receives a final determination notification from the Executive Officer pursuant to paragraph (f)(7) shall not sell or transfer any future compliance year RTCs as of the date specified in the final determination notification and may only sell or transfer that current compliance year's RTCs until the facility is transitioned out of the RECLAIM program.
- (g) High Employment/Low Emissions (HILO) Facility
The Executive Officer or designee will establish a HILO bank funded with the following maximum total annual emission Allocations:
- (1) 91 tons per year of NO_x
 - (2) 91 tons per year of SO_x
 - (3) After January 1, 1997, new facilities may apply to the HILO bank in order to obtain non-tradable RTCs. Requests will be processed on a first-come, first-served basis, pending qualification.
 - (4) When credits are available, annual Allocations will be granted for the year of application and all subsequent years.
 - (5) HILO facilities receiving such Allocations from the HILO bank must verify their HILO status on an annual basis through their APEP report.
 - (6) Failure to qualify will result in all subsequent years' credits being returned to the HILO bank.
 - (7) Facilities failing to qualify for the HILO bank Allocations may reapply at any time during the next or subsequent compliance year when credits are available.
- (h) Non-Tradable Allocation Credits
- (1) Any existing RECLAIM facility with reported emissions pursuant to Rule 301 - Permit Fees, in either 1987, 1988, or 1993, greater than its starting Allocation, shall be assigned non-tradable credits for the first three years of the program which shall be determined according to the following methodology:

Non-tradable credit for NO_x and SO_x:

Year 1 = $(\Sigma [A \times B_1]) - 1994 \text{ Allocation};$

Where:

A = the throughput for each NO_x or SO_x source or process unit in the facility from the single maximum throughput year from 1987, 1988, or 1993; and

B₁ = the applicable starting emission factor, as specified in Table 1 or Table 2.

Year 2 = Year 1 non-tradable credits X 0.667

Year 3 = Year 1 non-tradable credits X 0.333

Year 4 and subsequent years = Zero non-tradable credit.

- (2) The use of non-tradable credits shall be subject to the following requirements:
- (A) Non-tradable credits may only be used for an increase in throughput over that used to determine the facility's starting Allocation. Non-tradable credits may not be used for emissions increases associated with equipment modifications, change in feedstock or raw materials, or any other changes except increases in throughput. The Executive Officer or designee may impose Facility Permit conditions necessary to ensure compliance with this subparagraph.
- (B) The use of activated non-tradable credits shall be subject to a non-tradable RTC mitigation fee, as specified in Rule 301 subdivision (n).
- (C) In order to utilize non-tradable credits, the Facility Permit holder shall submit a request to the Executive Officer or designee in writing, including a demonstration that the use of the non-tradable credits complies with all requirements of this paragraph, pay any fees required pursuant to Rule 301 - Fees, and have received written approval from the Executive Officer or designee for their use. The Executive Officer or designee shall deny the request unless the Facility Permit holder demonstrates compliance with all requirements of this paragraph. The Executive Officer or designee shall, in writing, approve or deny the request within three business days of submittal of a complete request and notify the Facility Permit holder of the decision. If the request is denied, the Executive Officer or designee will refund the mitigation fee.

- (D) In the event that a facility transfers any RTCs for the year in which non-tradable credits have been issued, the non-tradable credit Allocation shall be invalid, and is no longer available to the facility.

- (i) **NO_x RECLAIM Facility Shutdowns**
 - (1) The requirements specified in this subdivision shall be effective October 7, 2016 and only apply to the NO_x RECLAIM facilities listed in Tables 7 and 8 of this rule that had a RECLAIM Allocation as issued pursuant to subdivision (b).
 - (2) An owner or operator of a NO_x RECLAIM facility that permanently shuts down or surrenders all operating permits for the entire facility shall notify the Executive Officer in writing of this shutdown within 30 days.
 - (3) An owner or operator of a NO_x RECLAIM facility that shuts down pursuant to paragraphs (i)(2), (i)(8), or (i)(9) shall have its NO_x RTC holdings reduced from all future compliance years by an amount equivalent to the difference between:
 - (A) The average of actual NO_x emissions from equipment that is operated at a level greater than the most stringent applicable BARCT emission factors specified in subparagraph (f)(1)(L) during the highest 2 of the past 5 compliance years for the facility; and
 - (B) The average NO_x emissions from the same equipment that would have occurred in those same 2 years identified in subparagraph (i)(3)(A) if the equipment was operated at the most stringent applicable BARCT emission factors specified in subparagraph(f)(1)(L).
 - (4) Any offsets provided by the SCAQMD pursuant to Rule 1304 that remain as part of the adjusted initial NO_x allocation shall also be subtracted for each future compliance year.
 - (5) If the reduction of NO_x RTCs calculated pursuant to paragraph (i)(3) and (i)(4) exceeds the adjusted initial NO_x allocation as specified in paragraph (f)(1) for any future compliance year, the facility shall have its NO_x holdings reduced by an amount equivalent to the adjusted initial NO_x allocation for that compliance year.
 - (6) If the reduction of NO_x RTCs calculated pursuant to paragraphs (i)(3) through (i)(5) exceeds the NO_x RTC holdings, within 180 days of notification by the Executive Officer pursuant to paragraph (i)(11), the owner or operator of the NO_x RECLAIM facility shall purchase and surrender to

the Executive Officer sufficient RTCs to fulfill the entire reduction requirement.

- (7) In addition to a self-reported facility shutdown, the Executive Officer will notify the owner or operator of a NOx RECLAIM facility that the facility is under review as potentially shutdown if NOx emissions from an APEP report show a substantial decrease in facility-wide emissions compared to the maximum emissions during the last five years. Within 60 days of the notification date, the owner or operator shall notify the Executive Officer that the facility is shutdown or submit information to substantiate that the facility is not shutdown based on one the following:
 - (A) Permanent emission reductions have been implemented at the facility and can be attributed to implementation of an emissions control strategy such as, but not limited to: implementation of pollution control strategies, efficiency improvements, process changes, material substitution, or fuel changes; or
 - (B) NOx emission reductions are temporary where temporary NOx emission reductions include, but are not limited to: cyclic operations, economic fluctuations, temporary shutdown of equipment due to equipment maintenance, repair, replacement, permitting, compliance, or availability of feedstocks or fuels; or
 - (C) The owner or operator of a NOx RECLAIM facility has an approved Planned Non-Operational Plan pursuant to paragraph (i)(9).
- (8) The Executive Officer will review information submitted under paragraph (i)(7) and notify the owner or operator within 60 days with a determination that the facility has or has not been deemed as shutdown.
 - (A) If the Executive Officer determines that the NOx RECLAIM facility is deemed shutdown, the owner or operator of the NOx RECLAIM facility shall be subject to the requirements specified in paragraphs (i)(3) through (i)(6).
 - (B) The Executive Officer will not consider information submitted pursuant to paragraph (i)(7) beyond 60 days of the notification issue date unless such information is subsequently requested by the Executive Officer.
 - (C) The owner or operator of the NOx RECLAIM facility may file an appeal to the Hearing Board pursuant to paragraph (i)(11).
- (9) The owner or operator of the NOx RECLAIM facility may submit a Planned Non-Operational (PNO) Plan, and fees pursuant to Rule 306, to request status

for a non-operational time period beyond 2 years, but no longer than 5 years for equipment within the facility. The Executive Officer will:

- (A) Consider the criteria in subparagraph (i)(7)(B) for approving the plan. All of the referenced criteria shall require company records to support the claim that a PNO status of no longer than 5 years is necessary.
 - (B) Approve or disapprove the PNO Plan within 180 days of receiving a complete PNO Plan.
 - (i) If the PNO Plan is approved, the owner or operator of the NOx RECLAIM facility may sell current compliance year RTCs for the duration of the approved PNO Plan. Future year NOx RTCs shall become non-tradable for the duration of the PNO status.
 - (ii) If the PNO Plan is disapproved and the facility is deemed shutdown by the Executive Officer, the owner or operator of the NOx RECLAIM facility shall be subject to the requirements specified in paragraphs (i)(3) through (i)(6).
 - (iii) The owner or operator of a NOx RECLAIM facility may appeal the denial of PNO Plan to the Hearing Board.
- (10) If a NOx RECLAIM facility has been deemed shutdown pursuant to paragraphs (i)(2), (i)(8), or (i)(9), the RTC holdings shall be reduced pursuant to paragraphs (i)(3) through (i)(5).
- (11) The Executive Officer will notify the owner or operator of the NOx RECLAIM facility of the amount of reduction in NOx RTC holdings that was determined pursuant to paragraphs (i)(3) through (i)(5). Reduction of NOx RTC holdings shall be applied to RTCs for all future compliance years following this notification. The Executive Officer shall re-issue the facility permit to reflect the reduction of NOx RTC holdings. The owner or operator may file an appeal to the Hearing Board for the shutdown determination and for the reduction in NOx RTC holdings.
- (12) The owner or operator of a NOx RECLAIM facility that has notified the Executive Officer of a facility shutdown pursuant to paragraph (i)(2) or has received notification from the Executive Officer that it is under review as potentially shutdown pursuant to paragraph (i)(7), shall not sell any future compliance year RTCs and may only sell current compliance year RTCs until the Executive Officer notifies the owner or operator of the amount of the reduction of NOx RTCs pursuant to paragraph (i)(11).

- (13) Any NO_x RECLAIM facility under the same ownership as of September 22, 2015 shall submit a written declaration within 30 days after October 7, 2016 identifying the facilities under the same ownership as of September 22, 2015 and a demonstration of how the facilities identified are under the same ownership. For the purposes of this rule, same ownership is generally defined as facilities and their subsidiaries or facilities that share the same Board of Directors or shares the same parent corporation.
- (A) The Executive Officer shall maintain a listing of those facilities that are determined to be of same ownership as of September 22, 2015. The Executive Officer will only amend its same ownership listing to exclude those facilities that no longer qualify for same ownership through circumstances such as mergers, sales, or other dispositions.
- (B) In the event of a facility reporting a shutdown or is deemed shutdown by the Executive Officer, NO_x RTCs from that facility may be transferred to another facility under the same ownership as listed in the most current listing of same ownership without reductions as specified under paragraphs (i)(3) through (i)(6). Such transferred NO_x RTCs shall be designated as non-tradable.

Table 1

RECLAIM NO_x Emission Factors

Nitrogen Oxides Basic Equipment	Fuel	"Throughput" Units	Starting Ems Factor *	2000 (Tier I) Ending Ems Factor *
Afterburner (Direct Flame and Catalytic)	Natural Gas	mmcf	130.000	39.000
Afterburner (Direct Flame and Catalytic)	LPG, Propane, Butane	1000 Gal	RV	3.840
Afterburner (Direct Flame and Catalytic)	Diesel	1000 Gal	RV	5.700
Agr Chem-Nitric Acid	Process-Absrbr Tailgas/Nw	tons pure acid produced	RV	1.440
Agricultural Chem - Ammonia	Process	tons produced	RV	1.650
Air Ground Turbines	Air Ground Turbines	(unknown process units)	RV	1.860
Ammonia Plant	Neutralizer Fert, Ammon Nit	tons produced	RV	2.500
Asphalt Heater, Concrete	Natural Gas	mmcf	130.000	65.000
Asphalt Heater, Concrete	Fuel Oil	1000 gals	RV	9.500
Asphalt Heater, Concrete	LPG	1000 gals	RV	6.400
Boiler, Heater R1109 (Petr Refin)	Natural Gas	mmbtu	0.100	0.030
Boiler, Heater R1109 (Petr Refin)	Fuel Oil	mmbtu	0.100	0.030
Boiler, Heater R1146 (Petr Refin)	Natural Gas	mmbtu	0.045	0.045
Boiler, Heater R1146 (Petr Refin)	Fuel Oil	mmbtu	0.045	0.045
Boiler, Heater R1146 (Petr Refin)	Refinery Gas	mmbtu	0.045	0.045
Boilers, Heaters, Steam Gens Rule 1146 and 1146.1	Natural Gas	mmcf	49.180	47.570
Boilers, Heaters, Steam Gens Rule 1146 and 1146.1	LPG, Propane, Butane	1000 gals	4.400	4.260
Boilers, Heaters, Steam Gens Rule 1146 and 1146.1	Diesel Light Dist. (0.05% S)	1000 gals	6.420	6.210
Boilers, Heaters, Steam Gens Rule 1146 and 1146.1	Refinery Gas	mmcf	51.520	49.840
Boilers, Heaters, Steam Gens	Bituminous Coal	tons burned	RV	4.800
Boiler, Heater, Steam Gen (Rule 1146.1)	Natural Gas	mmcf	130.000	39.460
Boiler, Heater, Steam Gen (Rule 1146.1)	Refinery Gas	mmcf	RV	41.340

* RV = Reported Value

** Does not include ceramic, clay, cement or brick kilns or metal melting, heat treating or glass melting furnaces.

*** Applies retroactively to January 1, 1994 for Cycle 1 facilities and July 1, 1994 for Cycle 2 facilities.

**** Newly installed or Modified after the year selected for maximum throughput for determining starting allocations pursuant to Rule 2002(c)(1), and meeting BACT limits in effect at the time of installation.

Nitrogen Oxides Basic Equipment	Fuel	"Throughput" Units	Starting Ems Factor *	2000 (Tier I) Ending Ems Factor *
Boiler, Heater, Steam Gen (Rule 1146.1)	LPG, Propane, Butane	1000 gallons	RV	3.530
Boiler, Heater, Steam Gen (Rule 1146.1)	Diesel Light Dist (0.05%)	1000 gallons	RV	5.150
Boiler, Heater, Steam Gen (Rule 1146)	Natural Gas	mmcf	47.750	47.750
Boiler, Heater, Steam Gen (Rule 1146)	Refinery Gas	mmcf	50.030	50.030
Boiler, Heater, Steam Gen (Rule 1146)	LPG, Propane, Butane	1000 gallons	4.280	4.280
Boiler, Heater, Steam Gen (Rule 1146)	Diesel Light Dist (0.05%)	1000 gallons	6.230	6.230
Boiler, Heater, Steam Gen (R1146, <90,000 Therms)	Natural Gas	mmcf	RV	47.750
Boiler, Heater, Steam Gen (R1146, <90,000 Therms)	Refinery Gas	mmcf	RV	50.030
Boiler, Heater, Steam Gen (R1146, <90,000 Therms)	LPG, Propane, Butane	1000 gallons	RV	4.280
Boiler, Heater, Steam Gen (R1146, <90,000 Therms)	Diesel Light Dist (0.05%)	1000 gallons	RV	6.230
Boiler, Heater, Steam Gen (R1146.1, <18,000 Therms)	Natural Gas	mmcf	RV	39.460
Boiler, Heater, Steam Gen (R1146.1, <18,000 Therms)	Refinery Gas	mmcf	RV	41.340
Boiler, Heater, Steam Gen (R1146.1, <18,000 Therms)	LPG, Propane, Butane	1000 gallons	RV	3.530
Boiler, Heater, Steam Gen (R1146.1, <18,000 Therms)	Diesel Light Dist (0.05%)	1000 gallons	RV	5.150
Boiler, Heater R1109 (Petr Refin)	Refinery Gas	mmbtu	0.100	0.030
Boilers, Heaters, Steam Gens, (Petr Refin)	Natural Gas	mmcf	105.000	31.500
Boilers, Heaters, Steam Gens, (Petr Refin)	Refinery Gas	mmcf	110.000	33.000
Boilers, Heaters, Steam Gens, Unpermitted	Natural Gas	mmcf	130.000	32.500
Boilers, Heaters, Steam Gens, Unpermitted	LPG, Propane, Butane	1000 gallons	RV	3.200
Boilers, Heaters, Steam Gens ****	Natural Gas	mmcf	38.460	38.460

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**** Newly installed or Modified after the year selected for maximum throughput for determining starting allocations pursuant to Rule 2002(c)(1), and meeting BACT limits in effect at the time of installation.

Nitrogen Oxides Basic Equipment	Fuel	"Throughput" Units	Starting Ems Factor *	2000 (Tier I) Ending Ems Factor *
Boilers, Heaters, Steam Gens ****	Refinery Gas	mmbtu	0.035	0.035
Boilers, Heaters, Steam Gens ****	LPG, Propane, Butane	1000 gallons	3.55	3.55
Boilers, Heaters, Steam Gens ****	Diesel Light Dist (0.05%), Fuel Oil No. 2	mmbtu	0.03847	0.03847
Boilers, Heaters, Steam Gens, Unpermitted	Diesel Light Dist (0.05%)	1000 gallons	RV	4.750
Catalyst Manufacturing	Catalyst Mfg	tons of catalyst produced	RV	1.660
Catalyst Manufacturing	Catalyst Mfg	tons of catalyst produced	RV	2.090
Cement Kilns	Natural Gas	mmcf	130.000	19.500
Cement Kilns	Diesel Light Dist. (0.05% S)	1000 gals	RV	2.850
Cement Kilns	Kilns-Dry Process	tons cement produced	RV	0.750
Cement Kilns	Bituminous Coal	tons burned	RV	4.800
Cement Kilns	Tons Clinker	tons clinker	RV	2.73***
Ceramic and Brick Kilns (Preheated Combustion Air)	Natural Gas	mmcf	213.000	170.400
Ceramic and Brick Kilns (Preheated Combustion Air)	Diesel Light Distillate (.05%)	1000 gallons	RV	24.905
Ceramic and Brick Kilns (Preheated Combustion Air)	LPG	1000 gallons	RV	16.778
Ceramic Clay Mfg	Drying	tons input to process	RV	1.114
CO Boiler	Refinery Gas	mmbtu		0.030
Cogen, Industr	Coke	tons burned	RV	3.682
Electric Generation, Commercial Institutional Boiler	Distillate Oil	1000 gallons	6.420	6.210
Composite Internal Combustion	Waste Fuel Oil	1000 gals burned	RV	31.340
Curing and Drying Ovens	Natural Gas	mmcf	130.000	32.500

* RV = Reported Value

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*** Applies retroactively to January 1, 1994 for Cycle 1 facilities and July 1, 1994 for Cycle 2 facilities.

**** Newly installed or Modified after the year selected for maximum throughput for determining starting allocations pursuant to Rule 2002(c)(1), and meeting BACT limits in effect at the time of installation.

Nitrogen Oxides Basic Equipment	Fuel	"Throughput" Units	Starting Ems Factor *	2000 (Tier I) Ending Ems Factor *
Curing and Drying Ovens	LPG, Propane, Butane	1000 gals	RV	3.200
Delacquering Furnace	Natural Gas	mmcf	182.2***	182.2***
Fiberglass	Textile-Type Fibr	tons of material processed	RV	1.860
Fluid Catalytic Cracking Unit	Fresh Feed	1000 BBLs fresh feed	RV	RV*0.3 ***
Fluid Catalytic Cracking Unit with Urea Injection	Fresh Feed	1000 BBLs fresh feed	RV	(RV*0.3) / (1-control efficiency) ***
Fugitive Emission	Not Classified	tons product	RV	0.087
Furnace Process	Carbon Black	tons produced	RV	38.850
Furnace Suppressor	Furnace Suppressor	unknown	RV	0.800
Glass Fiber Furnace	Mineral Products	tons product produced	RV	4.000
Glass Melting Furnace	Flat Glass	tons of glass pulled	RV	4.000
Glass Melting Furnace	Tableware Glass	tons of glass pulled	RV	5.680
Glass Melting Furnaces	Container Glass	tons of glass produced	4.000	1.2***
ICEs****	All Fuels		Equivalent to permitted BACT limit	Equivalent to permitted BACT limit
ICEs, Permitted (Rule 1110.1 and 1110.2)	Natural Gas	mmcf	2192.450	217.360
ICEs Permitted (Rule 1110.2)	Natural Gas	mmcf	RV	217.360
ICEs, Permitted (Rule 1110.1 and 1110.2)	LPG, Propane, Butane	1000 gals	RV	19.460
ICEs, Permitted (Rule 1110.1 and 1110.2)	Gasoline	1000 gals	RV	20.130
ICEs, Permitted (Rule 1110.1 and 1110.2)	Diesel Oil	1000 gals	RV	31.340
ICEs, Exempted per Rule 1110.2	All Fuels		RV	RV
ICEs, Exempted per Rule 1110.2 and subject to Rule 1110.1	All Fuels		RV	RV
ICEs, Unpermitted	All Fuels		RV	RV
In Process Fuel	Coke	tons burned	RV	24.593
Incinerators	Natural Gas	mmcf	130.000	104.000
Industrial	Propane	1000 gallons	RV	20.890
Industrial	Gasoline	1000 gallons	RV	21.620

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*** Applies retroactively to January 1, 1994 for Cycle 1 facilities and July 1, 1994 for Cycle 2 facilities.

**** Newly installed or Modified after the year selected for maximum throughput for determining starting allocations pursuant to Rule 2002(c)(1), and meeting BACT limits in effect at the time of installation.

Nitrogen Oxides Basic Equipment	Fuel	"Throughput" Units	Starting Ems Factor*	2000 (Tier I) Ending Ems Factor *
Industrial	Dist.Oil/Diesel	1000 gallons	RV	33.650
Inorganic Chemicals, H2SO4 Chamber	General	tons pure acid produced	RV	0.266
Inorganic Chemicals, H2SO4 Contact	Absrbr 98.0% Conv	tons 100% H2SO4	RV	0.376
Iron/Steel Foundry	Steel Foundry, Elec Arc Furn	tons metal processed	RV	0.045
Metal Heat Treating Furnace	Natural Gas	mmcf	130.000	104.000
Metal Heat Treating Furnace	Diesel Light Distillate (.05%)	1000 gallons	RV	15.200
Metal Heat Treating Furnace	LPG	1000 gallons	RV	10.240
Metal Forging Furnace (Preheated Combustion Air)	Natural Gas	mmcf	213.000	170.400
Metal Forging Furnace (Preheated Combustion Air)	Diesel Light Distillate (.05%)	1000 gallons	RV	24.905
Metal Forging Furnace (Preheated Combustion Air)	LPG	1000 gallons	RV	16.778
Metal Melting Furnaces	Natural Gas	mmcf	130.000	65.000
Metal Melting Furnaces	LPG, Propane, Butane	1000 gals	RV	6.400
Miscellaneous		bbls-processed	RV	1.240
Natural Gas Production	Not Classified	mmcf gas	RV	6.320
Nonmetallic Mineral	Sand/Gravel	tons product	RV	0.030
NSPS	Refinery Gas	mmbtu	RV	0.030
Other BACT Heater (24F-1)	Natural Gas	mmcf	RV	RV
Other Heater (24F-1)	Pressure Swing Absorber Gas	mmcf	RV	RV
Ovens, Kilns, Calciners, Dryers, Furnaces**	Natural Gas	mmcf	130.000	65.000
Ovens, Kilns, Calciners, Dryers, Furnaces**	Diesel Light Dist. (0.05% S)	1000 gals	RV	9.500
Paint Mfg, Solvent Loss	Mixing/Blending	tons solvent	RV	45.600
Petroleum Refining	Asphalt Blowing	tons of asphalt produced	RV	45.600
Petroleum Refining, Calciner	Petroleum Coke	Calcined Coke	RV	0.971***
Plastics Prodn	Polyester Resins	tons product	RV	106.500
Pot Furnace	Lead Battery	lbs Niter	0.077***	0.062***
Process Specific	ID# 012183	(unknown process units)	RV	240.000
Process Specific	SCC 30500311	tons produced	RV	0.140

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*** Applies retroactively to January 1, 1994 for Cycle 1 facilities and July 1, 1994 for Cycle 2 facilities.

**** Newly installed or Modified after the year selected for maximum throughput for determining starting allocations pursuant to Rule 2002(c)(1), and meeting BACT limits in effect at the time of installation.

Proposed Amended Rule 2002 (Cont.)

(January 5, 2018)

Nitrogen Oxides Basic Equipment	Fuel	"Throughput" Units	Starting Ems Factor*	2000 (Tier I) Ending Ems Factor *
Process Specific	ID 14944	(unknown process units)	RV	0.512
SCC 39090003			RV	170.400
Sec. Aluminum	Sweating Furnace	tons produced	RV	0.300
Sec. Aluminum	Smelting Furnace	tons metal produced	RV	0.323
Sec. Aluminum	Annealing Furnace	mmcf	130.000	65.000
Sec. Aluminum	Boring Dryer	tons produced	RV	0.057
Sec. Lead	Smelting Furnace	tons metal charged	RV	0.110
Sec. Lead	Smelting Furnace	tons metal charged	RV	0.060
Sodium Silicate Furnace	Water Glass	Tons Glass Pulled	RV	6.400
Steel Hot Plate Furnace	Natural Gas	mmcf	213.000	106.500
Steel Hot Plate Furnace	Diesel Light Distillate (.05%)	1000 gallons	31.131	10.486
Steel Hot Plate Furnace	LPG, Propane, Butane	1000 gallons	20.970	10.486
Surface Coal Mine	Haul Road	tons coal	RV	62.140
Tail Gas Unit		hours of operation	RV	RV
Turbines	Butane	1000 Gallons	RV	5.700
Turbines	Diesel Oil	1000 gals	RV	8.814
Turbines	Refinery Gas	mmcf	RV	62.275
Turbines	Natural Gas	mmcf	RV	61.450
Turbines (micro-)	Natural Gas	mmcf	54.4	54.4
Turbines - Peaking Unit	Natural Gas	mmcf	RV	RV
Turbines - Peaking Unit	Dist. Oil/Diesel	1000 gallons	RV	RV
Utility Boiler	Digester/Landfill Gas	mmcf	52.350	10.080
Turbine	Natural Gas	mmcf	RV	61.450
Turbine	Fuel Oil	1000 gallons	RV	8.810
Turbine	Dist.Oil/Diesel	1000 gallons	RV	3.000
Utility Boiler Burbank	Natural Gas	mmcf	148.670	17.200
Utility Boiler Burbank	Residual Oil	1000 gallons	20.170	2.330
Utility Boiler, Glendale	Natural Gas	mmcf	140.430	16.000
Utility Boiler, Glendale	Residual Oil	1000 gallons	20.160	2.290
Utility Boiler, LADWP	Natural Gas	mmcf	86.560	15.830
Utility Boiler, LADWP	Residual Oil	1000 gallons	12.370	2.260
Utility Boiler, LADWP	Digester Gas	mmcf	52.350	10.080
Utility Boiler, LADWP	Landfill Gas	mmcf	37.760	6.910
Utility Boiler, Pasadena	Natural Gas	mmcf	195.640	18.500
Utility Boiler, Pasadena	Residual Oil	1000 gallons	28.290	2.670
Utility Boiler, SCE	Natural Gas	mmcf	74.860	15.600
Utility Boiler, SCE	Residual Oil	1000 gallons	10.750	2.240

* RV = Reported Value

** Does not include ceramic, clay, cement or brick kilns or metal melting, heat treating or glass melting furnaces.

*** Applies retroactively to January 1, 1994 for Cycle 1 facilities and July 1, 1994 for Cycle 2 facilities.

**** Newly installed or Modified after the year selected for maximum throughput for determining starting allocations pursuant to Rule 2002(c)(1), and meeting BACT limits in effect at the time of installation.

Table 2

RECLAIM SO_x Emission Factors

Sulfur Oxides Basic Equipment	Fuel	"Throughput" Units	Starting Emission Factor *	Ending Emission Factor *
Air Blown Asphalt		hours of operation	RV	RV
Asphalt Concrete	Cold Ag Handling	tons produced	RV	0.032
Calcliner	Petroleum Coke	Calcined Coke	RV	0.000
Catalyst Regeneration		hours of operation	RV	RV
Cement Kiln	Distillate Oil	1000 gallons	RV	RV
Cement Mfg	Kilns, Dry Process	tons produced	RV	RV
Claus Unit		pounds	RV	RV
Cogen	Coke	pounds per ton	RV	RV
Non Fuel Use		hours of operation	RV	RV
External Combustion Equipment / Incinerator	Natural Gas	mmcf	RV	0.830
External Combustion Equip/Incinerator	LPG, Propane, Butane	1000 gallons	RV	4.600
External Combustion Equip/Incinerator	Diesel Light Dist. (0.05% S)	1000 gallons	7.00	5.600
External Combustion Equip/Incinerator	Residual Oil	1000 gallons	8.00	6.400
External Combustion Equip/Incinerator	Refinery Gas	mmcf	RV	6.760
Fiberglass	Recuperative Furn, Textile-Type Fiber	tons produced	RV	2.145
Fluid Catalytic Cracking Units		1000 bbls refinery feed	RV	13.700
Glass Mfg, Forming/Fin	Container Glass		RV	RV
Grain Milling	Flour Mill	tons Grain Processed	RV	RV
ICEs	Natural Gas	mmcf	RV	0.600
ICEs	LPG, Propane, Butane	1000 gallons	RV	0.350
ICEs	Gasoline	1000 gallons	RV	4.240
ICEs	Diesel Oil	1000 gallons	6.24	4.990
Industrial	Cogeneration, Bituminous Coal	tons produced	RV	RV
Industrial (scc 10200804)	Cogeneration, Coke	tons produced	RV	RV
Inorganic Chemcals	General, H ₂ SO ₄ Chamber	tons produced	RV	RV
Inorganic Chemcals	Absrbr 98.0% Conv, H ₂ SO ₄ Contact	tons produced	RV	RV

* RV = Reported Value

*** Applies retroactively to January 1, 1994 for Cycle 1 facilities and July 1, 1994 for Cycle 2 facilities.

Sulfur Oxides Basic Equipment	Fuel	"Throughput" Units	Starting Emission Factor *	Ending Emission Factor *
Inprocess Fuel	Cement Kiln/Dryer, Bituminous Coal	tons produced	RV	RV
Iron/Steel Foundry	Cupola, Gray Iron Foundry	tons produced	RV	0.720
Melting Furnace, Container Glass		tons produced	RV	RV
Mericher Alkyd Feed		hours of operation	RV	RV
Miscellaneous	Not Classified	tons produced	RV	0.080
Miscellaneous	Not Classified	tons produced	RV	0.399
Natural Gas Production	Not Classified	mmcf	RV	527.641
Organic Chemical (scc 30100601)		tons produced	RV	RV
Petroleum Refining (scc30600602)	Column Condenser		RV	1.557
Petroleum Refining (scc30600603)	Column Condenser		RV	1.176
Refinery Process Heaters	LPG fired	1000 gal	RV	2.259
Pot Furnace	Lead Battery	lbs Sulfur	0.133***	0.106***
Sec. Lead	Reverberatory, Smelting Furnace	tons produced	RV	RV
Sec. Lead	Smelting Furnace, Fugitiv	tons produced	RV	0.648
Sour Water Oxidizer		hours of operation	RV	RV
Sulfur Loading		1000 bbls	RV	RV
Sour Water Oxidizer		1000 bbls fresh feed	RV	RV
Sour Water Coker		1000 bbls fresh feed	RV	RV
Sodium Silicate Furnace		tons of glass pulled	RV	RV
Sulfur Plant		hours of operation	RV	RV
Tail gas unit		hours of operation	RV	RV
Turbines	Refinery Gas	mmcf	RV	6.760
Turbines	Natural Gas	mmcf	RV	0.600
Turbines	Diesel Oil	1000 gal	6.24	0.080
Turbines	Residual Oil	1000 gallons	8.00	0.090
Utility Boilers	Diesel Light Dist. (0.05% S)	1000 gallons	7.00	0.080
Utility Boilers	Residual Oil	1000 gallons	8.00	0.090
Other Heater (24F-1)	Pressure Swing Absorber Gas	mmcf	RV	RV

* RV = Reported Value

*** Applies retroactively to January 1, 1994 for Cycle 1 facilities and July 1, 1994 for Cycle 2 facilities.

Table 3

RECLAIM NO_x 2011 Ending Emission Factors

Nitrogen Oxides Basic Equipment	BARCT Emission Factor
Asphalt Heater, Concrete	0.036 lb/mmbtu (30 ppm)
Boiler, Heater R1109 (Petr Refin) >110 mmbtu/hr	0.006 lb/mmbtu (5 ppm)
Boilers, Heaters, Steam Gens, (Petr Refin) >110 mmbtu/hr	0.006 lb/mmbtu (5 ppm)
Boiler, Heater, Steam Gen (Rule 1146.1) 2-20 mmbtu/hr	0.015 lb/mmbtu (12 ppm)
Boiler, Heater, Steam Gen (Rule 1146) >20 mmbtu/hr	0.010 lb/mmbtu (9 ppm)
CO Boiler	85% Reduction
Delacquering Furnace	0.036 lb/mmbtu (30 ppm)
Fluid Catalytic Cracking Unit	85% Reduction
Iron/Steel Foundry	0.055 lb/mmbtu (45 ppm)
Metal Heat Treating Furnace	0.055 lb/mmbtu (45 ppm)
Metal Forging Furnace (Preheated Combustion Air)	0.055 lb/mmbtu (45 ppm)
Metal Melting Furnaces	0.055 lb/mmbtu (45 ppm)
Other Heater (24F-1)	0.036 lb/mmbtu (30 ppm)
Ovens, Kilns, Calciners, Dryers, Furnaces	0.036 lb/mmbtu (30 ppm)
Petroleum Refining, Calciner	0.036 lb/mmbtu (30 ppm)
Sec. Aluminum	0.055 lb/mmbtu (45 ppm)
Sec. Lead	0.055 lb/mmbtu (45 ppm)
Steel Hot Plate Furnace	0.055 lb/mmbtu (45 ppm)
Utility Boiler	0.008 lb/mmbtu (7 ppm)

Table 4
RECLAIM SO_x Tier III Emission Standards

Basic Equipment	BARCT Emission Standard
Calciner, Petroleum Coke	10 ppmv (0.11 lbs/ton coke)
Cement Kiln	5 ppmv (0.04 lbs/ton clinker)
Coal-Fired Boiler	5 ppmv (95% reduction)
Container Glass Melting Furnace	5 ppmv (0.03 lbs/ton glass)
Diesel Combustion	15 ppm by weight as required under Rule 431.2
Fluid Catalytic Cracking Unit	5 ppmv (3.25 lbs/thousand barrels feed)
Refinery Boiler/Heater	40 ppmv (6.76 lbs/mmscf [†])
Sulfur Recovery Units/Tail Gas	5 ppmv for combusted tail gas (5.28 lbs/hour)
Sulfuric Acid Manufacturing	10 ppmv (0.14 lbs/ton acid produced)

Table 5
List of SO_x RECLAIM Facilities Referenced in Subparagraphs (f)(1)(M)
and (f)(1)(O)

FACILITY PERMIT HOLDER	AQMD ID NO.
AES HUNTINGTON BEACH, LLC*	115389
AIR LIQUIDE LARGE INDUSTRIES U.S., LP	148236
ANHEUSER-BUSCH INC., (LA BREWERY)	16642
CALMAT CO	119104
CENCO REFINING CO	800373
EDGINGTON OIL COMPANY	800264
EQUILON ENTER. LLC, SHELL OIL PROD. US	800372
EXIDE TECHNOLOGIES	124838
INEOS POLYPROPYLENE LLC	124808
KIMBERLY-CLARK WORLDWIDE INC.-FULT. MILL	21887
LUNDAY-THAGARD COMPANY	800080
OWENS CORNING ROOFING AND ASPHALT, LLC	35302
PABCO BLDG PRODUCTS LLC,PABCO PAPER, DBA	45746
PARAMOUNT PETR CORP*	800183
QUEMETCO INC	8547
RIVERSIDE CEMENT CO	800182
TECHALLOY CO., INC.	14944
TESORO REFINING AND MARKETING CO*	151798
THE PQ CORP	11435
US GYPSUM CO	12185
WEST NEWPORT OIL CO	42775

* SO_x RECLAIM facilities that have RTC Holdings larger than initial allocations as of August 29, 2009.

Table 6

RECLAIM NO_x 2022 Ending Emission Factors

Nitrogen Oxides Basic Equipment	BARCT Emission Factor
Boiler, Heater R1109 (Petr Refin) >40 mmbtu/hr	2 ppm
Cement Kilns	0.5 lbs per ton clinker
Fluid Catalytic Cracking Unit	2 ppm
Gas Turbines	2 ppm
Glass Melting Furnaces – Container Glass	80% reduction (0.24 lb/ton glass produced)
ICEs, Permitted (Rule 1110.2) (Non-OCS)	11 ppm @ 15% O ₂ 0.041 lb/MMBTU 43.05 lb/mmcf
Metal Heat Treating Furnace >150 mmbtu/hr	0.011 lb/mmbtu (9 ppm)
Petroleum Refining, Calciner	10 ppm
Sodium Silicate Furnace	80% reduction (1.28 lb/ton glass pulled)
SRU/Tail Gas Unit	95% reduction 2ppm

Table 7
List of NOx RECLAIM Facilities Referenced in Subparagraph (f)(1)(B)

FACILITY PERMIT HOLDER	AQMD ID NO.
CHEVRON PRODUCTS CO.	800030
EXXONMOBIL OIL CORPORATION	800089
PHILLIPS 66 CO/LA REFINERY WILMINGTON PL	171107
PHILLIPS 66 COMPANY/LOS ANGELES REFINERY	171109
TESORO REF & MKTG CO LLC,CALCINER	174591
TESORO REFINING & MARKETING CO, LLC	174655
TESORO REFINING AND MARKETING CO, LLC	151798
TESORO REFINING AND MARKETING CO, LLC	800436
ULTRAMAR INC	800026
NOx RTC holders not designated as Facility Permit Holders as of September 22, 2015, except any NOx RTC holders listed in Table 8	Multiple

Table 8
List of NOx RECLAIM Facilities Referenced in Subparagraph (f)(1)(C)

FACILITY PERMIT HOLDER	AQMD ID NO.
AES ALAMITOS, LLC	115394
AES HUNTINGTON BEACH, LLC	115389
AES REDONDO BEACH, LLC	115536
BERRY PETROLEUM COMPANY	119907
BETA OFFSHORE	166073
BICENT (CALIFORNIA) MALBURG LLC	155474
BORAL ROOFING LLC	1073
BURBANK CITY, BURBANK WATER & POWER	25638
BURBANK CITY, BURBANK WATER & POWER, SCPPA	128243
CALIFORNIA PORTLAND CEMENT CO	800181
CALIFORNIA STEEL INDUSTRIES INC	46268
CANYON POWER PLANT	153992
CPV SENTINEL LLC	152707
DISNEYLAND RESORT	800189
EDISON MISSION HUNTINGTON BEACH, LLC	167432
EL SEGUNDO POWER, LLC	115663
EXIDE TECHNOLOGIES	124838
GENERAL ELECTRIC COMPANY	700126
HARBOR COGENERATION CO, LLC	156741
INLAND EMPIRE ENERGY CENTER, LLC	129816
LA CITY, DWP HAYNES GENERATING STATION	800074
LA CITY, DWP SCATTERGOOD GENERATING STN	800075
LA CITY, DWP VALLEY GENERATING STATION	800193
LONG BEACH GENERATION, LLC	115314
NEW- INDY ONTARIO, LLC	172005
NRG CALIFORNIA SOUTH LP, ETIWANDA GEN ST	115315
OWENS-BROCKWAY GLASS CONTAINER INC	7427
OXY USA INC	169754
PACIFIC CLAY PRODUCTS INC	17953
PARAMOUNT PETR CORP	800183
PASADENA CITY, DWP	800168
PQ CORPORATION	11435
QUEMETCO INC	8547
SAN DIEGO GAS & ELECTRIC	4242
SNOW SUMMIT INC	43201
SO CAL EDISON CO	4477
SO CAL GAS CO	800128
SO CAL GAS CO	800127
SO CAL GAS CO	5973
SO CAL GAS CO/PLAYA DEL REY STORAGE FACI	8582
SOLVAY USA, INC.	114801

FACILITY PERMIT HOLDER	AQMD ID NO.
SOUTHERN CALIFORNIA EDISON	160437
TABC, INC	3968
TAMCO	18931
US GOVT, NAVY DEPT LB SHIPYARD	800153
WALNUT CREEK ENERGY, LLC	146536
WHEELABRATOR NORWALK ENERGY CO INC	51620
WILDFLOWER ENERGY LP/INDIGO GEN., LLC	127299

Table 9
List of NOx RECLAIM Facilities for the Regional NSR Holding Account with Balances (in lbs)

FACILITY PERMIT HOLDER	AQMD ID NO.	2016		2017		2018		2019		2020		2021		2022		2023+	
		Dec 2016	Jun 2017	Dec 2017	Jun 2018	Dec 2018	Jun 2019	Dec 2019	Jun 2020	Dec 2020	Jun 2021	Dec 2021	Jun 2022	Dec 2022	Jun 2023	Dec 2023+	Jun 2023+
BICENT (CALIFORNIA) MALBURG LLC	155474	0	0	1,854	1,854	1,854	1,854	2,794	2,794	3,735	3,734	5,588	5,588	7,469	7,469	11,204	11,203
BURBANK CITY, BURBANK WATER & POWER, SCPPA	128243	0	0	1,604	5,159	1,604	5,159	2,418	7,775	3,232	10,392	4,836	15,551	6,464	20,784	9,695	31,177
CANYON POWER PLANT	153992	0	0	3,248	2,548	3,248	2,548	4,896	3,840	6,543	5,133	9,792	7,680	13,087	10,265	19,630	15,398
CPV CENTINEL LLC	152707	0	0	9,645	6,981	9,645	6,981	14,538	10,522	19,430	14,063	29,075	21,044	38,860	28,127	58,290	42,190
GENERAL ELECTRIC COMPANY/INLAND EMPIRE ENERGY CENTER	700126/ 129816	0	0	9,065	6,573	9,065	6,573	13,664	9,907	18,262	13,241	27,327	19,815	36,524	26,484	54,785	39,725
LONG BEACH GENERATION, LLC	115314	0	0	0	5,962	0	5,962	0	8,986	0	12,010	0	17,971	0	24,019	0	36,029
SOUTHERN CALIFORNIA EDISON	160437	0	0	13,227	6,758	13,227	6,758	19,937	10,184	26,646	13,612	39,874	20,370	53,293	27,225	79,940	40,837
WALNUT CREEK ENERGY, LLC	146536	0	0	3,690	4,242	3,690	4,242	5,562	6,393	7,434	8,544	11,124	12,786	14,867	17,089	22,301	25,633
WILDFLOWER ENERGY LP/INDIGO GEN., LLC	127299	0	0	0	3,483	0	3,483	0	5,250	0	7,016	0	10,499	0	14,033	0	21,049

ATTACHMENT H

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Final Staff Report Proposed Amendments to Regulation XX – Regional Clean Air Incentives Market (RECLAIM)

Proposed Amended Rules 2001 – Applicability and 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x)

January 5, 2018

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**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
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EXECUTIVE OFFICER:

WAYNE NASTRI

Background

The South Coast Air Quality Management District (SCAQMD) Governing Board adopted the Regional Clean Air Incentives Market (RECLAIM) program in October 1993. The purpose of RECLAIM is to reduce NO_x and SO_x emissions through a market-based approach. The program replaced a series of existing and future command-and-control rules and was designed to provide facilities with the flexibility to seek the most cost-effective solution to reduce their emissions. It also was designed to provide equivalent emission reductions, in the aggregate, for the facilities in the program compared to what would occur under a command-and-control approach. Regulation XX includes a series of rules that specify the applicability and procedures for determining NO_x and SO_x facility emissions allocations, program requirements, as well as monitoring, reporting, and recordkeeping requirements for sources located at RECLAIM facilities. Regulation XX – RECLAIM was most recently amended on December 4, 2015 and October 7, 2016. The December 2015 amendment was designed to achieve programmatic NO_x RECLAIM trading credit (RTC) reductions of 12 tons per day from compliance years 2016 through 2022 and the October 2016 amendment was to address RTCs from facility shutdowns.

In response to concerns regarding actual emission reductions in the RECLAIM program under a market-based approach, Control Measure CMB-05 of the 2016 Air Quality Management Plan (AQMP) committed 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. During the adoption of the 2016 AQMP, the 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, and to transition the RECLAIM program to a command-and-control regulatory structure requiring Best Available Retrofit Control Technology (BARCT) level controls as soon as practicable. Staff provided a report on transitioning the NO_x RECLAIM program to a command-and-control regulatory structure at the May 5, 2017 Governing Board meeting and provides quarterly updates to the Stationary Source Committee, with the first quarterly report provided on October 20, 2017.

On July 26, 2017 California State Assembly Bill (AB) 617 was approved by the Governor, which addresses non-vehicular air pollution (criteria pollutants and toxic air contaminants). It is a companion legislation to ~~AB Assembly Bill~~ 398, which was also approved, and extends California's cap-and-trade program for reducing greenhouse gas emissions from stationary sources. RECLAIM facilities that are in the cap-and-trade program are subject to the requirements of AB 617. Among the requirements of this bill is an expedited schedule for implementing BARCT for cap-and-trade facilities. Air Districts are to develop by January 1, 2019 an expedited schedule for the implementation of BARCT no later than December 31, 2023. The highest priority would be given to older, higher polluting units that will need to install retrofit controls.

Staff conducted a programmatic analysis of the RECLAIM equipment at each facility to determine if there are appropriate and up to date BARCT NO_x limits within existing SCAQMD command-and-control rules for all RECLAIM equipment. It was determined

that command-and-control rules would need to be adopted and/or amended to provide implementation timeframes for achieving BARCT compliance limits for certain RECLAIM equipment and to also update some of these rules if the emission limits do not reflect current BARCT. Staff also determined that there are some RECLAIM facilities that either do not have any NOx emissions, report only NOx emissions from equipment that is exempt from permitting (e.g., Rule 219 equipment), or operate RECLAIM equipment that is already meeting BARCT. The RECLAIM transition will first address those facilities that can operate under a command-and-control regulatory structure without undergoing any equipment modifications to meet BARCT. Subsequent transition of facilities will involve command-and-control rule amendments that will address RECLAIM equipment which will require the installation of BARCT.

Proposed Amended Rules 2001 and 2002 will initiate the transition of the NOx and SOx RECLAIM program to a command-and-control regulatory structure by precluding any new, non-RECLAIM facilities from entering into RECLAIM. Staff is not proposing future rulemaking to transition SOx RECLAIM at this time to allow staff to focus resources on the transition of NOx RECLAIM to a command-and-control regulatory structure. In preparation for facilities in the RECLAIM program to transition to command-and-control, the proposed amendments will address the RTC holdings for the initial group of facilities that will be exited from RECLAIM or that elect to exit RECLAIM, as well as establishing notification procedures for RECLAIM facilities for their transition out of the program.

Public Process

Staff has held monthly working group meetings to discuss the transition of the NOx RECLAIM program and to discuss numerous key issues and challenges. Staff has also met individually with numerous facility operators and industry groups regarding the transition. A public consultation meeting was held on November 8, 2017, with the comment period closing on November 22, 2017. Responses to comments received are provided in Appendix A of this staff report.

Affected Facilities

There are currently 266 facilities in the NOx RECLAIM program and 31 facilities in the SOx RECLAIM program. These 31 facilities in the SOx program are also in NOx RECLAIM. These facilities either had NOx emissions greater than or equal to four tons per year in 1990 or any subsequent year or elected to enter the program. The proposed amendments would apply to any facility in the NOx RECLAIM program that will be transitioned. More specifically, the proposed amendments would remove approximately 38 facilities from NOx RECLAIM. Any facility outside of RECLAIM that exceeds four tons per year of NOx or SOx emissions would no longer be allowed into RECLAIM.

Summary of Proposal

The proposed amendments to Regulation XX will affect Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x).

Proposed Amended Rule (PAR) 2001

Rule 2001 specifies inclusion criteria into the RECLAIM program for new and existing facilities, as well as for facilities that elect to enter into the program. The proposed change to the applicability would also establish a final date for any new facility inclusions into RECLAIM.

The Executive Officer maintains a listing of all RECLAIM facilities. The proposed amendments would include new or existing facilities into the NO_x and SO_x RECLAIM programs only up until the date of amendment. Subdivision (b) would state:

“The Executive Officer will maintain a listing of facilities which are subject to RECLAIM. The Executive Officer will include facilities up until (date of amendment)..”

Subdivision (c) addresses amendments to the RECLAIM facility listing. Subparagraphs (c)(1)(C), (c)(1)(D), and (c)(1)(E) specify actions for inclusion of any new facility that would be subject to RECLAIM, any existing facility that would be subject to RECLAIM, and for any existing non-RECLAIM facility that elects to enter the program. Since no more inclusions will be allowed under the proposed amendments, these subparagraphs will be removed. Additionally, since the inclusion of outer continent shelf (OCS) facilities into RECLAIM as a result of EPA delegation of authority occurred during the program’s implementation and no additional OCS facilities will be included, subparagraph (c)(1)(F) will be removed. Proposed subparagraph (c)(1)(C) would require the Executive Officer to amend the RECLAIM facility listing:

“Upon the transition of a facility out of RECLAIM, pursuant to Rule 2002.”

Subdivision (f), Entry Election, contains provisions for non-RECLAIM facilities that may elect to enter RECLAIM. Since no more inclusions will be allowed under the proposed amendments, these provisions will be removed and replaced with:

“On and after (date of amendment), a non-RECLAIM facility may not elect to enter the RECLAIM program.”

The proposed amendments to Rule 2001 would prevent any further inclusions of non-RECLAIM facilities into both the NO_x and SO_x RECLAIM programs.

Proposed Amended Rule (PAR) 2002

Rule 2002 establishes the methodology for calculating RECLAIM facility allocations and adjustments to RECLAIM Trading Credit (RTC) holdings for NO_x and SO_x. The proposed amendments will contain the notification procedures for facilities that will be transitioned out of RECLAIM and will address the RTC holdings for these facilities that will be transitioned out of RECLAIM or that elect to exit RECLAIM. These provisions

will be contained in new proposed paragraphs (f)(6) through (f)(9), which will detail how a facility will be notified regarding the transition.

As a facility is identified to transition out of RECLAIM, the Executive Officer will provide a written letter to notify a RECLAIM facility that it is under review for transition in the form~~by way~~ of an initial determination notification. This initial notification will also include an existing list of NOx emitting equipment and a request for the owner or operator of the RECLAIM facility to confirm the RECLAIM source equipment at the facility, as well as to identify any NOx emitting equipment that is not subject to permitting requirements (e.g., Rule 219 permit exempt equipment). The RECLAIM facility would be required to provide an identification of all NOx emission equipment (including equipment that is exempt from permitting) within 45 days of the date of the initial determination notification. The facility can also respond and provide information to the Executive Officer to confirm that it is ready for the transition to command-and-control. A facility is ready to transition into command-and-control if:

- a) All equipment is at BARCT; or
- b) The applicable equipment command-and-control rules have been adopted and/or amended to reflect current BARCT.

Proposed paragraph (f)(6) states:

“If the Executive Officer provides a NOx RECLAIM facility with an initial determination notification that the facility is under review for being transitioned out of NOx RECLAIM, the owner or operator shall submit to the Executive Officer within 45 days of the initial determination notification date the identification of all NOx RECLAIM emission equipment, including Rule 219 equipment. The Executive Officer will review the information submitted and, if complete, determine if the facility will be transitioned out of the NOx RECLAIM program.”

Proposed subparagraphs (f)(6)(A) and (f)(6)(B) address facilities that fail to respond to the initial notification determination and facility submissions that are incomplete. In proposed subparagraph (f)(6)(A), the Executive Officer will notify a facility if its submission of information is not complete and will provide a timeline for the submission of the complete information. If a facility fails to submit the requested information within 45 days of the initial determination notification date or fails to revise an incomplete submission by the timeline provided by the Executive Officer, proposed subparagraph (f)(6)(B) states that this would result in:

“...the prohibition on all RTC uses, sales, or transfers by the facility until all requested information is submitted.”

If the notified facility, after responding, is deemed as ready to transition into command-and-control after review by the Executive Officer, it will receive a final determination notification that it will be removed from RECLAIM and be subject to command-and-control regulations [proposed paragraph (f)(7)]. Staff has initially identified 38

RECLAIM facilities that can be removed from the program. These facilities either have no NO_x emissions or have emissions solely from the combination of the following:

- (A) *Rule 219 equipment, unless it would be subject to a command-and-control rule that it cannot reasonably comply with, various location permits, or unpermitted equipment; and/or*
- (B) *RECLAIM source equipment that meets current command-and-control BARCT rules*

These criteria are listed in proposed subparagraphs (f)(7)(A) and (f)(7)(B). Some facilities have NO_x emissions only coming from the equipment types listed in (f)(7)(A) and not from RECLAIM source equipment, which consists of process units, large sources, and major sources. Other facilities may operate RECLAIM source equipment (e.g., process units, large source, and major sources), but this equipment meets the emission requirements in current command-and-control regulations. If this equipment does not meet the emission limits of the current command-and-control BARCT rule, but is on a compliance schedule to meet the emission limits of the rule, it can still exit from RECLAIM because there is a command-and-control rule in place for this equipment.

Certain Rule 219 equipment (e.g., small boilers and heaters) would be subject to SCAQMD Rule 1146.2 upon exit from RECLAIM. Some existing Rule 219 equipment or other unpermitted equipment, if exited from RECLAIM and subject to command-and-control rules, would not comply with the current requirements. To prevent this situation of exiting RECLAIM facilities with equipment that would be subject to command-and-control rules that it cannot reasonably comply with, proposed paragraph (f)(8) would withhold these facilities from exiting the RECLAIM program:

“In the event that the Executive Officer, upon review of the information pursuant to paragraphs (f)(6) and (f)(7), nonetheless determines that a facility should not yet be transitioned out of the NO_x RECLAIM program, the owner or operator will be notified.

If it is determined that a facility is deemed as not ready to exit from RECLAIM and is notified, it will remain in RECLAIM until a subsequent notification and determination is made to exit.

Proposed paragraph (f)(9) outlines requirements pertaining to RTCs for facilities that are notified for exiting RECLAIM. It states that:

“Any RECLAIM facility that receives a final determination notification from the Executive Officer pursuant to paragraph (f)(7) shall not sell or transfer any future compliance year RTCs as of the date specified in the final determination notification and may only sell or transfer that current compliance year’s RTCs until the facility is transitioned out of the RECLAIM program.”

If, after review, a RECLAIM facility receives a final determination notification, then the facility would not be able to sell any future compliance year RTCs as of by a date certain

as specified in the notification, but only the current compliance year RTCs until the facility exits RECLAIM. Some stakeholders have expressed concern regarding the ability to transfer RTCs from exiting facilities to other facilities in RECLAIM that are under common ownership. RECLAIM facilities can transfer or sell RTCs until the date specified in the final determination notification. The basis for establishing an RTC “freeze” is to minimize sell-offs of credits to facilities that will remain in RECLAIM after this first groupwave of exiting facilities. In addition, it will provide staff time for analysis and preserve future options for the use of RTCs. Purchases of RTCs for compliance purposes, however, would still be allowed for any facility that receives a final determination notification in that compliance year.

The proposed amendments will establish the procedures for the initial groupwave of facilities that will exit the RECLAIM program and transition from a programmatic to a command-and-control regulatory structure. Future amendments to the notification procedures will be proposed as needed to accommodate other groups of facilities transitioning out of RECLAIM.

Emission Reductions and Cost Effectiveness

The proposed amendments do not result in any significant effect on air quality and do not result in any emissions limitation. As a result, a cost effectiveness analysis is not required.

AQMP and Legal Mandates

The California Health and Safety Code requires the SCAQMD to adopt an Air Quality Management Plan to meet state and federal ambient air quality standards and adopt rules and regulations that carry out the objectives of the AQMP. This proposed amendment of Regulation XX (Proposed Amended Rules 2001 and 2002) initiates the transition of the RECLAIM program to a command-and-control regulatory structure in order to achieve the commitments of Control Measure CMB-05 of the Final 2016 AQMP.

California Environmental Quality Act (CEQA)

SCAQMD staff has reviewed the proposed amendments to Rule 2001 and Rule 2002 pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. The effect of preventing any new or existing non-RECLAIM facility that emits four or more tons per year of NO_x or SO_x from entering the RECLAIM program would result in no change to these facilities in continuing to be subject to their current permits and/or all applicable non-RECLAIM, SCAQMD Rules and Regulations. Further, the action of identifying facilities that will be transitioning out of the RECLAIM program will not alter the applicability of SCAQMD Rules and Regulations on the identified facilities. Thus, the proposed amendments to Rule 2001

would not be expected to cause any physical changes that would affect emissions or any other environmental topic area. Similarly, the proposed amendments to Rule 2002 establishing procedures for notifying facilities to be transitioned out of the NOx RECLAIM program, and addressing the use of RTCs during the transition period for the set of facilities are also not be expected to cause any physical changes that would affect emissions or any other environmental topic area. Therefore, SCAQMD staff has determined that it can be seen with certainty that there is no possibility that the proposed amendments to Rule 2001 and Rule 2002 may have a significant adverse effect on the environment. Thus, the proposed amendments to Rule 2001 and Rule 2002 are considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 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.

Socioeconomic Analysis

PAR XX includes proposed amendments to Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx). PAR 2001 would prevent any further inclusions of non-RECLAIM facilities into both the NOx and SOx RECLAIM programs and would not affect the existing facilities constituting either the NOx or SOx RECLAIM universes. In comparison, PAR 2002 contains the notification procedures for existing facilities that would be transitioned out of the NOx RECLAIM program into command-and-control. It also establishes the criteria for the first set of facilities to exit the NOx RECLAIM program. Once that NOx RECLAIM facility receives a final determination notification that it is ready to exit the NOx RECLAIM program, then PAR 2002 would prohibit that facility from selling any future compliance year RTCs. However, the facility would be able to sell the current compliance year's RTCs until the facility exits the NOx RECLAIM program.

Affected Industries

Among the 266 facilities currently in the NOx RECLAIM program as of November 2017, an estimated total of 38 facilities would be directly affected by PAR 2002 as they are potentially ready to exit out of the NOx RECLAIM program.¹ 25 of these facilities are located in Los Angeles County, eight in Orange County, two in Riverside County, and three in San Bernardino County. Based on the North American Industry Classification System (NAICS), the majority of the directly affected facilities belong to the industry sectors of Manufacturing (NAICS 31-33) and Mining, Quarrying, and Oil and Gas Extraction (NAICS 21). Table 1 lists all affected industries, and the aggregate NOx emissions and NOx RTC holdings by industry, as measured in tons-per-day (TPD). The amount of NOx emitted by the 38 directly affected facilities and their overall NOx RTC

¹ Staff's presentation at the November 8, 2017 Public Consultation Meeting identified 39 facilities that were ready to exit out of the NOx RECLAIM program. However, one of them is a shutdown facility and therefore not included in the socioeconomic impact assessment.

holdings account for approximately 0.9 and 1.0 percent of the NOx RECLAIM universe total, respectively.

Table 1: NOx Emissions and RTC Holdings by Affected Industry

NAICS	Industry Sector	Number of Facilities	Audited NOx Emissions in 2015 (TPD)*	NOx RTC Holdings for Compliance Year 2019+ (TPD)**
21	Mining, Quarrying, and Oil and Gas Extraction	8	0.006	0.009
31-33	Manufacturing	18	0.090	0.077
44-45	Retail Trade	1	0.001	0.000
48-49	Transportation and Warehousing	2	0.033	0.013
51	Information	1	0.002	0.000
53	Real Estate and Rental and Leasing	2	0.005	0.003
54	Professional, Scientific, and Technical Services	1	0.001	0.052
56	Administrative and Support and Waste Management and Remediation Services	2	0.014	0.003
72	Accommodation and Food Services	1	0.003	0.002
92	Public Administration	2	0.028	0.060
Total of Affected Industries		38	0.182	0.219
NOx RECLAIM Universe		266	19.851	21.449

* 2015 is the most recent year for which audited emissions are available.

** NOx RTC holdings as of November 16, 2017. The holdings remain unchanged from 2019 onwards for the 38 directly affected facilities.

Potential Cost Impacts for Directly Affected Facilities

PAR 2002 would prohibit a directly affected facility from selling any future compliance year RTCs upon receipt of a final determination notification that it is ready to exit the NOx RECLAIM program. It is expected that all final determination notifications would be received in 2018, which would then mean that the 38 directly affected facilities would not be able to sell their NOx RTCs for compliance year 2019 onwards.

Among the 38 facilities, 36 were allocated NOx RTCs free of charge at the outset of the NOx RECLAIM program. The remaining two facilities joined the NOx RECLAIM program after its inception in 1994 and ~~were not issued~~ ~~therefore have no initial~~ allocations. Taking into account past credit shaves and other adjustments, the adjusted initial allocations for the 38 directly affected facilities would amount to a total of 3.746 TPD in year 2019. However, during past two decades, over 96 percent of these initial allocations have been sold as IYBs to other NOx RECLAIM facilities and brokers/investors. According to the NOx RTC holdings data as of November 16, 2017, if no further transaction occurs after this date, the 38 facilities are estimated to have a total NOx RTC holding of 0.219 TPD for compliance years 2019 and later (see Table 1), which the facilities would not be able to sell upon receiving final determination notifications. However, it is foreseeable that at least some of these NOx RTC holdings

may be sold or transferred before they are frozen due to receipt of final determination notifications.

Since there were no costs associated with the initially allocated RTCs for a RECLAIM facility, the affected facilities would not incur financial losses when the frozen future compliance year RTC holdings are at or below their adjusted initial allocations. However, it was estimated that 0.042 TPD out of the total 0.219 TPD of future compliance year NO_x RTCs, currently held by the 38 directly affected facilities, were acquired by some of the affected facilities in addition to their initial allocations, either through purchases with positive prices or transfers at no cost. If these facilities continue to stay in the NO_x RECLAIM program and their NO_x emissions remain near their 2015 levels, then over one third of these additionally acquired RTCs (0.015 TPD) were estimated to be used for compliance purposes, with the remaining (0.027 TPD) being potential surplus RTCs available for sale or transfer. These potential surplus NO_x RTCs are currently held by three of the directly affected facilities. Applying the most recent 12-month rolling average NO_x RTC price of \$6,323 per ton,² the value of these potential surplus RTCs would be approximately \$62,000 per compliance year. However, as they pertain to the SCAQMD, RTCs are not property rights. It is known to all market participants that purchasing RTCs beyond the current compliance year is accompanied by known investment risks that are embedded within the RECLAIM programs. The risk factors include, but may not be limited to, programmatic allocation shaves, potential RTC trade freezes, and the eventual sunset of either RECLAIM programs.

At the same time, a total of 19 directly affected facilities are expected to have insufficient NO_x RTC holdings if they were to continue to stay in the NO_x RECLAIM program and their NO_x emissions remain at about their 2015 levels. By exiting the NO_x RECLAIM program, these facilities would avoid the need to acquire about 0.110 TPD of NO_x RTCs which, if valued at \$6,323 per ton, would imply potential cost-savings approximately worth \$254,000 per compliance year.

To staff's knowledge, the applicable pieces of NO_x emitting equipment (i.e., RECLAIM source equipment) at the 38 directly affected facilities are all currently at BARCT. Therefore, no additional control equipment is expected to be needed and no associated costs would be incurred for the RECLAIM source equipment consisting of process units, large sources, or major sources. However, it should be noted that any RECLAIM combustion equipment at these 38 facilities that operates without a permit (e.g., small boilers and heaters) could become subject to Rule 1146.2 upon a facility's exit out of the NO_x RECLAIM program. Therefore, they may be affected by the upcoming proposed

² 12-month rolling average of Compliance Year 2017 NO_x RTCs, as calculated from October 2016 to September 2017. See Table II of "Twelve-Month and Three-Month Rolling Average Price of Compliance Years 2016 and 2017 NO_x and SO_x RTCs," available at: <http://www.aqmd.gov/docs/default-source/reclaim/nox-rolling-average-reports/rctx-price-cy-2016-17---oct-2017.pdf>.

amendments to Rule 1146.2. Any associated cost impacts will be analyzed as part of that particular rule amendment process.

Among the directly affected facilities that are currently in operation and not operated by public agencies, only four were classified as small businesses based on the 2016 Dun and Bradstreet data.³ For these four facilities, none of their estimated future compliance year NO_x RTC holdings exceed their corresponding adjusted initial allocations. Moreover, three of these facilities may accrue potential cost-savings approximately worth \$21,000 per compliance year by exiting the NO_x RECLAIM program, due to the lack of need to purchase additional NO_x RTCs beyond their estimated holdings for compliance purposes. The fourth facility no longer has applicable NO_x emitting equipment; therefore, it would not incur any cost or cost-savings associated with PAR 2002.

Potential NO_x RTC Market Impacts

With the anticipated sunset of the NO_x RECLAIM program, the number of NO_x IYB trades have plummeted to merely three trades over the 12-month period of October 2016 to September 2017, from 44 trades over the 12-month period of May 2015 to April 2016.⁴ The IYB price has also declined rapidly, largely reflecting the remaining years of the NO_x RECLAIM program life that is expected by the market participants. However, the short-term price impact of facility exit on the discrete-year RTC market may not go hand-in-hand with the overall impact of sunsetting the NO_x RECLAIM program on the IYB market, as evidenced by the recent surge in discrete-year NO_x RTC prices.

The analysis below will focus on the potential impacts on the discrete-year NO_x RTC market that are associated with PAR 2002 only. The potential exit of the 38 facilities from the NO_x RECLAIM program could possibly affect the demand and supply in the NO_x RTC market for compliance year 2019 and beyond, and the future prevailing NO_x RTC prices, too. The remaining NO_x RECLAIM facilities may be indirectly impacted as a result.

The overall NO_x emissions from the RECLAIM universe had a maximum year-over-year difference of approximately five percent during the period of 2011-2015. Table 2 reports

³ The SCAQMD defines a "small business" in Rule 102 as, among other things, one which employs 10 or fewer persons and which earns \$500,000 or less in gross annual receipts. For the purpose of qualifying for access to services from the SCAQMD's Small Business Assistance Office (SBAO), Rule 102 further defines a small business as a business with total gross annual receipts of \$5 million or less, or with 100 or fewer employees. The federal Clean Air Act Amendments (CAAA) of 1990 and the federal Small Business Administration (SBA) also provide definitions of a small business. The CAAA classifies a business as a "small business stationary source" if it: (1) employs 100 or fewer employees, (2) does not emit more than 10 tons per year of either VOC or NO_x, and (3) is a small business as defined by SBA. The federal SBA definitions of small businesses vary by six-digit NAICS codes. In general terms, it defines a small business as having no more than 500 employees for most manufacturing and mining industries, and no more than \$7 million in average annual receipts for most nonmanufacturing industries.

⁴ Table V: Twelve-Month Rolling Average Price Data for Infinite-Year Block NO_x RTCs in "Twelve-Month and Three-Month Rolling Average Price of Compliance Years 2016 and 2017 NO_x and SO_x RTCs," available at: <http://www.aqmd.gov/docs/default-source/reclaim/nox-rolling-average-reports/rtcx-price-cy-2016-17---oct-2017.pdf>.

the potentially foregone market demand and supply for three different NO_x emission scenarios: the first scenario assumes future NO_x emissions of the 38 directly affected facilities would be five percent below their respective 2015 levels; the second scenario assumes the same emission levels as in 2015; and the third scenario assumes their future NO_x emissions would be five percent above their respective 2015 levels.

The foregone market demand, as estimated by the shortage of a facility's future compliance year NO_x RTC holdings for NO_x emissions reconciliation, ranges from 0.073 TPD to 0.086 TPD. At the same time, the potential foregone market supply from *all* directly affected facilities with potential surplus RTC holdings was estimated to range between 0.114 TPD and 0.119 TPD, or about 30 to 60 percent higher than the estimated foregone market demand, depending on the emission scenario. However, when compared to the volume of discrete-year NO_x RTCs traded in calendar year 2016, the range of 0.114-0.119 TPD of potential surplus NO_x RTCs is merely two percent of that total traded volume.⁵ Moreover, it was observed that some of these facilities with potential surplus NO_x RTCs have never sold or transferred NO_x RTCs to another NO_x RECLAIM facility since the NO_x RECLAIM program began in 1994. Therefore, it is reasonable to assume that they will not participate in the market even if they continue to stay in the NO_x RECLAIM program. When estimated by the potential surplus NO_x RTC holdings from only the facilities with a historical record of NO_x RTC sales and/or transfers, the foregone market supply would range from 0.082 TPD to 0.085 TPD. This range is consistent with the estimated foregone market demand, particularly under the scenarios where future NO_x emissions are assumed to be at or above the 2015 levels.

Table 2: Potential Impacts on NO_x RTC Market Demand and Supply

	NO _x Emission Scenarios for Future Compliance Years		
	<i>5% Below 2015 NO_x Emissions</i>	<i>Same as 2015 NO_x Emissions</i>	<i>5% Above 2015 NO_x Emissions</i>
Foregone Market Demand	0.073	0.080	0.086
Foregone Market Supply – <i>From All Facilities with Surplus RTC Holdings</i>	0.119	0.116	0.114
<i>Percent Difference: (Supply – Demand)/Demand</i>	62%	46%	32%
Foregone Market Supply – <i>From Facilities with Surplus RTC Holdings & Historical Record of RTC Sales/Transfers</i>	0.085	0.084	0.082
<i>Percent Difference: (Supply – Demand)/Demand</i>	16%	5%	-5%

Note: Percent differences are rounded to the nearest integer.

⁵ In calendar year 2016, a total of 2,173 tons of discrete year NO_x RTCs were traded (2173 tons/365 days = 5.953 TPD). See page ES-2 of “Annual RECLAIM Audit Report for 2015 Compliance Year,” available at <http://www.aqmd.gov/docs/default-source/reclaim/reclaim-annual-report/2015-reclaim-report.pdf>. Notice, however, that some of the RTCs might have been traded more than once in the same year.

Given the analysis above and the fact that the 38 facilities—which are potentially ready to exit out of the NO_x RECLAIM program into command-and-control—account for about one percent of NO_x emissions and NO_x RTC holdings in the NO_x RECLAIM universe, staff concludes that the potential impact of PAR 2002 on the demand and supply of NO_x RTC market is expected to be minimal and large price fluctuations in the NO_x RTC market are unlikely to result directly from the potential exit of the 38 directly affected facilities out of the NO_x RECLAIM program. Therefore, PAR 2002 would have minimal impacts on the existing facilities that are not yet ready to exit the NO_x RECLAIM program.

Job Impacts

It has been a standard practice for SCAQMD’s socioeconomic impact assessments that, when the annual compliance cost is less than one million current U.S. dollars, the Regional Economic Impact Model Inc. (REMI)’s Policy Insight Plus Model is not used to simulate jobs and macroeconomic impacts, as is the case here. This is because the resultant impacts would be diminutive relative to the baseline regional economy. Since the overall cost impacts of PAR XX are expected to be minimal, a REMI analysis was not conducted.

References

Dun & Bradstreet Enterprise Database. 2016.

South Coast Air Quality Management District. Draft Staff Report for Proposed Amendments to Regulation XX – Regional Clean Air Incentives Market, Diamond Bar, CA. December 2017.

South Coast Air Quality Management District. Twelve-Month and Three-Month Rolling Average Price of Compliance Years 2016 and 2017 NO_x and SO_x RTCs: October 2017 Quarterly Report to Stationary Source Committee, Diamond Bar, CA. October 2017.

Draft Findings Under California Health & Safety Code Section 40727

California Health & Safety Code §40727 requires that the Board make findings of necessity, authority, clarity, consistency, non-duplication, and reference based on relevant information presented at the public hearing and in the staff report. In order to determine compliance with Sections 40727 and 40727.2, a written analysis is required comparing the proposed rule with existing regulations.

The draft findings are as follows:

Necessity: PARs 2001 and 2002 are necessary to facilitate the transitioning of RECLAIM to command-and-control by not allowing any facilities from entering the program and to establish the mechanism for notifying and exiting NO_x RECLAIM facilities from the program.

Authority: The SCAQMD obtains its authority to adopt, amend, or repeal rules and regulations from California Health and Safety Code Sections 39002, 39616, 40000, 40001, 40440, 40702, 40725 through 40728, and 41508.

Clarity: PARs 2001 and 2002 have been written or displayed so that their meaning can be easily understood by the persons affected by the rules.

Consistency: PARs 2001 and 2002 are in harmony with, and not in conflict with or contradictory to, existing federal or state statutes, court decisions or federal regulations.

Non-Duplication: PARs 2001 and 2002 do not impose the same requirement as any existing state or federal regulation, and are necessary and proper to execute the powers and duties granted to, and imposed upon the SCAQMD.

Reference: In amending these rules, the following statutes which the SCAQMD hereby implements, interprets or makes specific are referenced: Health and Safety Code sections 39002, 40001, 40702, 40440(a), and 40725 through 40728.5.

Comparative Analysis

H&S Code §40727.2 (g) is applicable because the proposed amended rules or regulations do not impose a new or more stringent emissions limit or standard, or other air pollution control monitoring, reporting or recordkeeping requirements. As a result, a comparative analysis is not required.

Incremental Cost Effectiveness

California H&S Code § 40920.6 requires an incremental cost effectiveness analysis for BARCT rules or emission reduction strategies when there is more than one control option which would achieve the emission reduction objective of the proposed amendments, relative to ozone, CO, SO_x, NO_x, and their precursors. The proposed amendment does not include new BARCT requirements; therefore this provision does not apply to the proposed amendment.

Conclusions and Recommendations

The proposed amendments are needed to facilitate the transitioning of RECLAIM to command-and-control by not allowing any facilities from entering the program and to establish the mechanism for notifying and exiting this initial group of RECLAIM

facilities from the program. As more command-and-control rules are amended to accommodate additional groups of facilities that will exit the RECLAIM program, subsequent amendments to Rule 2002 will be required.

ATTACHMENT A

PAR 2001 AND PAR 2002 PUBLIC COMMENTS AND RESPONSES

The Public Consultation Meeting for Proposed Amended Rules 2001 and 2002 was held on November 8, 2017. Comment letters received on and after that date are responded to below.

Agency/Company	Date	Comment Letter Number
Southern California Air Quality Alliance	11/20/17	1
NRG Energy, Inc.	11/22/17	2
California Council for Environmental and Economic Balance	11/22/17	3

Comment Letter #1 (Southern California Air Quality Alliance):



November 20, 2017

SENT VIA E-MAIL

Kevin Orellana
 Program Supervisor
 South Coast Air Quality Management District
 21865 Copley Drive
 Diamond Bar, CA 91765

Re: SCAQMD Proposed Amended Rule 2002

Dear Mr. Orellana:

On behalf of the Southern California Air Quality Alliance I have been actively participating in the rule development process for the sunseting of the RECLAIM program. We appreciate the willingness of SCAQMD staff to consider and address our concerns.

1-1

After reviewing the proposed amendments to Rules 2001 and 2002, we have a serious concern regarding subparagraph (f)(6)(A). That paragraph provides:

"The owner or operator of a NOx RECLAIM facility that has received a final determination notification from the Executive Officer that it will be transitioned out of the RECLAIM program shall not sell any future compliance year RTCs and may only sell current compliance year RTCs until the facility is transitioned out of the RECLAIM program."

While the language in this subparagraph prohibits the "sale" of future compliance year RTCs, we are concerned that this may be interpreted to prohibit the "transfer" of future compliance year RTCs to other facilities under common ownership with the facility which has received the final determination notification.

1-2

As I noted during my testimony at the SCAQMD Stationary Source Committee meeting on November 17, a number of facilities keep the bulk of company RTCs in a central account at one facility and transfer RTCs as needed to the other facilities. If the facility with the central account gets the determination notification it could be required to "forfeit" all the RTCs being held by it, including RTCs needed by the company's other facilities. Without RTCs to transfer to the other facilities to satisfy their RTC obligations, multiple violations could occur.

We request that the proposed rule amendments include clarification that intra-company transfers of RTCs between facilities under common ownership do not qualify as prohibited "sales" of RTCs.

6601 Center Drive West
 Suite 500
 Los Angeles, CA 90045
 Attn: Curtis L. Coleman
 (310) 348-8186 Ph
 (310) 670-1229 Fax
 colemanlaw@earthlink.net

This situation will only be exacerbated if District staff determines that the prohibition on sale is effective upon the initial notification, as is currently being considered per the staff presentation at the Stationary Source Committee meeting.

1-3

Mr. Kevin Orellana
November 20, 2017
Page 2

If you have any questions, or wish to discuss this further please feel free to contact me at your convenience.

Thank you for your consideration of this request.

Very truly yours



Curtis L. Coleman, Esq.
Executive Director
Southern California Air Quality Alliance

cc: Philip M. Fine, Ph.D.
Tracy Goss
Gary Quinn, P.E.

Responses to Comment Letter #1 (Southern California Air Quality Alliance):**Response to Comment 1-1:**

SCAQMD staff appreciates your ongoing participation throughout the rulemaking process.

Response to Comment 1-2:

The draft rule language has been updated to prohibit the sale or transfer of future compliance year RTCs as of the date specified in the final determination notification. A RECLAIM facility would still have the opportunity to transfer its RTCs to another RECLAIM facility under common ownership during the time interval between the date of the initial and final notification determination notification.

Response to Comment 1-3:

The staff proposal is to prohibit the sale or transfer of future year RTCs upon the date in the final determination notification.

Comment Letter #2 (NRG Energy, Inc.):



NRG Energy, Inc.
West Region
5790 Fleet Street, Suite 200
Carlsbad, CA 92008

November 22, 2017

via email to korellana@aqmd.gov

Mr. Kevin Orellana
Planning, Rule Development and Area Sources
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

RE: Proposed Amended Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen and Oxides of Sulfur

Dear Mr. Orellana,

On behalf of our Los Angeles Basin electrical generating facilities, NRG Energy, Inc. (NRG) appreciates the opportunity to comment on Proposed Amended Rule (PAR) 2001 – Applicability and PAR 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x) within South Coast Air Quality Management District’s (SCAQMD) Regulation XX - Regional Clean Air Incentives Market (RECLAIM).

2-1

NRG has been a stakeholder in the RECLAIM amendments since 1998. We appreciate the availability and openness of SCAQMD staff to our comments and suggestions, and to that of California Council for Environmental and Economic Balance’s (CCEEB) of which we are a member, during this rulemaking. Our comments follow.


Timing of Freezing Sale or Transfer of RTCs and Common Ownership Considerations as Facilities Exit RECLAIM – both in the Preliminary Draft Staff Report and at the November 8, 2017 RECLAIM working group and public consultation meeting, SCAQMD staff expressed uncertainty about when future compliance year RECLAIM Trading Credits (RTCs) would be frozen as a facility transitions out of RECLAIM. NRG believes greater clarity in PAR 2002(f)(6)(A) is needed, and specifically sufficient time is needed, to allow a facility to manage its RTCs up to the point that it exits from RECLAIM. For example, as currently drafted, PAR 2002(f)(6)(A) would prevent a facility such as an electricity generating facility under common ownership or operation, which may exit RECLAIM at the same or at a different time as a commonly owned or operated facility, from moving its respective future year RTCs to one another of its facilities at the point in which final determination notification from the Executive Officer that it will be transitioned out of the RECLAIM program is received. A proper transition time from the initial notification to the final notification and then the exit date is needed during which the facility and SCAQMD can develop the appropriate transition/compliance plans, in particular where movement of RTCs between facilities with common ownership or operation may be needed to ensure the respective facility’s permitted NOx Potential To Emit is maintained as the respective facility moves to command and control. Each facility will likely have unique circumstances that will need to be managed at the subsidiary level as well as at the parent ownership level. Also, SCAQMD will be in rulemaking throughout 2018. This rulemaking may affect facility compliance and influence compliance plans; so, the final notification/determination should account/align with the relevant amended rules. During this transition period, SCAQMD staff can continue to solicit stakeholder input through the RECLAIM Working Group and therefore consider potential impacts related to the timing of the proposed Regulation XX amendments.

2-2

Mr. Kevin Orellana
November 22, 2017
Page 2

We appreciate the open communication of SCAQMD staff during these important proposed RECLAIM amendments. If you have any questions, please contact me at george.piantka@nrg.com or 760-710-2156 at your convenience.

Best Regards,



George L. Piantka
Sr. Director, Regulatory Environmental Services
NRG Energy, West Region

cc: Dr. Phillip Fine, SCAQMD Deputy Executive Officer
Tracy Goss, SCAQMD Manager

Responses to Comment Letter #2 (NRG Energy, Inc.):**Response to Comment 2-1:**

SCAQMD staff appreciates your comments and ongoing participation throughout the RECLAIM rulemaking.

Response to Comment 2-2:

The draft rule language has been updated to prohibit the sale or transfer of future compliance year RTCs as of the date specified in the final determination notification. As also stated in Response to Comment 1-1, a RECLAIM facility would still have the opportunity to transfer its RTCs to another RECLAIM facility under common ownership during the time interval between the date of the initial and final notification determination notification. Staff believes that this time interval is sufficient for facilities under common ownership to be able to transfer RTCs. As has been discussed in previous working group meetings, however, Electricity Generating Facilities (EGFs) will be treated as a separate industry category, with amendments to Rule 1135 (Emissions of Oxides of Nitrogen from Electric Power Generating Systems) forecasted to be presented to the SCAQMD Governing Board in November 2018. The first working group meeting for this industry category will be held in January 2018. It is anticipated that any initial determination notifications pertaining to EGFs will be sent upon amendment of Rule 1135.

Comment Letter #3 (California Council for Environmental and Economic Balance):



California Council for Environmental and Economic Balance

101 Mission Street, Suite 1440, San Francisco, California 94105
 415-512-7890 phone, 415-512-7897 fax, www.cceeb.org

November 22, 2017

Mr. Kevin Orellana
 Planning, Rule Development and Area Sources
 South Coast Air Quality Management District
 21865 Copley Drive
 Diamond Bar, CA 91765

RE: Proposed Amended Rule 2001 – Applicability and Rule 2002 – Allocations for Oxides of Nitrogen and Oxides of Sulfur

Dear Mr. Orellana,

On behalf of the members of the California Council for Environmental and Economic Balance (CCEEB), we submit the following comments on Proposed Amended Rule (PAR) 2001 – Applicability and PAR 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x). CCEEB is a coalition of business, labor, and public leaders that advances strategies for a sound economy and a healthy environment. CCEEB represents many facilities that operate in the air basin and participate in the Regional Clean Air Incentives Market (RECLAIM). As an active participant of the RECLAIM working group, CCEEB appreciates the difficult task of sunseting the RECLAIM Program, and offers these comments as a means to help support District efforts.

3-1

CCEEB’s comments here are focused on PAR 2002:

- **Common ownership of RTCs for multiple RECLAIM facilities** – as currently drafted, PAR 2002(f)(6)(A) prevents an owner/operator from transferring fungible future compliance year RECLAIM Trading Credits (RTCs) from a facility transitioning out of RECLAIM to a facility still regulated under RECLAIM and needing to satisfy permitted limits. CCEEB wishes to work with staff on a provision to address the common ownership of RTCs for owner/operators of multiple RECLAIM facilities.
- **Freeze RTCs upon Final Determination, Develop Plans for Transition** – both in the Preliminary Draft Staff Report and at the November 8, 2017 RECLAIM working group and public consultation meeting, staff expressed uncertainty about when future compliance year RTCs would be frozen. CCEEB favors the option of freezing RTCs at the final notification of facility’s RECLAIM transition. During this transition period, staff should continue to solicit stakeholder input

3-2

3-3

through the RECLAIM Working Group on proposed amendments to the remaining portions of the program and consider potential impacts related to timing. Additionally, CCEEB has concerns regarding the equity of having different implementation schedules for facilities before and after the date of the PAR 2002 amendment.

3-3 cont.

What follows is an expanded discussion of each point.

Common Ownership of Future Compliance Year RTCs

PAR 2002 establishes the methodology for calculating RECLAIM facility allocations and adjustments to RTC holdings for NO_x and SO_x. The proposed amendments contain District procedures for notifying facilities that they will be transitioned out of RECLAIM and addresses RTC holdings for these facilities and those that elect to exit the program.¹ Subparagraph (f)(6)(A) stipulates that when a RECLAIM facility receives a final determination notification from the Executive Officer it shall not sell any future compliance year RTCs and may only sell current compliance year RTCs until it has transitioned out of the program.²

The proposed language appears to preclude an owner/operator of multiple RECLAIM facilities from handling RTCs as common assets among its multiple facilities. RECLAIM, as a market based regulatory program, is intended to provide owner/operators flexibility in achieving the lowest cost NO_x and SO_x emission reductions while still achieving the required emission reductions. Central to this is allowing owner/operators of multiple RECLAIM facilities to trade and transfer RTCs among facilities for the most efficient and cost-effective emission reductions. CCEEB seeks clarification on subparagraph (f)(6)(A) in terms of whether PAR 2002 would preclude the transfer of RTCs among facilities with common ownership. If so, we wish to discuss with staff what is the rationale for this approach. If it is the intent of the proposal to allow the transfer of RTCs between facilities with common ownership, as we support, we ask that staff clarify the language to make this option clear.

3-4

Freeze RTCs upon Final Determination, Not Initial Notification

PAR 2002 (f)(6)(a) would suspend future compliance year RTCs upon a facility's receipt of a "final determination notification from the Executive Officer that it will be transitioned out of the RECLAIM program."³ However, in the draft staff report and at the November 8, 2017 working group meeting, staff indicated that it is also considering

3-5

¹ South Coast Air Quality Management District. Preliminary Draft Staff Report Proposed Amendments to Regulation XX – Regional Clean Air Incentives Market. November 2017.

² South Coast Air Quality Management District. Proposed Amended Rule 2002 – Allocations of Oxides of Nitrogen and Oxides of Sulfur. Amended November 6, 2017.

³ *Ibid.* Subsection (f)(6)(A).

“freezing future infinite year block RTCs trades at the time of the initial notification to prevent over-supply of RTCs.”⁴

The freezing of future compliance year RTCs at the time of initial determination, as opposed to final determination, is problematic for two primary reasons. The first is the resulting economic impacts on RECLAIM facilities. The second is what appears to be an uneven treatment among facilities transitioning out of RECLAIM. For these reasons, CCEEB favors the option of freezing of future compliance year RTCs upon the final determination that a facility will be transitioned from the RECLAIM program.

To illustrate these concerns, consider a scenario in which a facility receives its initial notification, but later is deemed not ready to transition out of NOx RECLAIM, at which point the freeze on its RTC holdings would be lifted. This scenario presents regulatory and business uncertainty during the period between notification and determination. Freezing and unfreezing RTCs based upon a back-and-forth discussion between a facility and the District on the status of a multiple sources would be overly burdensome, and we believe unnecessary given that the District can simply freeze RTCs upon final determination, as the rule currently proposes. At a minimum, we ask staff to analyze whether freezing RTCs at initial notification could create uncertainty and result in supply volatility. Given the potential to impact RTC prices by unexpected changes in RTC supply, CCEEB believes this should be considered as part of the rule’s analysis.

3-5 cont.

Additionally, we have concerns about equity between facilities slated for the first round of transition and those transitioning after adoption of PAR 2002. Staff has stated that the timing of PAR 2002 “would not apply to the first group of facilities that will receive the initial notifications, but to subsequent groups of facilities [...] after the amendments to Rules 2001 and 2002.”⁵ The difference in timing of the freeze of RTCs between facilities transitioned before and after the date of the PAR 2002 seems arbitrary. CCEEB wishes to better understand why staff is considering different alternatives to when RTCs would be frozen, and believes this and the equity issues are important considerations.

3-6

Given the significance of PAR 2002 for the future success of the RECLAIM transition, adequate time for stakeholder input must be provided. As such, we ask staff to delay the set hearing for PAR 2002 for a month, allowing stakeholders to raise the issues we present here at the next RECLAIM Working Group meeting on December 14, 2017. We do not believe a short delay to work through these concerns presents any challenges to the District’s efforts, and PAR 2001 could remain on track, with a set hearing on December 1.

3-7

⁴ South Coast Air Quality Management District. Preliminary Draft Staff Report Proposed Amendments to Regulation XX – Regional Clean Air Incentives Market. November 2017. p. 5.

⁵ *Ibid*

RE: PAR 2001 & 2002

November 22, 2017

Page 4 of 4

We appreciate the opportunity to provide these comments and look forward to continuing to engage staff in the rulemaking process and RECLAIM working group.

Sincerely,

A handwritten signature in black ink that reads "Bill Quinn". The signature is written in a cursive, flowing style.

Bill Quinn
CCEEB Vice President
South Coast Air Project Manager

cc: Mr. Jerry Secundy
Ms. Janet Whittick
Mr. Devin Richards
CCEEB South Coast Air Project Members

Responses to Comment Letter #3 (California Council for Environmental and Economic Balance):**Response to Comment 3-1:**

SCAQMD staff appreciates your comments and support during the sunseting of the RECLAIM program.

Response to Comment 3-2:

Staff acknowledges the comment and believes that the proposed draft rule language addresses the concerns for facilities under common ownership.

Response to Comment 3-3:

Staff agrees with not allowing for the sale or transfer of future compliance year RTCs upon the date specified in the final determination notification and not an earlier date. Staff will continue to solicit stakeholder input through the RECLAIM working group, as well as through individual stakeholder meetings. The implementation schedules for RECLAIM facilities will be addressed in Proposed Rule 1100 (Implementation Schedule for NO_x Facilities), which is forecasted to be presented to the SCAQMD Governing Board in April 2018. As command-and-control and industry-specific rules are amended, the respective compliance schedules will be reflected in subsequent amendments to Rule 1100. Stakeholder comments and concerns will be addressed through the various working group meetings throughout the rulemaking process.

Response to Comment 3-4:

Staff acknowledges the concern for facilities under common ownership. The proposed amended rule allows for this transfer of RTCs among facilities with common ownership and is further explained in the draft staff report. See Response to Comments 1-2 and 2-2.

Response to Comment 3-5:

The draft rule language has been updated to prohibit the sale or transfer of future compliance year RTCs as of the date specified in the final determination notification.

Response to Comment 3-6:

The proposed amendments to Rule 2002 for not allowing for the sale or transfer of future compliance year RTCs upon the date specified in the final determination notification will apply for all RECLAIM facilities.

Response to Comment 3-7:

Staff does not believe further time is necessary and will move forward to present the staff proposal at the January 5, 2018 SCAQMD Governing Board Meeting.

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 REGULATION XX – REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM); PROPOSED AMENDED RULE 2001 – APPLICABILITY, AND PROPOSED AMENDED RULE 2002 – ALLOCATIONS FOR OXIDES OF NITROGEN (NO_x) AND OXIDES OF SULFUR (SO_x)

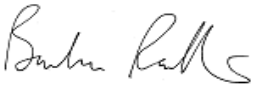
Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (SCAQMD) is the Lead Agency and has prepared a Notice of Exemption for the project identified above.

SCAQMD staff has reviewed the proposed amendments to Regulation XX which includes Proposed Amended Rule 2001 – Applicability, and Proposed Amended Rule 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x) pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 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 Proposed Amended Rules 2001 and 2002 may have a significant adverse effect on the environment. Therefore, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 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 my attention at the above address. I can also be reached at (909) 396-2716. Mr. Kevin Orellana is also available at (909) 396-3492 to answer any questions regarding the proposed amended rules.

Date: November 30, 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 Regulation XX – Regional Clean Air Incentives Market (RECLAIM): Proposed Amended Rule 2001 – Applicability, and Proposed Amended Rule 2002 – Allocations for Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x)

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:

Amendments are proposed to Regulation XX - RECLAIM to initiate the transition of facilities that are currently in the RECLAIM program to a command-and-control regulatory structure. In particular, Proposed Amended Rule (PAR) 2001 would prohibit new or existing non-RECLAIM facilities emitting four or more tons per year of NO_x or SO_x emissions from entering the RECLAIM program. PAR 2002 contains procedures for notifying facilities transitioning out of the NO_x RECLAIM program and adds provisions for RECLAIM Trading Credits (RTCs) during the transition period.

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 Section 15061(b)(3) – Activities Covered by General Rule

Reasons why project is exempt: SCAQMD staff has reviewed the proposed amendments to Regulation XX, which includes PAR 2001 and PAR 2002, pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. The effect of preventing any new or existing non-RECLAIM facility that emits four or more tons per year of NO_x or SO_x from entering the RECLAIM program would result in no change to these facilities in continuing to be subject to their current permits and/or all applicable non-RECLAIM, SCAQMD Rules and Regulations. Further, the action of identifying facilities that will be transitioning out of the RECLAIM program will not alter the applicability of SCAQMD Rules and Regulations on the identified facilities. Thus, PAR 2001 would not be expected to cause any physical changes that would affect emissions or any other environmental topic area. Similarly, the proposed amendments to Rule 2002 establishing procedures for notifying facilities to be transitioned out of the NO_x RECLAIM program, and addressing the use of RTCs during the transition period for the set of facilities are also not be expected to cause any physical changes that would affect emissions or any other environmental topic area. Therefore, SCAQMD staff has determined that it can be seen with certainty that there is no possibility that PAR 2001 and PAR 2002 may have a significant adverse effect on the environment. Thus, PAR 2001 and PAR 2002 are considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule.

Date When Project Will Be Considered for Approval (subject to change):

SCAQMD Governing Board Hearing: January 5, 2018; SCAQMD Headquarters

CEQA Contact Person: Ms. Barbara Radlein	Phone Number: (909) 396-2716	Email: bradlein@aqmd.gov	Fax: (909) 396-3982
Rules Contact Person: Mr. Kevin Orellana	Phone Number: (909) 396-3492	Email: korellana@aqmd.gov	Fax: (909) 396-3324

Date Received for Filing: _____ **Signature:** _____ *(Signed Upon Board Approval)*

Barbara Radlein
Program Supervisor, CEQA Section
Planning, Rule Development & Area Sources

PROPOSED AMENDMENTS TO RULE 2001 AND RULE 2002

REGULATION XX (RECLAIM)

SCAQMD GOVERNING BOARD MEETING

JANUARY 5, 2018

Overview

- RECLAIM transition to command-and-control:
 - Adoption Resolution for the Final 2016 AQMP (CMB-05) commits to transitioning as early as practicable
 - Assembly Bill 617 requires schedule for BARCT by January 1, 2019 and full implementation no later than December 31, 2023
- Amendments to Rules 2001 and 2002 initiate the transition
 - PAR 2001 ends the addition of any facilities into RECLAIM (for both NOx and SOx)
 - PAR 2002 establishes the process for transitioning facilities to command-and-control

Criteria for Transitioning Facilities

- Staff has initially identified 38 RECLAIM facilities for potential exit
- A facility is ready to transition if the facility has no NOx emissions or NOx emissions are solely from the combination of:
 - Rule 219 equipment¹, various location permits, or unpermitted equipment; and/or
 - RECLAIM equipment meeting current command-and-control BARCT rules²

¹ Unless the equipment would be subject to a command-and-control rule that it cannot reasonably comply with

² Includes any applicable BARCT command-and-control rule regardless if the equipment is currently meeting the BARCT emission limit

PAR 2002 Notification Process

Executive Officer will notify a facility that it is under review for transition

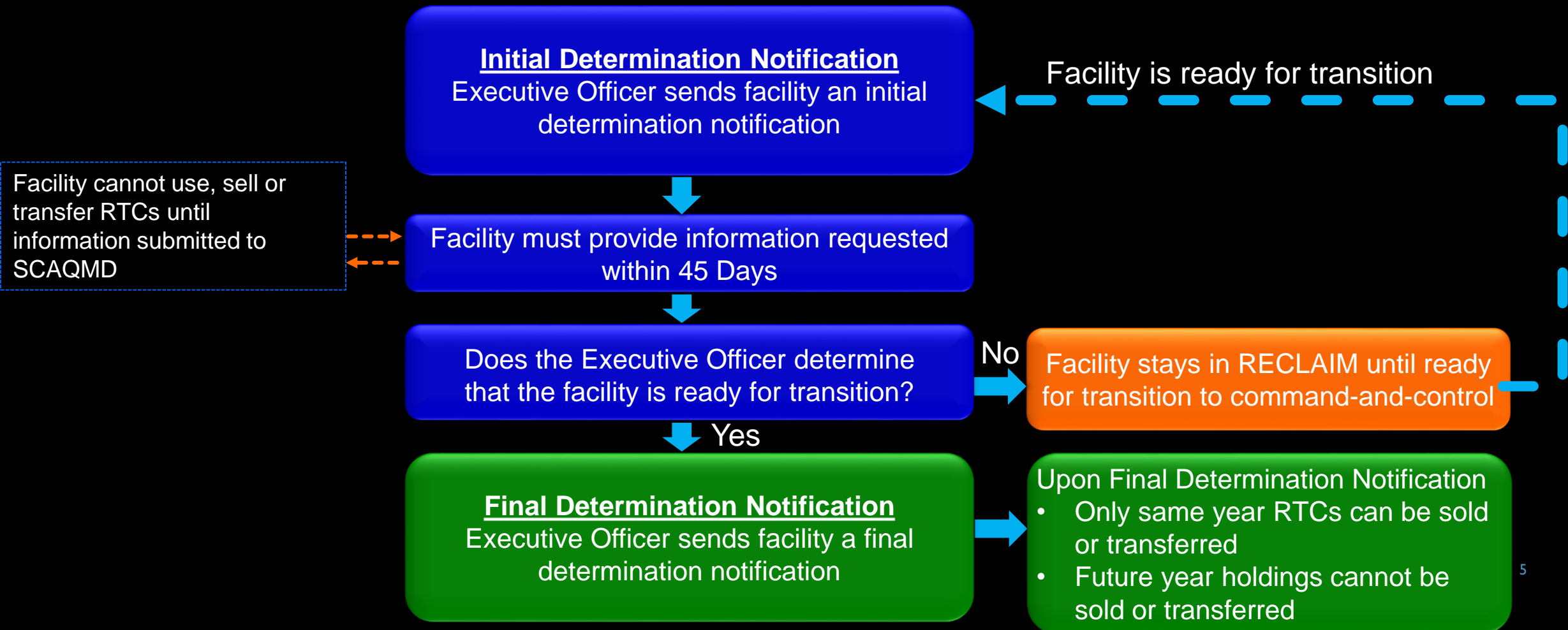


Facility will identify RECLAIM equipment for Executive Officer review



Final determination notification will be sent by the Executive Officer stating the facility will transition out of RECLAIM

Overview of Transition Approach



Recommendations

- Adopt the Resolution
 - Determining that PARs 2001 and 2002 are exempt from the requirements of CEQA
 - Amending Rules 2001 and 2002

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 19

PROPOSAL: Determine that Proposed Amendments to Rule 301 – Permitting and Associated Fees Are Exempt from CEQA and Amend Rule 301

SYNOPSIS: On June 2, 2017, Rule 301 was amended to address cost recovery by refining the alignment of program revenue with program costs that have typically never been fully recovered. In addition to the annual across-the-board CPI adjustment, permit-related service fee rates were increased over a three-year period, with differential increases for Title V and non-Title V facilities. During the amendment, staff inadvertently deleted the SCAQMD’s authority to charge for the preparation of a notice for a project requiring notification as defined in Rule 212(c). Proposed Amended Rule 301 consists of administrative changes to restore SCAQMD’s deleted authority.

COMMITTEE: Administrative Committee, December 8, 2017, Reviewed

RECOMMENDED ACTIONS:

Adopt the attached Resolution:

1. Determining that Proposed Amended Rule 301 – Permitting and Associated Fees is exempt from the requirements of the California Environmental Quality Act; and
2. Amending Proposed Amended Rule 301 – Permitting and Associated Fees

Wayne Natri
Executive Officer

PF:SN:JW:ES

Background

Rule 301 – Permitting and Associated Fees, was adopted on February 4, 1977, as part of Regulation III – Fees, to cover the cost of evaluation, planning, inspection, and

NOTE: A Draft Board Letter in lieu of a Preliminary/Draft Staff Report was released and made available to the public on December 6, 2017. Changes made to the Draft Board Letter after its release are shown in underline/strikeout format and this document is the Final Board Letter for the January 5, 2018 Public Hearing. There is no separate Staff Report. Attachments B and C were not included in the December 6, 2017 release. They are not shown in underline text for ease of readability.

monitoring related to the issuance of permits. On June 2, 2017, Regulation III was most recently amended to address cost recovery by refining the alignment of program revenue with program costs that have typically never been fully recovered. In addition to the annual across-the-board CPI adjustment, permit-related service fee rates were increased over a three-year period, with differential increases for Title V and non-Title V facilities. During the June 2017 amendment, staff inadvertently deleted the SCAQMD's authority, formerly specified in Rule 301 paragraph (j)(4), to charge for the preparation of a notice for a project requiring notification as defined in Rule 212(c).

Proposal

Proposed Amended Rule (PAR) 301 consists of administrative changes to restore the SCAQMD's deleted authority to charge for the preparation of a notice for a project requiring notification as defined in Rule 212(c). Rule 301 paragraph (j)(4) included this language until the June 2, 2017 amendments to Regulation III, where it was inadvertently removed during the process of converting the original rule text into a table format.

Revenue Impacts

Upon restoration of the SCAQMD's deleted authority to charge for the preparation of a notice for a project requiring notification as defined in Rule 212(c), PAR 301 will result in approximately \$75,000 to \$125,000 fees collected in partial cost recovery for the remainder of Fiscal Year (FY) 2017-18.

California Environmental Quality Act

SCAQMD staff has reviewed the proposed amendments to Rule 301 pursuant to: 1) CEQA Guidelines Section 15002(k) - General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 - Review for Exemption, procedures for determining if a project is exempt from CEQA. The proposed amendments to Rule 301 are identified as being strictly administrative in nature; as such, 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 Section 15061(b)(3) – Activities Covered by General Rule. Additionally, the proposed amendments to Rule 301 involve fees charged by the SCAQMD, such that all of these amendments are statutorily exempt from CEQA requirements pursuant to CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, because the proposed amendments involve charges by a public agency for the purpose of meeting operating expenses, purchasing supplies, equipment and materials, and meeting financial reserve requirements. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption. If the project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside and San Bernardino counties.

Socioeconomic Impact Assessment

PAR 301 consists of administrative changes to restore the SCAQMD's deleted authority to charge for the preparation of a notice for a project requiring notification as defined in Rule 212(c). Therefore, it will not significantly affect air quality or emission limitations, and it will also not result in any adverse socioeconomic impacts.

Draft Findings

Before adopting, amending or repealing a rule, the SCAQMD Governing Board shall make findings of necessity, equity, authority, clarity, consistency, non-duplication, and reference, as defined in California Health and Safety Code (H&SC) Section 40727. The draft findings are as follows:

A. Necessity

The SCAQMD Governing Board has determined that a need exists to amend Rule 301 to restore the SCAQMD's deleted authority to charge for the preparation of a notice for a project requiring notification as defined in Rule 212(c) in order to support necessary clean air programs ~~and to amend Rule 301 to fund the FY 2017-18 Budget.~~

B. Equity

H&SC Section 40510.5(a) requires the SCAQMD Governing Board to find that an increased fee will result in an equitable apportionment of fees when increasing fees beyond the CPI. However, H&SC Section 40510.5(a) is not applicable to PAR 301, which consists of administrative changes to restore the SCAQMD's deleted authority to charge for the preparation of a notice for a project requiring notification as defined in Rule 212(c).

C. Authority

The SCAQMD Governing Board obtains its authority to adopt, amend, or repeal rules and regulations from H&SC Sections 40000, 40001, 40440, 40500, 40501.1, 40502, 40506, 40510, 40510.5, 40512, 40522, 40522.5, 40523, 40702, and 44380, and Clean Air Act Section 502(b)(3) [42 U.S.C. §7661(b)(3)] .

D. Clarity

The SCAQMD Governing Board has determined that Rule 301, as proposed to be amended, is written or displayed so that the meaning can be easily understood by the persons directly affected by it.

E. Consistency

The SCAQMD Governing Board has determined that Rule 301, as proposed to be amended, is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations.

F. Non-duplication

The SCAQMD Governing Board has determined that Rule 301, as proposed to be amended, does not impose the same requirements as any existing state or federal regulation and is necessary and proper to execute the power and duties granted to, and imposed upon, the SCAQMD.

G. Reference

The SCAQMD Governing Board, in amending these rules, references the following statutes which the SCAQMD hereby implements, interprets, or makes specific: H&SC Sections 40500, 40500.1, 40510, 40510.5, 40512, 40522, 40522.5, 40523, 41512, and 44380, and Clean Air Act Section 502(b)(3) [42 U.S.C.S. 7661 (b)(3)].

Resource Impacts

None.

Attachments

- A. Proposed Amended Rule 301 – Permitting and Associated Fees
- B. Resolution
- C. Notice of Exemption

ATTACHMENT A

(Adopted Feb. 4, 1977)(Amended May 27, 1977)(Amended Jan. 6, 1978)
(Amended June 16, 1978)(Amended April 4, 1980)(Amended Sept. 5, 1980)
(Amended June 5, 1981)(Amended July 9, 1982)(Amended Dec. 3, 1982)
(Amended June 3, 1983)(Amended May 4, 1984)(Amended July 6, 1984)
(Amended Nov. 2, 1984)(Amended Dec. 6, 1985)(Amended May 1, 1987)
(Amended June 3, 1988)(Amended December 2, 1988)(Amended January 6, 1989)
(Amended June 2, 1989)(Amended June 1, 1990)(Amended June 7, 1991)
(Amended December 6, 1991)(Amended June 5, 1992)(Amended July 10, 1992)
(Amended June 11, 1993)(Amended October 8, 1993)(Amended June 10, 1994)
(Amended May 12, 1995)(Amended October 13, 1995)(Amended May 10, 1996)
(Amended May 9, 1997)(Amended May 8, 1998)(Amended June 12, 1998)
(Amended May 14, 1999)(Amended May 19, 2000)(Amended May 11, 2001)
(Amended May 3, 2002)(Amended June 6, 2003)(Amended July 9, 2004)
(Amended June 3, 2005)(Amended June 9, 2006)(Amended May 4, 2007)
(Amended May 2, 2008)(Amended June 5, 2009)(Amended May 7, 2010)
(Amended May 6, 2011)(Updated July 1, 2012)(Updated July 1, 2013)
(Amended June 6, 2014)(Amended May 1, 2015)(Updated July 1, 2016)
(Amended June 2, 2017)(Pending Amendment January 5, 2018)

Proposed Effective Date January 5, 2018~~July 1, 2017~~

PROPOSED AMENDED RULE 301. PERMITTING AND ASSOCIATED FEES

(a) Applicability

California Health and Safety Code Section 40510 provides authority for the South Coast Air Quality Management District to adopt a fee schedule for the issuance of permits to cover the cost of evaluation, planning, inspection, and monitoring related to that activity. This rule establishes such a fee schedule and requires that fees be paid for:

- (1) Permit processing for Facility Permits [see subdivisions (l), (m), and (n)], Facility Registrations [see subdivision (t)], and Permits to Construct and/or Permits to Operate equipment (submitted pursuant to Regulation II) that may cause air pollution or equipment intended to control air pollution [see subdivision (c)].
- (2) Processing of applications for banking emission reduction credits; change of title of emissions reduction credits; alteration/modification of emission reduction credits; retirement of short term emission reduction credits for transfer into Rule 2202; and the transfer of ERCs out of Rule 2202 pursuant to Rule 2202 (h)(4); or conversion of emissions reduction credits, mobile source credits, or area source credits to short term emission reduction credits, pursuant to Regulation XIII [see paragraphs (c)(4) and (c)(5)].

- (3) Annual operating permit renewal fee [see subdivision (d)].
- (4) Annual operating permit emissions fee [see subdivision (e)] or Regional Clean Air Incentives Market (RECLAIM) Trading Credits (RTCs) [see subdivision (l)].
- (5) Duplicate and reissued permits [see subdivision (f)].
- (6) Reinstating expired applications or permits [see subdivision (g)].
- (7) Reinstating revoked permits [see subdivision (h)].
- (8) RECLAIM Transaction Registration Fee [see subdivision (l)].
- (9) Non-Tradeable Allocation Credit Mitigation Fee [see subdivision (l)].
- (10) Environmental Impact Analysis, Air Quality Analysis, Health Risk Assessment, Public Notification for Projects and Emission Reduction Credits (pursuant to Regulation XIII - New Source Review) [see paragraph (c)(4) and subdivision (j) of this rule].
- (11) Asbestos demolition and renovation activities [see subdivision (o)].
- (12) Lead abatement activities [see subdivision (p)].
- (13) Evaluation of permit applications submitted for compliance under a National Emission Standard for Hazardous Air Pollutants (NESHAP) [see subdivision (q)].
- (14) Certification of Clean Air Solvents [see subdivision (r)].

(b) Definitions

For the purpose of this rule, the following definitions shall apply:

- (1) ALTERATION or MODIFICATION means any physical change, change in method of operation of, or addition to, existing equipment requiring an application for Permit to Construct pursuant to Rule 201. Routine maintenance and/or repair shall not be considered a physical change. A change in the method of operation of equipment, unless previously limited by an enforceable permit condition, shall not include:
 - (A) An increase in the production rate, unless such increase will cause the maximum design capacity of the equipment to be exceeded; or
 - (B) An increase in the hours of operation.
- (2) ALTERNATIVE OPERATING CONDITION is an order established by the Hearing Board pursuant to subdivision (e) of this rule which, if recognized by the United States Environmental Protection Agency, authorizes a source to be operated in a specified manner that would otherwise not comply with an applicable requirement of the State

Implementation Plan or a permit term or condition based on any such applicable requirement.

- (3) BANKING means the process of recognizing and certifying emission reductions and registering transactions involving emission reduction credits.
- (4) CANCELLATION is an administrative action taken by the District which nullifies or voids a previously pending application for a permit.
- (5) CERTIFIED EQUIPMENT PERMIT means a permit issued to a manufacturer or distributor for a specific model or series of models of equipment. By this permit, the District certifies that the equipment meets all District rules and Best Available Control Technology (BACT) requirements under a set of conditions. Eligibility for the certification process shall be limited to equipment for which the following conditions exist, as determined by the Executive Officer:
 - (A) Equipment operation and emission characteristics will be applicable to a number of identical pieces of equipment;
 - (B) Permitting can be accomplished through the use of identical permit conditions for each piece of equipment regardless of use or location;
 - (C) The equipment is exempt from emission offsets as defined in Rule 1304(a)(4) or Rule 1304(a)(5); or the emissions of each criteria pollutant, except lead, are determined to be less than the limits listed in Rule 1303, Appendix A, Table A-1; and
 - (D) The equipment does not emit lead or the toxic emissions do not result in a Maximum Individual Cancer Risk (MICR) equal to or greater than one in a million as calculated according to Rule 1401.

Certified Equipment Permit shall be valid for one year, and shall be renewed annually if the Executive Officer determines the equipment meets all District rules and BACT requirements. Certification shall not relieve the person constructing, installing or operating the equipment from the requirement to obtain all necessary permits to construct and permits to operate, or from compliance with any other District rule including the requirements of Regulation XIII.

- (6) CHANGE OF CONDITION means a change of a current permit condition that will not result in an emission increase. Any request for a Change in Condition to a previously enforceable permit condition that will result in a emission increase subject to the New Source Review Rules in Regulation

XIII, XIV, or XX will be considered a change in the method of operation and processed as an Alteration or Modification.

- (7) CLEAN AIR SOLVENT is as defined in Rule 102 as “Clean Air Solvent”.
- (8) CLEAN AIR SOLVENT CERTIFICATE is as defined in Rule 102 as “Clean Air Solvent Certificate”.
- (9) CONFINED ANIMAL FACILITY (CAF) means a source or group of sources of air pollution at an agricultural source for the raising of 3,360 or more fowl or 50 or more animals, including but not limited to, any structure, building, installation, farm, corral, coop, feed storage area, milking parlor, or system for the collection, storage, or distribution of solid and liquid manure; if domesticated animals, including but not limited to, cattle, calves, horses, sheep, goats, swine, rabbits, chickens, turkeys, or ducks corralled, penned, or otherwise caused to remain in restricted areas for commercial agricultural purposes and feeding is by means other than grazing.
- (10) CONTINUOUS EMISSIONS MONITORING SYSTEM (CEMS) is a system comprised of components that continuously measure all parameters necessary to determine pollutant concentration or pollutant mass emissions, pursuant to a District rule or regulation.
 - (A) For the purpose of this rule, a CEMS includes, but is not limited to, the following analyzers, monitors, components, systems, or equipment:
 - (i) Pollutant concentration analyzer(s) (e.g., NO_x, SO_x, CO, Total Sulfur) and associated sample collection, transport, and conditioning equipment, and data acquisition and logging systems,
 - (ii) Diluent gas analyzer (O₂ or CO₂),
 - (iii) Flow monitor (direct in-stack measurement or indirectly calculated from fuel usage or other process parameters approved by the Executive Officer), and
 - (iv) Other equipment (e.g., moisture monitor) as required to comply with monitoring requirements.
 - (B) For the purpose of this rule, a “time-shared CEMS” means a CEMS as described in paragraph (J)(5) which is common to several sources of emissions at the same facility.
 - (C) For the purpose of this rule, a “Fuel Sulfur Monitoring System” or “FSMS” may be used as an alternative to a CEMS SO_x monitoring

requirement, subject to District Rules and Regulations, and the approval of the Executive Officer. An FSMS is a total sulfur monitoring system configured similar to the CEMS described in paragraph (J)(5) but, as an alternative to directly monitoring SOx emissions at sources required to have SOx CEMS (at the same facility), SOx emission information at each affected source is determined “indirectly” by monitoring the sulfur content of the fuel gas supply firing the affected sources.

- (D) For the purpose of this rule, an “Alternative Continuous Emissions Monitoring System” or “ACEMS” (also known as a “Predictive or Parametric Emissions Monitoring System” or “PEMS”) may be used as an alternative to a CEMS pollutant monitoring requirement, subject to District Rules and Regulations, and the approval of the Executive Officer. Instead of directly monitoring the pollutant emissions at a source required to have a CEMS as in paragraph (J)(5), emission information is “predicted” by the ACEMS or PEMS by monitoring key equipment operating parameters (e.g., temperature, pressure) at the affected source, irrespective of exhaust gas or fuel supply analysis.
- (11) EMISSION FACTOR means the amount of air contaminant emitted per unit of time or per unit of material handled, processed, produced, or burned.
- (12) EMISSION REDUCTION CREDIT (ERC) means the amount of emissions reduction which is verified and determined by the Executive Officer to be eligible for credit in an emissions reduction bank.
- (13) EMISSION SOURCE is any equipment or process subject to Rule 222. The source does not require a permit, but the owner/operator is required to file information pursuant to Rule 222 and Rule 301(t).
- (14) EQUIPMENT means any article, machine, or other contrivance, or combination thereof, which may cause the issuance or control the issuance of air contaminants, and which:
 - (A) Requires a permit pursuant to Rules 201 and/or 203; or
 - (B) Is in operation pursuant to the provisions of Rule 219
- (15) EXPIRATION means the end of the period of validity for an application, Permit to Operate, or a temporary Permit to Operate.
- (16) FACILITY means any source, equipment, or grouping of equipment or sources, or other air contaminant-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 persons under common control) or an outer continental shelf (OCS) source as defined in 40 CFR § 55.2. Such above-described groupings, if on noncontiguous properties but connected only by land carrying a pipeline, shall not be considered one facility. Equipment 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 facility on-shore.

- (17) FACILITY PERMIT is a permit which consolidates existing equipment permits and all new equipment at a facility, into one permit. A facility permit may be issued pursuant to Regulation XX and/or XXX.
- (18) FACILITY REGISTRATION is a permit which consolidates existing equipment permits and all new equipment at a facility into one permit. A Facility Registration may be issued at District discretion to any facility not subject to Regulation XX or XXX.
- (19) GREENHOUSE GAS or “GHG” means carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs).
- (20) IDENTICAL EQUIPMENT means any equipment which is to be operated by the same operator, and have the same equipment address, and have the same operating conditions and processing material to the extent that a single permit evaluation would be required for the set of equipment. Portable equipment, while not operating at the same location, may qualify as identical equipment.
- (21) NON-ROAD ENGINE is a portable engine that requires a permit and is certified by the Executive Officer to be a Non-Road Engine regulated by U.S. EPA pursuant to 40 CFR Part 89.
- (22) PREMISES means one parcel of land or contiguous parcels of land under the same ownership or entitlement to use, not including the parcels which are remotely located and connected only by land carrying a pipeline.
- (23) QUALIFYING PORTABLE ENGINE is a portable engine that requires a permit and is certified by the Executive Officer to meet all the requirements of Non-Road Engine of 40 CFR Part 89 except date of manufacture, and has

been demonstrated to meet the emission limitations of 40 CFR Section 89.112-96.

- (24) RECLAIM TRADING CREDITS (RTCs) means the amount of emissions credit available to a facility for use at the facility for transfer or sale to another party. Each RTC has a denomination of one pound of RECLAIM pollutant and a term of one year, and can be issued as part of a facility's Annual Allocation or alternatively in the form of an RTC certificate.
- (25) REGISTRATION PERMIT means a permit to construct or permit to operate issued to an owner/operator of equipment which has previously been issued a Certified Equipment Permit by the District. The owner/operator shall agree to operate under the conditions specified in the Certified Equipment Permit.
- (26) RELOCATION means the removal of an existing source from one parcel of land in the District and installation on another parcel of land where the two parcels are not in actual physical contact and are not separated solely by a public roadway or other public right-of-way.
- (27) REVOCATION is an action taken by the Hearing Board following a petition by the Executive Officer which invalidates a Permit to Construct or a Permit to Operate.
- (28) SMALL BUSINESS is as defined in Rule 102 as "Small Business."
- (29) SPECIFIC ORGANIC GASES are any of the following compounds:
 - trifluoromethane (HFC-23)
 - chlorodifluoromethane (HCFC-22)
 - dichlorotrifluoroethane (HCFC-123)
 - tetrafluoroethane (HFC-134a)
 - dichlorofluoroethane (HCFC-141b)
 - chlorodifluoroethane (HCFC-142b)
 - 1,1,1-trifluoroethane (HFC-143a)
 - 1,1-difluoroethane (HFC-152a)
 - cyclic, branched, or linear, completely fluorinated alkanes
 - cyclic, branched, or linear, completely fluorinated ethers with no unsaturations
 - cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations
 - sulfur-containing perfluorocarbons with no unsaturations and with sulfur bonds only to carbon and fluorine.

- (30) SOURCE means any grouping of equipment or other air contaminant-emitting activities which are located on parcels of land 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. Such above-described groupings, if remotely located and connected only by land carrying a pipeline, shall not be considered one stationary source. (Under RECLAIM, a SOURCE is any individual unit, piece of equipment or process which may emit an air contaminant and which is identified, or required to be identified, in the RECLAIM Facility Permit).
 - (31) STREAMLINED STANDARD PERMIT means a permit issued for certain types of equipment or processes commonly permitted by SCAQMD with pre-set levels of controls and emissions. The operating conditions and other qualifying criteria are pre-determined by the SCAQMD and provided to the permit applicant in the permit application package for concurrence.
 - (32) STATEWIDE EQUIPMENT is equipment with a valid registration certificate issued by CARB for the Statewide Portable Equipment Registration Program.
 - (33) TEMPORARY PERMIT TO OPERATE represents interim authorization to operate equipment until the Permit to Operate is granted or denied. A temporary Permit to Operate is not issued by the District but may exist pursuant to Rule 202.
- (c) Fees for Permit Processing
- (1) Permit Processing Fee
 - (A) Permit Processing Fee Applicability

Except as otherwise provided in this rule, every applicant who files an application for a Permit to Construct, Permit to Operate, Facility Permit, court judgments in favor of the District and administrative civil penalties or a revision to a Facility Permit, shall, at the time of filing, pay all delinquent fees associated with the facility and shall pay a permit processing fee.

 - (i) Except as otherwise provided in this paragraph, the permit processing fee shall be determined in accordance with the schedules (set forth in the Summary Permit Fee Rates tables) at the time the application is deemed complete.

- (ii) A person applying for permits for relocation of equipment shall pay fees in accordance with the schedules set forth in the Summary Permit Fee Rates tables at the time the application is deemed complete. All fees due, within the past 3 years, from the previous facility for equipment for which a Change of Location application is filed, and all facility-specific fees (such as “Hot Spots” fees), must be paid before the Change of Location application is accepted.
- (iii) A person applying for permits for any equipment/process not otherwise listed in Table I shall pay the fees associated with Schedule C. Prior to the issuance of a permit, these fees are subject to adjustment, as necessary.
- (iv) For applications submitted prior to July 1, 1990, the applicant shall pay a permit processing fee as specified in the Summary Permit Fee Rates tables, less any previously paid filing fees not to exceed the amount due. These fees are due and payable within thirty (30) days of receipt of notification.
- (v) In the event a Permit to Construct expires under the provisions of Rule 205, and the applicable rules, regulations, and BACT for that particular piece of equipment have not been amended since the original evaluation was performed, the permit processing fee for a subsequent application for a similar equipment shall be the fee established in the Summary Permit Fee Rates - Change of Operator table according to the applicable schedule under the Change of Operator category, provided the subsequent application is submitted within one (1) year from the date of expiration of either the Permit to Construct, or an approved extension of the Permit to Construct.

(B) Notice of Amount Due and Effect of Nonpayment

For fees due upon notification, such notice may be given by personal service or by deposit, postpaid, in the United States mail and shall be due thirty (30) days from the date of personal service or mailing. For the purpose of this subparagraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated

on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been postmarked on the expiration date. Nonpayment of the fee within this period of time will result in expiration of the application and voiding of the Permit to Construct or Permit to Operate. No further applications will be accepted from the applicant until such time as overdue permit processing fees have been fully paid. If an application is canceled, a permit processing fee will be charged if evaluation of the application has been initiated.

- (C) **Payment for Permit Processing of Equipment Already Constructed**
In the case of application for a Permit to Operate equipment already constructed, or where a Permit to Construct was granted prior to August 1, 1982, the applicant shall pay the permit processing fee within thirty (30) days of receipt of notification. In the case where a portion of the permit evaluation fee was paid when a Permit to Construct was granted, the amount paid shall be credited to the amount due for permit processing in accordance with the Summary Permit Fee Rates tables, and shall be due within thirty (30) days of receipt of notification. In both cases, payment shall be as specified in subparagraph (c)(1)(B) of this rule. If, at the time the Permit to Operate is granted or denied, it is determined that any annual operating permit fee as provided in subdivision (d) of this rule had been based on incorrect information, the applicant will be billed for or credited with the difference, as appropriate.
- (D) **Higher Fee for Failing to Obtain a Permit**
- (i) When equipment is operated, built, erected, installed, altered, or replaced (except for replacement with identical equipment) without the owner/operator first obtaining a required Permit to Construct or Permit to Operate, the permit processing fee shall be 150 percent (150%) of the amount set forth in the Summary Permit Fee Rates tables of this rule unless the applicant is a Small Business as defined in this provision and the facility has no prior permit applications, Permit to Construct or Permit to Operate (as evidenced by a

facility identification number) with the District in which case the permit processing fee shall be the amount set forth in the Summary Permit Fee Rates tables of this rule. If a facility has been issued a Notice of Violation (NOV), there shall be no waiver of the higher fee. The applicant shall also remit annual operating fees for the source for a full three (3) years, or the actual years of operation if less than three (3) years. The assessment of such fee shall not limit the District's right to pursue any other remedy provided for by law. Fees are due and payable within thirty (30) days of receipt of notification. [See subparagraph (c)(2)(B).] However, the higher fee shall be waived if the application is being submitted for equipment that was previously permitted (issued either a Permit to Construct or a Permit to Operate) but had expired due to non-payment of fees, provided the application is submitted within one (1) year of the expiration date, and that permit is reinstatable under subdivision (g) of this rule.

(ii) For purposes of assessing a higher fee for failing to obtain a permit only, small business shall be defined as a business which is independently owned and operated and not an affiliate of a non-small business entity and meets the following criteria:

(A) If a non-manufacturer, the number of employees is 25 or less and the total gross annual receipts are \$1,000,000 or less; or

(B) If a manufacturer, the number of employees is 50 or less and the total gross annual receipts are \$5,000,000 or less, or

(C) Is a not-for-profit training center.

(E) Small Business

When applications are filed in accordance with the provisions of subparagraphs (c)(1)(A), (c)(1)(H)(i), (c)(1)(D) or paragraph (c)(3) for a Small Business as defined in Rule 102 – Definition of Terms, the fees assessed shall be fifty percent (50%) of the amount set forth in the Summary Permit Fee Rates - Permit Processing, Change of

Conditions, Alteration/Modifications table and in the Summary of ERC Processing Rates, Banking, Change of Title, Alteration/Modification, Conversion to Short Term Credits, Re-Issuance of Short Term Credits, Retirement of Short Term Credits for Transfer Into Rule 2202, and Transfer of ERCs Out of Rule 2202 table.

- (F) Fees for Permit Processing for Identical Equipment and Processing of Applications for Short Term Emission Reduction Credits
When applications are submitted in accordance with the provisions of subparagraphs (c)(1)(A), (c)(1)(D), (c)(1)(E), (c)(1)(I), paragraphs (c)(3) or (c)(4) concurrently for identical equipment, or for change of title or alteration/modification of short term emission reduction credits, full fees for the first application, and fifty percent (50%) of the applicable processing fee for each additional application shall be assessed. The provisions of this subparagraph do not apply to Certified Equipment Permits, Registration Permits, and the exceptions mentioned in subparagraphs (c)(3)(A), (c)(3)(B), and (c)(3)(C). This subparagraph shall, upon request of the applicant, apply to applications which have been received before July 1, 1996, but not yet been processed or which have not received final determination regarding applicable permit processing fees.
- (G) Discounts for Small Business and Identical Equipment
Applications qualifying with the provisions of both subparagraph (c)(1)(E) and (c)(1)(F) shall only be entitled to one fee discount equivalent to the maximum discount afforded under either subparagraph.
- (H) Fees for Permit Processing for Certified Equipment Permits and Registration Permits
 - (i) Persons applying for a Certified Equipment Permit shall pay a one-time permit processing fee for each application. The fee shall be determined in accordance with the Summary Permit Fee Rates tables of this rule. No annual operating permit renewal fee shall be charged.
 - (ii) A permit processing fee equal to 50% of Schedule A Permit Processing Fee of the Summary Permit Fee Rates table shall

be assessed to a person applying for a Change of Operator for a Certified Equipment Permit.

- (iii) A permit processing fee equal to 50% of Schedule A Permit Processing Fee of the Summary Permit Fee Rates table shall be charged to a person applying for a Registration Permit to Construct and Permit to Operate for certified equipment. Annual operating permit renewal fees shall be paid pursuant to subdivision (d).
- (iv) When certified equipment is built, erected, installed, or replaced (except for identical replacement) without the owner/operator obtaining a required Rule 201 Permit to Construct, the permit processing fee assessed shall be 150 percent (150%) of the amount set forth in subparagraph (c)(1)(H)(iii) of Rule 301.

(I) Applications Submitted for Equipment Previously Exempted by Rule 219

When applications for equipment are submitted within one year after the adoption of the most recent amendment to Rule 219 and are filed in accordance with the provisions of subparagraphs (c)(1)(A), (c)(1)(F), paragraphs (c)(2), or (c)(3) and require a permit, solely due to the most recent amendments to Rule 219, the permit processing fees assessed shall be in accordance with Schedule A.

(J) Standard Streamlined Permits

The Streamlined Standard Permit application processing fee shall be \$865.01 for FY 2017-18 and \$899.61 for FY 2018-19 and thereafter, except that the fee shall not exceed the applicable permit processing fee including small business discount if applicable. There shall be no small business discount on the basic fee of \$865.01 for FY 2017-18 and \$899.61 for FY 2018-19 and thereafter. Applications submitted for existing equipment which is operating and qualifies for a Streamlined Standard Permit shall be assessed an application processing fee in accordance with the provisions of subparagraph 301(c)(1)(D). Standard Streamlined Permits may be issued for the following equipment or processes: Replacement dry-cleaning equipment and Lithographic printing equipment.

- (2) Fee for Change of Operator or Additional Operator
- Under Rule 209 (Transfer and Voiding of Permits), a permit granted by the District is not transferable. Every applicant who files an application for a change of operator or additional operator with the same operating conditions of a Permit to Operate shall be subject to a permit processing fee as follows:
- (A) The permit processing fee shall be as established in the Summary Permit Fee Rates - Change of Operator table for equipment at one location so long as the new operator files an application for a Permit to Operate within one (1) year from the last renewal of a valid Permit to Operate and does not change the operation of the affected equipment. All fees billed from the date of application submittal that are associated with the facility for equipment for which a Change of Operator or Additional Operator application is filed, and all facility-specific fees (such as “Hot Spots” fees), must be paid before the Change of Operator or Additional Operator application is accepted. If after an application is received and SCAQMD determines that fees are due, the new operator shall pay such fees within 30 days of notification. If the fees are paid timely, the operator will not be billed for any additional fees billed to the previous operator.
- (B) If an application for change of operator of a permit is not filed within one (1) year from the last annual renewal of the permit under the previous operator, the new operator shall submit an application for a new Permit to Operate, along with the permit processing fee as prescribed in subparagraph (c)(1)(A). A higher fee, as described in subparagraph (c)(1)(D), shall apply.
- (3) Change of Operating Condition, Alteration/Modification/Addition
- All delinquent fees, and court judgments in favor of the District and administrative civil penalties associated with the facility must be paid before a Change of Operating Condition, Alteration/Modification/Addition application will be accepted. When an application is filed for a permit involving change of operating conditions, and/or a permit involving proposed alterations/modifications or additions resulting in a change to any existing equipment for which a Permit to Construct or a Permit to Operate was granted and has not expired in accordance with these rules, the permit

processing fee shall be the amount set forth in the Summary Permit Fee Rates tables. The only exceptions to this fee shall be:

- (A) Permits that must be reissued with conditions prohibiting the use of toxic materials and for which no evaluation is required, no physical modifications of equipment are made, and the use of substitute materials does not increase Volatile Organic Compounds (VOC) by more than 0.5 pound in any one day. When an application is filed for a modification described by this exception, the permit processing fee shall be the applicable fee as shown in the table below in this subparagraph:

Facility Type	Non-Title V	Title V
FY 2017-18	\$865.01	\$920.48
FY 2018-19	\$899.61	\$1,018.70
FY 2019-20 and thereafter	\$899.61	\$1,127.29

- (B) Permits that must be reissued to reflect the permanent removal of a standby fuel supply, or to render equipment non-operational shall pay the applicable reissue permit fee as shown in the tables below in this subparagraph, as follows:

- (i) Does not result in a new source review emission adjustment:

Facility Type	Non-Title V (per equipment or reissued permit)	Title V (per equipment or reissued permit)
FY 2017-18	\$633.40	\$674.02
FY 2018-19	\$658.73	\$745.94
FY 2019-20 and thereafter	\$658.73	\$825.46

(ii) Does result in a new source review emission adjustment:

Facility Type	Non-Title V (per equipment)	Title V (per equipment)
FY 2017-18	\$1,660.65	\$1,767.15
FY 2018-19	\$1,727.07	\$1,955.70
FY 2019-20 and thereafter	\$1,727.07	\$2,164.18

(C) Permits reissued for an administrative change in permit description, for splitting a permit into two or more permits based on Equipment/Process listed in Table IA or IB (an application is required for each Equipment/Process) or for a change in permit conditions based on actual operating conditions and which do not require any engineering evaluation and do not cause a change in emissions, shall be charged a fee according to the following schedule:

Schedule	Non-Title V		Title V		
	FY 2017-18	FY 2018-19 and thereafter	FY 2017-18	FY 2018-19	FY 2019-20 and thereafter
A	\$633.40	\$658.74	\$674.02	\$745.94	\$825.46
A1	\$633.40	\$658.74	\$674.02	\$745.94	\$825.46
B	\$865.01	\$899.61	\$920.48	\$1,018.70	\$1,127.29
B1	\$865.01	\$899.61	\$920.48	\$1,018.70	\$1,127.29
C	\$865.01	\$899.61	\$920.48	\$1,018.70	\$1,127.29
D	\$865.01	\$899.61	\$920.48	\$1,018.70	\$1,127.29
E	\$865.01	\$899.61	\$920.48	\$1,018.70	\$1,127.29
F	\$865.01	\$899.61	\$920.48	\$1,018.70	\$1,127.29
G	\$865.01	\$899.61	\$920.48	\$1,018.70	\$1,127.29
H	\$865.01	\$899.61	\$920.48	\$1,018.70	\$1,127.29

- (D) For permits reissued because of Rule 109 or Rule 109.1, which do not result in Best Available Control Technology (BACT) determination, the permit processing fee shall be 50% of the amount set forth in the Summary Permit Fee Rules tables.
- (4) Fee for Evaluation of Applications for Emission Reductions
Every applicant who files an application for banking of emission reduction credits; change of title of emission reduction credits; alteration/modification of emission reduction credits; or conversion of emission reduction credits, mobile source credits, or area source credits to short term emission reduction credits, as described in paragraph (a)(2) of this rule shall, at the

time of filing, pay a processing fee in accordance with Schedule I in the Summary Permit Fee Rates tables. Additionally, the applicant shall, if required by Rule 1310(c), either:

- (A) Pay a fee for publication of public notice, as specified in Table II (B) and a preparation fee as per Rule 301(i)(4), or
 - (B) Arrange publication of the public notice independent of the District option and provide to the Executive Officer a copy of the proof of publication.
- (5) Fees for Retirement of Short Term Emission Reduction Credits for Transfer into Rule 2202, and for ERCs Transfer Out of Rule 2202.

Any applicant who files an application to transfer a short term emission reduction credit certificate into Rule 2202 or to transfer ERCs out of Rule 2202 pursuant to Rule 2202 – On-Road Motor Vehicle Mitigation Options shall, at the time of filing, pay the fee as listed in the Summary of ERC Processing Rates, Banking, Change of Title, Alteration/Modification, Conversion to Short Term Credits, Re-Issuance of Short Term Credits, Retirement of Short Term Credits for Transfer Into Rule 2202, and Transfer of ERCs Out of Rule 2202 table.

(d) Annual Operating Permit Renewal Fee

(1) Renewal of Permit to Operate

All Permits to Operate (including temporary Permits to Operate pursuant to Rule 202) for equipment on the same premises shall be renewed on the annual renewal date set by the Executive Officer. A Permit to Operate is renewable if the permit is valid according to the District's Rules and Regulations and has not been voided or revoked and if the annual operating permit fee is paid within the time and upon the notification specified in paragraph (d)(8) of this rule and if all court judgments in favor of the District and administrative civil penalties associated with the facility are paid.

(2) Annual Operating Fees

The annual operating permit renewal fee shall be assessed in accordance with the following schedules:

Equipment/Process Schedules in Tables IA and IB	Non-Title V Annual Operating Permit Renewal Fee	Title V Annual Operating Permit Renewal Fee
A1	\$188.78 for FY 2017-18 and \$196.33 for FY 2018-19 and thereafter	\$200.89 for FY 2017-18, \$222.32 for FY 2018-19 and \$246.02 for FY 2019-20 and thereafter
A, B, and B1 (excluding Rule 461 liquid fuel dispensing nozzles)	\$378.28 for FY2017-18 and \$393.41 for FY2018-19 and thereafter	\$402.54 for FY 2017-18, \$445.49 for FY 2018-19 and \$492.98 for FY 2019-20 and thereafter
C and D	\$1,354.85 for FY2017-18 and \$1,409.05 for FY2018-19 and thereafter	\$1,441.75 for FY 2017-18, \$1,595.58 for FY 2018-19 and 1,765.67 for FY 2019-20 and thereafter
E, F, G, and H	\$3,253.18 for FY2017-18 and \$3,383.30 for FY2018-19 and thereafter	\$3,461.82 for FY 2017-18, \$3,831.20 for FY 2018-19 and \$4,239.61 for FY 2019-20 and thereafter
Rule 461 liquid fuel dispensing system	\$111.83 for FY2017-18 and \$116.31 for FY2018-19 and thereafter per product dispensed per nozzle	\$119.01 for FY 2017-18, \$131.71 for FY 2018-19 and \$145.75 for FY 2019-20 and thereafter per product dispensed per nozzle

In addition to the annual operating permit renewal fees based on equipment/process, each RECLAIM/Title V facility shall pay the additional fee of:

Title V Facility	\$583.62 for FY 2017-18, \$645.89 for FY 2018-19 and \$714.74 for FY 2019-20 and thereafter per facility
RECLAIM Facility	\$910.09 for FY 2017-18 and \$946.49 for FY 2018-19 and thereafter per Major Device
	\$182.02 for FY2017-18 and \$189.30 for FY2018-19 and thereafter per Large Device
	\$182.02 for FY2017-18 and \$189.30 for FY2018-19 and thereafter per Process Unit Device
RECLAIM and Title V Facility	RECLAIM fee + Title V fee

- (3) Credit for Solar Energy Equipment
- Any permittee required to pay an annual operating permit renewal fee shall receive an annual fee credit for any solar energy equipment installed at the site where the equipment under permit is located. Solar energy projects that receive grant funding from the Rule 1309.1 – Priority Reserve account shall not be eligible for this annual fee credit.
- (A) Computation
- The design capacity of the solar energy equipment expressed in thousands of British Thermal Units (Btu) per hour shall be used to determine the fee credit calculated at \$1.91 per 1,000 Btu.
- (B) Limitation
- The solar energy credit shall not exceed the annual operating permit renewal fee for all permits at the site where the solar energy equipment is located.
- (4) Renewal of Temporary Permit to Operate New Equipment
- A Permit to Construct, which has not expired or has not been canceled or voided, will be considered a temporary Permit to Operate on the date the applicant completes final construction and commences operation, pursuant to subdivision (a) of Rule 202. For the purposes of this paragraph, the date specified as the estimated completion date on the application for Permit to Construct will be considered the date of commencement of operation, unless the applicant notifies the District in writing that operation will commence on another date, or unless the equipment already has been placed in operation. Such temporary Permit to Operate shall be valid for the period of time between commencement of operation and the applicant's next annual renewal date following commencement of operation and shall be subject to a prorated amount of the annual operating permit renewal fee prescribed in paragraph (d)(2). The proration shall be based on the time remaining to the next annual renewal date. On that next annual renewal date, and each year thereafter, the annual operating permit renewal fee for the temporary Permit to Operate shall be due in the amount prescribed in paragraph (d)(2).
- (5) Renewal of Temporary Permit to Operate Existing Equipment
- In the case of equipment operating under a temporary Permit to Operate issued pursuant to subdivision (c) of Rule 202, where a Permit to Construct was not issued, the company is immediately subject to a prorated amount of

the annual operating permit renewal fee prescribed in paragraph (d)(2) following the submission of the completed application for Permit to Operate. The proration shall be based on the time remaining to the next annual renewal date. On that next annual renewal date, and each year thereafter, the annual operating permit renewal fee shall be due in the amount prescribed in paragraph (d)(2). If no annual renewal date has been established, the Executive Officer shall set one upon receipt of the application.

(6) Annual Renewal Date

If, for any reason, the Executive Officer determines it is necessary to change the annual renewal date, all annual operating permit renewal fees shall be prorated according to the new annual renewal date.

(7) Annual Renewal Date for Change of Operator

The same annual renewal date shall apply from one change of operator to another.

(8) Notice of Amount Due and Effect of Nonpayment

At least thirty (30) days before the annual renewal date, the owner/operator of equipment under permit will be notified by mail of the amount to be paid and the due date. If such notice is not received at least thirty (30) days before the annual renewal date, the owner/operator of equipment under permit shall notify the District on or before the permit renewal date that said notice was not received. The annual operating permit renewal fee for each permit shall be in the amount described in paragraph (d)(2). If the annual operating permit renewal fee is not paid within thirty (30) days after the due date, the permit will expire and no longer be valid. In the case of a RECLAIM facility, if the individual device fee(s) are not paid, the application(s) associated with the device(s) shall expire and no longer be valid. For a Title V facility, if the Title V facility fee, which is not based on any specific equipment but applies to the whole facility, is not paid, the Title V facility permit shall expire. In such a case, the owner/operator will be notified by mail of the expiration and the consequences of operating equipment without a valid permit, as required by Rule 203 (Permit to Operate). For the purpose of this paragraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday,

the fee payment may be postmarked on the next business day following the Saturday, Sunday, or state holiday with the same effect as if it had been postmarked on the expiration date.

(9) Annual Operating Fees for Redundant Emission Controls

Any person holding permits to operate for two or more emission controls applicable to the same equipment who establishes that any of the emission controls is redundant, i.e., not necessary to assure compliance with all applicable legal requirements, shall not be required to pay annual operating permit renewal fees under subdivision (d) for the redundant equipment. The Executive Officer may reinstate the obligation to pay such fees at any time upon determination that operating the control is or has become necessary to assure compliance with any applicable legal requirements.

(e) Annual Operating Emissions Fee

(1) Annual Operating Emission Fee Applicability

In addition to the annual operating permit renewal fee, the owner/operator of all equipment operating under permit shall pay an annual emissions fee based on the total weight of emissions of each of the contaminants specified in Table III from all equipment used by the operator at all locations, including total weight of emissions of each of the contaminants specified in Table III resulting from all products which continue to passively emit air contaminants after they are manufactured, or processed by such equipment, with the exception of such product that is shipped or sold out of the District so long as the manufacturer submits records which will allow for the determination of emissions within the District from such products.

(2) Emissions Reporting and Fee Calculation

For the reporting period July 1, 2000 to June 30, 2001, and all preceding reporting periods, emissions from equipment not requiring a written permit pursuant to Regulation II shall be reported but not incur a fee for emissions so long as the owner/operator keeps separate records which allow the determination of emissions from such non-permitted equipment. Notwithstanding the above paragraph, for the purposes of Rule 317 – Clean Air Act Non-Attainment Fees, all major stationary sources of NOx and VOC, as defined in Rule 317, shall annually report and pay the appropriate clean air act non-attainment fees for all actual source emissions including but not limited to permitted, unpermitted, unregulated and fugitive

emissions. Beginning with the reporting period of July 1, 2001 to June 30, 2002, and for subsequent reporting periods, each facility with total emissions including emissions from equipment or processes not requiring a written permit pursuant to Regulation II greater than or equal to the threshold amount of contaminants listed in paragraph (e)(5) shall report all emissions and incur an emissions fee as prescribed in Table III.

Non-permitted emissions which are not regulated by the District shall not be reported and shall be excluded from emission fees if the facility provides a demonstration that the emissions are not regulated and maintains sufficient records to allow the accurate demonstration of such non-regulated emissions.

(3) Exception for the Use of Clean Air Solvents

An owner/operator shall not pay a fee for emissions from the use of Clean Air Solvents issued a valid Certificate from the District so long as the facility submits separate records which allow the determination of annual emissions, usage, and identification of such products. A copy of the Clean Air Solvent certificate issued to the manufacturer or distributor shall be submitted with the separate records.

(4) Flat Annual Operating Emission Fee

The owner/operator of all equipment operating under at least one permit (not including certifications, registrations or plans) shall each year be assessed a flat annual emissions fee of \$127.46.

(5) Emission Fee Thresholds

Each facility with emissions greater than or equal to the threshold amount of the contaminant listed below shall be assessed a fee as prescribed in Table III.

TABLE III

Air Contaminant(s)	Annual Emissions Threshold (TPY)
Gaseous sulfur compounds (expressed as sulfur dioxide)	≥4 TPY
Total organic gases (excluding methane, exempt compounds as specified in paragraph (e)(13), and specific organic gases as specified in paragraph (b)(28))	≥4 TPY
Specific organic gases	≥4 TPY
Oxides of nitrogen (expressed as nitrogen oxide)	≥4 TPY
Total particulate matter	≥4 TPY
Carbon monoxide	≥100 TPY

(6) Clean Fuels Fee Thresholds

Each facility emitting 250 tons or more per year (≥ 250 TPY) of Volatile Organic Compounds, Nitrogen Oxides, Sulfur Oxides and Particulate Matter shall pay an annual clean fuels fee as prescribed in Table V (California Health and Safety Code Section 40512).

(7) Fees for Toxic Air Contaminants or Ozone Depleters

Each facility emitting a toxic air contaminant or ozone depleter greater than or equal to the annual thresholds listed in Table IV shall be assessed an annual emissions fee as indicated therein. The annual emissions fee for toxic air contaminants and ozone depleters shall be based on the total weight of emissions of these contaminants associated with all equipment and processes including, but not limited to, material usage, handling, processing, loading/unloading; combustion byproducts, and fugitives (equipment/component leaks).

(A) Any dry cleaning facility that emits less than two (2) tons per year of perchloroethylene, and qualifies as a small business as defined in the general definition of Rule 102, shall be exempt from fees listed in Table IV. This provision shall be retroactive to include the July 10, 1992, rule amendment which included perchloroethylene in Table IV.

(B) Any facility that emits less than two (2) tons per year, of formaldehyde, perchloroethylene, or methylene chloride, may

petition the Executive Officer, at least thirty (30) days prior to the official submittal date of the annual emissions report as specified in paragraph (e)(10), for exemption from formaldehyde, perchloroethylene, or methylene chloride fees as listed in Table IV. Exemption from emissions fees shall be granted if the facility demonstrates that no alternatives to the use of these substances exist, no control technologies exist, and that the facility qualifies as a small business as defined in the general definition of Rule 102.

- (8) Reporting of Total Emissions from Preceding Reporting Period and Unreported or Under-reported Emissions from Prior Reporting Periods
- (A) The owner/operator of equipment subject to paragraph (e)(1), (e)(2), (e)(5), (e)(6), and (e)(7) shall report to the Executive Officer the total emissions for the immediate preceding reporting period of each of the air contaminants concerned from all equipment. The report shall be made at the time and in the manner prescribed by the Executive Officer. The permit holder shall report the total emissions for the twelve (12) month period reporting for each air contaminant concerned from all equipment or processes, regardless of the quantities emitted.
- (B) The Executive Officer will determine default emission factors applicable to each piece of permitted equipment or group of permitted equipment, and make them available to the owner/operator in a manner specified by the Executive Officer and provide them to the owner/operator upon request. In determining emission factors, the Executive Officer will use the best available data. A facility owner/operator can provide alternative emission factors that more accurately represent actual facility operations subject to the approval of the Executive Officer.
- (C) A facility owner/operator shall report to the Executive Officer, in the same manner, and quantify any emissions of air contaminants in previous reporting periods which had not been reported correctly and should have been reported under the requirements in effect in the reporting period in which the emissions occurred.
- (9) Request to Amend Emissions Report and Refund of Emission Fees
- (A) A facility owner/operator shall submit a written request (referred to as an “Amendment Request”) for any proposed revisions to

previously submitted annual emissions reports. Amendment requests with no fee impact, submitted after one (1) year and seventy five (75) days from the official due date of the subject annual emissions report shall include a non-refundable standard evaluation fee of \$332.65 for each subject facility and reporting period. Evaluation time beyond two hours shall be assessed at the rate of \$166.35 per hour and shall not exceed ten (10) hours. Amendment requests received within one year (1) and seventy five (75) days from the official due date of a previously submitted annual emissions report shall not incur any such evaluation fees. The Amendment Request shall include all supporting documentation and copies of revised applicable forms.

- (B) A facility owner/operator shall submit a written request (referred to as a “Refund Request”) to correct the previously submitted annual emissions reports and request a refund of overpaid emission fees. Refund Requests must be submitted within one (1) year and seventy five (75) days from the official due date of the subject annual emissions report to be considered valid. The Refund Request shall include all supporting documentation and copies of revised applicable forms. If the Refund Request is submitted within one (1) year and seventy five (75) days from the official due date of the subject annual emissions report, and results in no fee impact, then the facility owner/operator shall be billed for the evaluation fee pursuant to subparagraph (e)(9)(A).

(10) Notice to Pay and Late Filing Surcharge

- (A) A notice to report emissions and pay the associated emission fees will be mailed annually to the owners/operators of all equipment (as shown in District records) to which this subdivision applies. A notice to pay the semi-annual fee specified in paragraph (e)(11) will also be mailed to facilities which in the preceding reporting year emitted any air contaminant equal to or greater than the emission thresholds specified in subparagraph (e)(11)(A). Emissions reports and fee payments are the responsibility of the owner/operator regardless of whether the owner/operator was notified.

If both the fee payment and the completed emissions report are not received by the seventy-fifth (75th) day following July 1 (for semi-

annual reports), or January 1 (for annual reports), they shall be considered late, and surcharges for late payment shall be imposed as set forth in subparagraph (e)(10)(B). For the purpose of this subparagraph, the emissions fee payment and the emissions report shall be considered to be timely received by the District if it is postmarked on or before the seventy-fifth (75th) day following the official due date. If the seventy-fifth (75th) day falls on a Saturday, Sunday, or a state holiday, the fee payment and emissions report may be postmarked on the next business day following the Saturday, Sunday, or the state holiday with the same effect as if they had been postmarked on the seventy-fifth (75th) day.

- (B) If fee payment and emissions report are not received within the time prescribed by subparagraph (e)(10)(A), a surcharge shall be assessed and added to the original amount of the emission fee due according to the following schedule:

Less than 30 days	5% of reported amount
30 to 90 days	15% of reported amount
91 days to 1 year	25% of reported amount
More than 1 year	(See subparagraph (e)(10)(D))

- (C) If an emission fee is timely paid, and if, within one year after the seventy-fifth (75th) day from the official due date is determined to be less than ninety percent (90%) of the full amount that should have been paid, a fifteen percent (15%) surcharge shall be added, and is calculated based on the difference between the amount actually paid and the amount that should have been paid, to be referred to as underpayment. If payment was ninety percent (90%) or more of the correct amount due, the difference or underpayment shall be paid but with no surcharges added. The fee rate to be applied shall be the fee rate in effect for the year in which the emissions actually occurred. If the underpayment is discovered after one (1) year and seventy five (75) days from the official fee due date, fee rates and surcharges will be assessed based on subparagraph (e)(10)(D).
- (D) The fees due and payable for the emissions reported or reportable pursuant to subparagraph (e)(8)(D) shall be assessed according to the fee rate for that contaminant specified in Tables III, IV, and V,

and further increased by fifty percent (50%). The fee rate to be applied shall be the fee rate in effect for the year in which the emissions are actually reported, and not the fee rate in effect for the year the emissions actually occurred.

(E) If one hundred twenty (120) days have elapsed since January 1st, July 1st, or as applicable, and all emission fees including any surcharge have not been paid in full, the Executive Officer may take action to revoke all Permits to Operate for equipment on the premises, as authorized in Health and Safety Code Section 42307.

(11) Semi-Annual Emissions Fee Payment

(A) For facilities emitting the threshold amount of any contaminant listed below, the Executive Officer will estimate one half (1/2) of the previous annual emission fees and request that the permit holder pay such an amount as the first installment on annual emission fees for the current reporting period.

Air contaminant(s)	Annual emissions threshold (TPY)
Gaseous sulfur compounds (expressed as sulfur dioxide)	≥10 TPY
Total organic gases (excluding methane, exempt compounds as specified in paragraph (e)(13), and specific organic gases as specified in paragraph (b)(28))	≥10 TPY
Specific organic gases	≥10 TPY
Oxides of nitrogen (expressed as nitrogen dioxide)	≥10 TPY
Total particulate matter	≥10 TPY
Carbon monoxide	≥100 TPY

(B) In lieu of payment of one half the estimated annual emission fees, the owner/operator may choose to report and pay on actual emissions for the first six months (January 1 through June 30). By January 1 of the year following the reporting period, the permit holder shall submit a final Annual Emission Report together with the payment of the balance; the annual emission fees less the installment previously paid. The report shall contain an itemization

of emissions for the preceding twelve (12) months of the reporting period (January 1 through December 31).

(C) An installment fee payment is considered late and is subject to a surcharge if not received within seventy five (75) days of the due date pursuant to paragraph (e)(10).

(12) Fee Payment Subject to Validation

Acceptance of a fee payment does not constitute validation of the emission data.

(13) Exempt Compounds

Emissions of acetone, ethane, methyl acetate, parachlorobenzotrifluoride (PCBTF), and volatile methylated siloxanes (VMS), shall not be subject to the requirements of Rule 301(e).

(14) Reporting Emissions and Paying Fees

For the reporting period of January 1 through December 31, emission fees shall be determined in accordance with fee rates specified in Tables III, IV and V, and paragraph (e)(2). Installment fees that have been paid for Semi-Annual Emission Fees shall not be subject to this provision.

(15) Deadline for Filing Annual Emissions Report and Fee Payment

Notwithstanding any other applicable Rule 301(e) provisions regarding the annual emissions report and emission fees, for the reporting period January 1 through December 31, the fee payment and the completed annual emissions report shall be received by the District, or postmarked, on or before the seventy-fifth (75th) day following January 1 of the subsequent year to avoid any late payment surcharges specified in subparagraph (e)(10)(B).

(16) Reporting GHG Emissions and Paying Fees

A facility that is subject to the California Air Resources Board (CARB)'s mandatory reporting of Greenhouse Gas (GHG) emissions may request District staff to review and verify the facility's GHG emissions. The fee for review and verification for each GHG emissions report shall consist of an initial submittal fee of \$131.31 in addition to a verification fee assessed at \$135.90 per hour or prorated portion thereof.

(f) Certified Permit Copies and Reissued Permits

A request for a certified permit copy shall be made in writing by the permittee after the destruction, loss, or defacement of a permit. A request for a permit to be

reissued shall be made in writing by the permittee where there is a name or address change without a change of operator or location. The permittee shall, at the time a written request is submitted, pay the fees to cover the cost of the certified permit copy or reissued permit as follows:

(1) Certified Permit Copy

Facility Type	Non-Title V	Title V
FY 2017-18	\$28.08	\$29.88
FY 2018-19	\$29.20	\$33.07
FY 2019-20 and thereafter	\$29.20	\$36.60

(2) Reissued Permit

Facility Type	Non-Title V	Title V
FY 2017-18	\$217.39	\$231.33
FY 2018-19	\$226.08	\$256.01
FY 2019-20 and thereafter	\$226.08	\$283.30

No fee shall be assessed to reissue a permit to correct an administrative error by District staff.

(g) Reinstating Expired Applications or Permits; Surcharge

An application or a Permit to Operate which has expired due to nonpayment of fees or court judgments in favor of the District or administrative civil penalties associated with the facility may be reinstated by submitting a request for reinstatement of the application or Permit to Operate accompanied by a reinstatement surcharge and payment in full of the amount of monies due at the time the application or Permit to Operate expired. The reinstatement surcharge shall be fifty percent (50%) of the amount of fees due per equipment at the time the

application or Permit to Operate expired, or the following amount, whichever is lower:

Permit Holder Per Equipment Fee	Title V Facility	Non-Title V Facility	Other Facility Type
FY 2017-18	\$245.43	\$230.64	\$230.64
FY 2018-19	\$271.62	\$239.87	\$239.87
FY 2019-20 and thereafter	\$300.57	\$239.87	\$239.87

Such request and payment shall be made within one (1) year of the date of expiration. An application or Permit to Operate which has expired due to nonpayment of fees shall not be reinstated if the affected equipment has been altered since the expiration of the application or Permit to Operate. If the period of expiration has exceeded one (1) year or the affected equipment has been altered, operation of the equipment shall require a new Permit to Operate and the application shall be subject to Rule 1313(b).

(h) Reinstating Revoked Permits

If a Permit to Operate is revoked for nonpayment of annual permit fees based on emissions or fees on non-permitted emissions, it may be reinstated upon payment by the permit holder of such overdue fees and accrued surcharge in accordance with (e)(9).

(i) Clean Air Act Non-Attainment Fees

Any fees remitted to the District pursuant to Rule 317 – Clean Air Act Non-attainment Fees shall be held in escrow accounts unique to each source. Fees accrued in such escrow accounts may be used for either of the following at the discretion of the source’s owner or operator.

- (1) Creditable up to the amount of fees due by the same source during the calendar year or subsequent calendar year(s) for annual emissions fees due pursuant to Rule 301(e)(2), (4), (6), (7) and (11) and annual operating permit renewal fees due pursuant to Rule 301(d)(1), (2) and (4). In no case shall the credit be greater than the fees paid; or

- (2) Use by the owner or operator for VOC and NOx reduction programs at their source that are surplus to the State Implementation Plan according to the following prioritization:
 - (A) at the source; or
 - (B) use within another facility under common ownership; or
 - (C) use in the community adjacent to the facility; or
 - (D) other uses to reduce emissions.

Up to five percent of funds can be used by the South Coast Air Quality Management District for administrative support for items in paragraph (i)(2).

(j) **Special Permit Processing Fees - California Environmental Quality Act (CEQA) Assistance, Air Quality Analysis, Health Risk Assessment, and Public Notice for Projects**

- (1) **Payment for CEQA Assistance**
 - (A) **CEQA Document Preparation**

When a determination is made by the Executive Officer that the District is the Lead Agency for a project, pursuant to the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 et seq. and state CEQA Guidelines (14 California Code of Regulations section 15000 et seq.), the project applicant may be required to pay a review fee (based on a staff rate of \$166.35 per hour) when a 400-CEQA form requires the CEQA staff to review for CEQA applicability. If preparation of CEQA documentation is deemed necessary, the applicant shall pay an initial fee for the preparation of necessary CEQA documentation according to the following schedule:

Notice of Exemption (upon applicant request)	\$332.69
Negative Declaration	\$5,016.90
Mitigated Negative Declaration	\$5,016.90
Environmental Impact Report (EIR)	\$6,689.15
Supplemental or Subsequent EIR	\$6,689.15
Addendum to EIR	\$3,466.69

If the Executive Officer determines that the District's CEQA preparation costs (may include, but not limited to, mailing, noticing, publications, et cetera) and staff time (based on the rate of \$166.35 per hour) exceed the initial fee the project applicant, upon notification from the District, shall make periodic payment of the balance due. The Executive Officer shall determine the amount and timing of such periodic payments, based upon the level of CEQA analysis and the amount of monies needed to offset the actual preparation costs.

(B) CEQA Document Assistance

When the District is not the Lead Agency for a project and a request is made by: another public agency; a project proponent; or any third party, for staff assistance with any of the following tasks including, but not limited to: reviewing all or portions of a CEQA document and air quality analysis protocols for emissions inventories and air dispersion modeling prior to its circulation to the public for review pursuant to Public Resources Code §21092; assisting lead agencies with developing and implementing mitigation measures, the requestor may be required to pay a fee for staff time at the rate of \$166.35 per hour. This fee shall not apply to review of CEQA documents prepared by other public agencies that are available for public review pursuant to Public Resources Code §21092 and is part of the District's intergovernmental review responsibilities under CEQA.

(2) Payment for Air Quality Analysis

When a determination is made by the Executive Officer that an air quality analysis of the emissions from any source is necessary to predict the extent and amount of air quality impact prior to issuance of a permit, the Executive Officer may order air quality simulation modeling by qualified District personnel. Alternatively, the Executive Officer may require (or the owner/operator of the source may elect) that modeling be performed by the owner/operator or an independent consultant.

Where modeling is performed by the owner/operator or an independent consultant, the Executive Officer may require that the results be verified by qualified District personnel. The owner/operator of the source shall provide to the Executive Officer a copy of the final modeling report including all

input data, description of methods, analyses, and results. The owner/operator of the source modeled by District personnel shall pay a fee as specified in Table IIA to cover the costs of the modeling analysis. A fee, as specified in Table IIA, shall be charged to offset the cost of District verification of modeling performed by an independent consultant.

- (3) Payment for Health Risk Assessment
- (A) When a determination is made by the Executive Officer that any source being evaluated for a Permit to Construct or a Permit to Operate may emit toxic or potentially toxic air contaminants, the Executive Officer may order a Health Risk Assessment be conducted by qualified District personnel or by a qualified consultant, as determined by the Executive Officer, engaged by the District under a contract. Alternatively, the Executive Officer may require (or owner/operator of the source may elect) that the assessment be performed by the owner/operator or an independent consultant engaged by the owner/operator. The Health Risk Assessment shall be performed pursuant to methods used by the California EPA's Office of Environmental Health Hazard Assessment.
- (B) For a Health Risk Assessment conducted by the owner/operator of the source or the owner/operator's consultant, the Executive Officer may require that the results be verified by qualified District personnel or by a qualified consultant engaged by the District. The owner/operator of the source shall provide to the Executive Officer a copy of the final Health Risk Assessment including all input data, and description of methods, analyses, and results. The owner/operator of the source for which a Health Risk Assessment is conducted or is evaluated and verified by District personnel or consultant shall pay the fees specified in Table IIA to cover the costs of an Air Quality Analysis and Health Risk Assessment analysis, evaluation, or verification. When the Health Risk Assessment is conducted or is evaluated and verified by a consultant engaged by the District, or District personnel, the fees charged will be in addition to all other fees required.
- (C) When a Health Risk Assessment is evaluated by the California EPA, pursuant to Health and Safety Code Sections 42315, 44360, 44361

or 44380.5, or by a consultant engaged by the California EPA, or when the District consults with the California EPA regarding the Health Risk Assessment, any fees charged by the California EPA to the District will be charged to the person whose Health Risk Assessment is subject to the review, in addition to other fees required.

(4) Payment for Public Notice

An applicant ~~for a project requiring public notification, as defined in Rule 212~~ shall pay the applicable fee, for preparation of ~~the any public~~ notice as required by the rules, as shown below in this paragraph:

Public Notification Type	Non-Title V Source	Title V Source
<u>For a project requiring notification as defined in Rule 212(c)</u>	<u>\$1,008.50 for FY 2017-18 and \$1,048.84 for FY 2018-19 and thereafter</u>	<u>\$1,073.18 for FY 2017-18, \$1,187.69 for FY 2018-19 and \$1,314.30 for FY 2019-20 and thereafter</u>
For emission reduction credits (ERCs) in excess of the amounts as specified in Rule 1310(c)	\$1,008.50 for FY 2017-18 and \$1,048.84 for FY 2018-19 and thereafter	\$1,073.18 for FY 2017-18, \$1,187.69 for FY 2018-19 and \$1,314.30 for FY 2019-20 and thereafter
Requesting allocations from the Offset Budget or requesting the generation or use of any Short Term Credit (STCs)	\$1,008.50 for FY 2017-18 and \$1,048.84 for FY 2018-19 and thereafter	\$1,073.18 for FY 2017-18, \$1,187.69 for FY 2018-19 and \$1,314.30 for FY 2019-20 and thereafter
Significant revision of a Title V permit	---	\$1,073.18 for FY 2017-18, \$1,187.69 for FY 2018-19 and \$1,314.30 for FY 2019-20 and thereafter

The notice preparation fee is waived for existing dry cleaning operations at the same facility that install, modify or replace dry cleaning equipment to comply with Rule 1421 provided there is a concurrent removal from service of the perchloroethylene equipment. Eligibility includes converting from perchloroethylene to non-toxic alternative solvents, including non-toxic hydrocarbon solvents. In addition, an applicant for a project subject to the requirements of Rule 212(g) shall either:

- (A) Pay a fee, as specified in Table IIB, for publication of the notice by prominent advertisement in the newspaper of general circulation in the area affected where the facility is located and for the mailing of the notice to persons identified in Rule 212(g), or
 - (B) Arrange publication of the above notice independent of the District option. This notice must be by prominent advertisement in the newspaper of general circulation in the area affected where the facility is located. Where publication is performed by the owner/operator or an independent consultant, the owner/operator of the source shall provide to the Executive Officer a copy of the proof of publication.
- (5) Payment for Review of Continuous Emissions Monitoring System (CEMS), Fuel Sulfur Monitoring System (FSMS), and Alternative Continuous Emissions Monitoring System (ACEMS)
- (A) New Application for Process Equipment Requiring CEMS or, Alternatively, an FSMS or ACEMS to Comply with the CEMS Requirement.
When a determination is made by the Executive Officer that a Continuous Emissions Monitoring System (CEMS) is required in order to determine a source's compliance with a District rule or regulation, the applicant shall:
 - (i) Apply for the use of a CEMS and pay a basic processing fee as specified in Table IIC at the time of filing.
 - (ii) Apply for the use of an FSMS or ACEMS in lieu of a CEMS and pay a basic processing fee as specified in Table IIC at the time of filing.
 - (B) Modification of an Existing Certified CEMS, FSMS, or ACEMS
If a certified CEMS, FSMS, or ACEMS is modified in a manner (excluding routine replacement or servicing of CEMS or FSMS

components for preventive or periodic maintenance according to established quality assurance guidelines, or CEMS or FSMS components designated by the Executive Officer as “standardized” or direct replacement-type components) determined by the Executive Officer to compromise a source’s compliance with a District rule or regulation, the applicant shall pay a processing fee covering the evaluation of the modification and recertification, if necessary, as follows:

- (i) If one or more CEMS or FSMS components (excluding additional pollutant monitors) are replaced, modified, or added, the applicant shall pay a minimum processing fee of \$887.67; and additional fees will be assessed at a rate of \$166.35 per hour for time spent on the evaluation in excess of 10 hours up to a maximum total fee of \$5,549.80.
 - (ii) If one or more pollutant monitors are added to a CEMS or FSMS (and one or more of its components are concurrently replaced, modified, or added), the applicant shall pay a minimum processing fee as specified in Table IIC, based on the number of CEMS or FSMS pollutant monitors and components added.
 - (iii) If one or more pollutant emission sources at a facility are added to an FSMS, a time-shared CEMS, or a SO_x CEMS which is specifically used to “back-calculate” fuel sulfur content for these sources, the applicant shall pay a minimum processing fee as specified in Table IIC, based on the number of CEMS or FSMS monitors and components added.
 - (iv) If one or more ACEMS (or PEMS) components are replaced, modified, or added, the applicant shall pay a minimum processing fee \$877.67; and additional fees will be assessed at a rate of \$166.35 per hour for time spent on the evaluation in excess of 10 hours up to a maximum total fee of \$5,549.80.
- (C) Modification of CEMS, FSMS, or ACEMS Monitored Equipment
For any RECLAIM or non-RECLAIM equipment monitored or required to be monitored by a CEMS, FSMS, or ACEMS, that is modified in a manner determined by the Executive Officer to

compromise a source's compliance with a District CEMS-, FSMS-, or ACEMS-related rule or regulation, or requires an engineering evaluation, or causes a change in emissions; the applicant shall pay a minimum processing fee of \$877.67, covering the evaluation and recertification, if necessary, of the CEMS, FSMS, or ACEMS. Additional fees will be assessed at a rate of \$166.35 per hour for time spent on the evaluation in excess of 10 hours up to a maximum total fee of \$5,549.80.

(D) Periodic Assessment of an Existing RECLAIM CEMS, FSMS, or ACEMS

An existing RECLAIM CEMS, FSMS, or ACEMS, which undergoes certification as in (i)(5)(A), must be retested on a quarterly, semi-annual, or annual basis to remain in compliance with District Regulation XX. The applicant shall pay a minimum processing fee of \$877.67 for this evaluation, if required. Additional fees will be assessed at a rate of \$166.35 per hour for time spent on the evaluation in excess of 10 hours up to a maximum total fee of \$5,549.80.

(E) CEMS, FSMS, or ACEMS Change of Ownership

Every applicant who files an application for a change of operator of a RECLAIM or non-RECLAIM facility permit shall also file an application for a change of operator of a CEMS, FSMS, or ACEMS, if applicable, and be subject to a processing fee equal to \$264.61 for the first CEMS, FSMS, or ACEMS, plus \$52.78 for each additional CEMS, FSMS, or ACEMS.

(6) Payment for Review and Certification of Barbecue Charcoal Igniter Products

(A) Certification of Barbecue Charcoal Igniter Products

Pursuant to the requirements of District Rule 1174, manufacturers, distributors, and/or retailers of applicable barbecue charcoal igniter products shall perform the required testing and shall submit a formal report for review by SCAQMD staff for product compliance and certification. For each product evaluated, the applicant shall pay a minimum processing fee of \$656.47 per product certified, and additional fees will be assessed at the rate of \$131.31 per hour for

time spent on the evaluation/certification process in excess of 5 hours.

(B) Repackaging of Certified Barbecue Charcoal Igniter Products

When a currently certified barbecue charcoal igniter product is repackaged for resale or redistribution, the manufacturer, distributor, and/or retailer shall submit the required documentation to SCAQMD staff for evaluation and approval. For each product or products evaluated, the applicant shall pay a processing fee of \$328.26 for the first certificate issued, and additional fees will be assessed at the rate of \$131.31 per hour for the time spent in excess of 3 hours for the first certificate issued. Additional certificates for the same product or products shall be assessed at the rate of \$65.62 per each additional certificate issued.

(7) Fees for Inter-basin, Inter-district, or Interpollutant Transfers of Emission Reduction Credits

An applicant for inter-basin, inter-district, or interpollutant transfer of ERCs shall file an application for ERC Change of Title and pay fees as listed in the Summary ERC Processing Rates – Banking, Change of Title, Alteration/Modification Table. Additional fees shall be assessed at a rate based on the number of hours for the time spent on review and evaluation of inter-basin, inter-district, and interpollutant transfers of ERCs pursuant to Rule 1309 subdivisions (g) and (h).

Facility Type	Non-Title V	Title V
FY 2017-18	\$173.00/hr	\$184.10/hr
FY 2018-19	\$179.92/hr	\$203.74/hr
FY 2019-20 and thereafter	\$179.92/hr	\$225.46/hr

- (8) Fees for Grid Search to Identify Hazardous Air Pollutant Emitting Facilities
A fee of \$330.50 shall be submitted by any individual, business or agency requesting the District to conduct a grid search to identify all facilities with the potential to emit hazardous air pollutants located within one-quarter mile of a proposed school boundary.

Failure to pay the fees described in this subdivision within thirty (30) days after their due date(s) shall result in expiration of pending applications, and no further applications will be accepted from the applicant until the fees have been paid in full.

(k) Government Agencies

All applicants and permittees, including federal, state, or local governmental agencies or public districts, shall pay all fees.

(l) RECLAIM Facilities

- (1) For RECLAIM facilities, this subdivision specifies additional conditions and procedures for assessing the following fees:

- (A) Facility Permit;
- (B) Facility Permit Amendment;
- (C) Change of Operating Condition;
- (D) Change of Operator;
- (E) Annual Operating Permit;
- (F) Transaction Registration;
- (G) RECLAIM Pollutant Emission;
- (H) Duplicate Permits;
- (I) Reissued Permits;
- (J) RECLAIM Breakdown Emissions; and
- (K) Non-Tradeable Allocation Credit Mitigations.

(2) RECLAIM Fees Applicability

All RECLAIM Facility Permit holders shall be subject to this subdivision.

(3) Rule 301 - Permit Fees Applicability

Unless specifically stated, all RECLAIM Facility Permit holders shall be subject to all other provisions of Rule 301 - Permit Fees.

(4) Facility Permit Fees

- (A) Existing facilities entering the RECLAIM program after initial implementation of the RECLAIM program will pay 10 percent of the sum of the permit processing fees from the Summary Permit Fee Rates tables for each equipment merged into the Facility Permit, with a minimum fee as shown in the following table below in this subparagraph:

Facility Type	Non-Title V	Title V
FY 2017-18	\$576.81	\$613.81
FY 2018-19	\$599.88	\$679.30
FY 2019-20 and thereafter	\$599.88	\$751.71

- (B) New facilities with new equipment entering the RECLAIM program will pay a Facility Permit Fee equal to the sum total of the permit processing fees from the Summary Permit Fee Rates tables for each equipment merged into the Facility Permit.

(5) Facility Permit Amendment

At the time of filing an application for a Facility Permit Amendment, a Facility Permit Amendment Fee shall be paid and an application for such amendment shall be submitted. The Facility Permit Amendment Fee for an application that requires an engineering evaluation or causes a change in emissions shall be based on the type of facility permit as follows:

Facility Permit Amendment Fee	RECLAIM	Title V	RECLAIM & Title V
FY 2017-18	\$1,088.60	\$1,158.42	\$2,247.02
FY 2018-19	\$1,132.14	\$1,282.02	\$2,414.16
FY 2019-20 and thereafter	\$1,132.14	\$1,418.68	\$2,550.82

plus the sum of applicable fees assessed for each application required for affected equipment as specified in the Summary Permit Fee Rate tables. The Facility Permit Amendment Fee for an application that does not require

an engineering evaluation or causes a change in emissions shall be based on the type of facility permit as follows:

Facility Permit Amendment Fee	RECLAIM	Title V	RECLAIM & Title V
FY 2017-18	\$1,088.60	\$1,158.42	\$2,247.02
FY 2018-19	\$1,132.14	\$1,282.02	\$2,414.16
FY 2019-20 and thereafter	\$1,132.14	\$1,418.68	\$2,550.82

plus the applicable administrative permit change fee based on the equipment schedule as set forth in Rule 301(c)(3)(C) for each application required for affected equipment. All delinquent fees, court judgments in favor of the District and administrative civil penalties associated with the facility must be paid before a Facility Permit Amendment application will be accepted.

(6) Change of Operating Condition

At the time of filing an application for a Change of Operating Conditions that requires engineering evaluation or causes a change in emissions, a Change of Condition Fee shall be paid. Such fee shall be equal to the sum of fees assessed for each equipment subject to the change of condition as specified in the Summary Permit Fee Rates – Permit Processing, Change of Conditions, Alteration/Modification table and in the Summary ERC Processing Rates – Banking, Change of Title, Alteration/Modification table. All delinquent fees associated with the affected facility subject to the change of condition must be paid before a Change of Operating Conditions application will be accepted.

(7) Fee for Change of Operator

The Permit Processing Fee for a Change of Operator of a RECLAIM facility permit shall be determined from the Table Summary of Permit Fee Rates – Change of Operator, Non-Small Business. In addition, a Facility Permit Amendment fee as specified in paragraph (1)(5) shall be assessed. All fees, billed within the past 3 years from the date of application submittal that are associated with the facility for equipment for which a Change of Operator or Additional Operator application is filed, and all facility-specific fees (such as “Hot Spots” fees), must be paid before a Change of Operator or

Additional Operator application is accepted. If after an application is received and SCAQMD determines that fees are due, the new operator shall pay such fees within 30 days of notification. If the fees are paid timely the new operator will not be billed for any additional fees billed to the previous operator.

- (8) Annual Operating Permit Renewal Fee
- (A) Unless otherwise stated within this subdivision, the Facility Permit holder shall be subject to all terms and conditions pursuant to subdivision (d).
 - (B) An Annual Operating Permit Renewal Fee shall be submitted by the end of the compliance year. Such fee shall be equal to the sum of applicable permit renewal fees specified in paragraph (d)(2).
 - (C) At least thirty (30) days before the annual renewal date, the owner/operator of equipment under permit will be notified by mail of the amount to be paid and the due date. If such notice is not received at least thirty (30) days before the annual renewal date, the owner/operator of equipment under permit shall notify the District on or before the permit renewal date that said notice was not received. If the Annual Operating Permit Renewal fee is not paid within thirty (30) days after the due date, the permit will expire and no longer be valid. In such a case, the owner/operator will be notified by mail of the expiration and the consequences of operating equipment without a valid permit as required by District Rule 203 (Permit to Operate). For the purpose of this subparagraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Post Office on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or state holiday as if it had been postmarked on the expiration date.
- (9) Transaction Registration Fee
- The transferor and transferee of an RTC shall jointly register the transaction with the District pursuant to District Rule 2007 – Trading Requirements. At the time the transaction is registered with the District, the transferee shall

pay a Transaction Registration Fee as shown in the following table below in this paragraph:

Facility Registration Fee	Non-Title V	Title V
FY 2017-18	\$163.08	\$173.54
FY 2018-19	\$169.60	\$192.06
FY 2019-20 and thereafter	\$169.60	\$212.53

(10) RECLAIM Pollutant Emission Fee

At the end of the reporting period specified in subparagraph (e)(8)(B), RECLAIM facilities shall pay a RECLAIM Pollutant Emission Fee based on the facilities' total certified RECLAIM pollutant emissions. For facilities emitting ten (10) tons per year or more of any contaminant the previous year, the Facility Permit holders shall pay a semi-annual installment equal to one half (1/2) of the total estimated fee with final balance due at the end of the reporting period.

- (A) The Facility Permit Holder shall pay emission fees according to the provisions of subdivision (e) for all emissions that are not accounted for with RECLAIM pollutant emissions. The Facility Permit holder shall add non-RECLAIM emissions to applicable RECLAIM emissions to determine the appropriate fee rate from Table III fee rate per ton of emissions.
- (B) Facility Permit Holders shall pay RECLAIM Pollutant Emission Fees according to the provisions of subdivision (e), except that:
 - (i) Fees based on emissions of RECLAIM pollutants as defined in Rule 2000(c)(58) for annual payments shall be calculated based on certified emissions as required by paragraph (b)(2) or (b)(4) of Rule 2004, as applicable;
 - (ii) RECLAIM Pollutant Emission Fees shall be due as established by subdivision (e) of this rule for both Cycle 1 and Cycle 2 Facilities;
 - (iii) Facilities emitting ten (10) tons per year or more of a RECLAIM pollutant during the previous annual reporting period, shall also pay a semi-annual installment based on either (a) one-half (1/2) of the facility's RECLAIM pollutant

fees for the previous annual reporting period; or (b) emissions certified pursuant to paragraph (b)(2) and (b)(4) of Rule 2004 in the two (2) quarters falling in the time period that coincides with the first six (6) months of the current reporting period, by the deadline as established by subdivision (e) of this rule for both Cycle 1 and Cycle 2 Facilities.

- (iv) A fee payment is considered late and subject to the late payment surcharge of paragraph (e)(10) if not received within sixty (60) days of the due date specified in this paragraph.
- (C) If the Executive Officer determines that the APEP emissions reported by a Facility Permit Holder are less than the amount calculated as specified in Rule 2004(b)(2) and (b)(4), the Facility Permit Holder shall pay RECLAIM Pollutant Emission Fees on the difference between the APEP total as determined by the Executive Officer and the reported APEP total as specified in subparagraph (l)(10)(A).
- (D) In the event that certified emissions determined pursuant to Rule 2004(b)(2) and (b)(4), for compliance year beginning January 1, 1995 and after, include emissions calculated using missing data procedures, and these procedures were triggered pursuant to Rule 2011(c)(3) or 2012(c)(3) solely by a failure to electronically report emissions for major sources due to a problem with transmitting the emission data to the District which was beyond the control of the Facility Permit holder, such portion of the emissions may be substituted by valid emission data monitored and recorded by a certified CEMS, for the purpose of RECLAIM pollutant emission fee determination only, provided that a petition is submitted to the Executive Officer with the appropriate processing fee by the Facility Permit holder. The petition must be made in writing and include all relevant data to clearly demonstrate that the valid emission data were recorded and monitored by a certified CEMS as required by Rules 2011 and 2012 and the only reason for missing data procedures being triggered was due to a problem with transmitting the emission data to the District which was beyond the control of the

Facility Permit holder. In addition to the RECLAIM pollutant emission fee, the petitioner shall pay a minimum processing fee as shown in the following table in this subparagraph:

Facility Type	Non-Title V	Title V
FY 2017-18	\$674.54	\$717.81
FY 2018-19	\$701.52	\$794.40
FY 2019-20 and thereafter	\$701.52	\$879.08

and an additional fee assessed at the applicable hourly rate, for time spent on evaluation in excess of 3 hours, as shown in the table below in this subparagraph:

Facility Type (After 3 hours)	Non-Title V	Title V
FY 2017-18	\$173.00/hr	\$184.10/hr
FY 2018-19	\$179.92/hr	\$203.74/hr
FY 2019-20 and thereafter	\$179.92/hr	\$225.46/hr

(11) Certified Permits Copies

A request for a certified copy of a Facility Permit shall be made in writing by the permittee. The permittee shall, at the time the written request is submitted, pay a fee for the first page as follows:

Facility Type	Non-Title V	Title V
FY 2017-18	\$28.08	\$29.88
FY 2018-19	\$29.20	\$33.07
FY 2019-20 and thereafter	\$29.20	\$36.60

and the applicable fee per page for each additional page in the Facility Permit as shown below:

Facility Type	Non-Title V	Title V
FY 2017-18	\$1.98/page	\$2.11/page
FY 2018-19	\$2.06/page	\$2.34/page
FY 2019-20 and thereafter	\$2.06/page	\$2.59/page

(12) Reissued Permits

A request for a reissued Facility Permit shall be made in writing by the permittee where there is a name or address change without a change of operator or location. The permittee shall, at the time the written request is submitted, pay a fee for the first page as follows:

Facility Type	Non-Title V	Title V
FY 2017-18	\$217.39	\$231.33
FY 2018-19	\$226.09	\$256.01
FY 2019-20 and thereafter	\$226.09	\$283.30

and the applicable fee per page for each additional page in the facility permit as shown below:

Facility Type	Non-Title V	Title V
FY 2017-18	\$1.98/page	\$2.11/page
FY 2018-19	\$2.06/page	\$2.34/page
FY 2019-20 and thereafter	\$2.06/page	\$2.59/page

(13) Breakdown Emission Report Evaluation Fee

The Facility Permit Holder, submitting a Breakdown Emission Report to seek exclusion of excess emissions from the annual allocations pursuant to Rule 2004 - Requirements, shall pay fees for the evaluation of a Breakdown

Emission Report. The Facility Permit Holder shall pay a filing fee of one (1) hour based on the fee rates shown in the table below in this paragraph, at the time of filing of a Breakdown Emission Report, and shall be assessed an evaluation fee at the hourly rate shown in the same table.

Facility Type (After 3 hours)	Non-Title V	Title V
FY 2017-18	\$173.00/hr	\$184.10/hr
FY 2018-19	\$179.92/hr	\$203.74/hr
FY 2019-20 and thereafter	\$179.92/hr	\$225.46/hr

(14) Breakdown Emission Fee

At the end of the time period from July 1 through June 30, the Facility Permit holder shall pay a Breakdown Emission Fee for excess emissions determined pursuant to District Rule 2004 - Requirements. The Facility Permit Holder shall include excess emissions to the total certified RECLAIM emissions to determine the appropriate RECLAIM Pollutant Emission Fee.

(15) Mitigation of Non-Tradeable Allocation Credits

Upon submitting a request to activate non-tradeable allocation credits pursuant to District Rule 2002(h), the RECLAIM Facility Permit Holder shall pay a mitigation fee per ton of credits requested as shown below:

Facility Type	Non-Title V	Title V
FY 2017-18	\$11,544.44/ton	\$12,284.84/ton
FY 2018-19	\$12,006.22/ton	\$13,595.63/ton
FY 2019-20 and thereafter	\$12,006.22/ton	\$15,044.92/ton

plus a non-refundable processing fee as shown below:

Facility Type	Non-Title V	Title V
FY 2017-18	\$115.07	\$122.45
FY 2018-19	\$119.67	\$135.52
FY 2019-20 and thereafter	\$119.67	\$149.97

(16) Evaluation Fee to Increase an Annual Allocation to a Level Greater than a Facility’s Starting Allocation Plus Non-Tradable Credits

The Facility Permit Holder submitting an application to increase an annual Allocation to a level greater than the facility’s starting allocation plus non-tradable credits pursuant to Rule 2005 - New Source Review shall pay fees for the evaluation of the required demonstration specified in Rule 2005(c)(3). The Facility Permit Holder shall pay an evaluation fee at the applicable hourly rate as shown in the table below:

Facility Type (After 3 hours)	Non-Title V	Title V
FY 2017-18	\$173.00/hr	\$184.10/hr
FY 2018-19	\$179.92/hr	\$203.74/hr
FY 2019-20 and thereafter	\$179.92/hr	\$225.46/hr

(m) Title V Facilities

(1) Applicability

The requirements of this subdivision apply only to facilities that are subject to the requirements of Regulation XXX - Title V Permits.

(2) Rule 301 Applicability

All Title V facilities shall be subject to all other provisions of Rule 301 - Permit Fees, except as provided for in this subdivision.

(3) Permit Processing Fees for Existing Facilities with Existing District Permits Applying for an Initial Title V Facility Permit

- (A) The applicant shall pay the following initial fee when the application is submitted:

Title V INITIAL Fee				
Number of Devices	1-20	21-75	76-250	251+
Applications submitted on or after July 1, 2017 through June 30, 2018	\$1,841.16	\$5,892.29	\$13,258.22	\$22,465.60
Applications submitted on or after July 1, 2018 through June 30, 2019	\$2,037.61	\$6,521.00	\$14,672.87	\$24,862.68
Applications submitted on or after July 1, 2019	\$2,254.82	\$7,216.14	\$16,237.00	\$27,513.04

To determine the initial fee when the number of devices is not available, the applicant may substitute the number of active equipment. This fee will be adjusted when the Title V permit is issued and the correct number of devices are known.

- (B) The applicant shall, upon notification by the District of the amount due when the permit is issued, pay the following final fee based on the time spent on the application:

Title V FINAL Fee				
Number of Devices	1-20	21-75	76-250	251+
Time Spent in Excess of:	8 Hours	30 Hours	70 Hours	120 Hours
On or after July 1, 2017 through June 30, 2018	\$184.10 per hour; up to a maximum total fee of \$22,475.03	\$184.10 per hour; up to a maximum total fee of \$44,950.04	\$184.10 per hour; up to a maximum total fee of \$115,064.31	\$184.10 per hour; up to a maximum total fee of \$168,562.65
On or after July 1, 2018 through June 30, 2019	\$203.74 per hour; up to a maximum total fee of \$24,873.12	\$203.74 per hour; up to a maximum total fee of \$49,746.21	\$203.74 per hour; up to a maximum total fee of \$127,341.67	\$203.74 per hour; up to a maximum total fee of \$186,548.28
On or after July 1, 2019	\$225.46 per hour; up to a maximum total fee of \$27,524.59	\$225.46 per hour; up to a maximum total fee of \$55,049.16	\$225.46 per hour; up to a maximum total fee of \$140,916.29	\$225.46 per hour; up to a maximum total fee of \$206,434.33

For applicants that did not pay the correct initial fee based on the actual number of devices, the fee when the permit is issued shall be equal to the correct initial fee less the initial fee actually paid, plus the final fee.

Applications submitted on or prior to January 15, 1998 shall not be subject to the final fee.

- (C) If the facility requests revisions to the existing permit terms or conditions, including permit streamlining, an alternative operating scenario or a permit shield, the facility shall submit additional

applications with the applicable fees in subdivisions (c) and (i) for each piece of equipment for which a revision is requested. Evaluation time spent on these additional applications shall be excluded from the time calculated for the billing for initial permit issuance in subparagraph (m)(3)(B).

- (4) **Permit Processing Fee Applicability**
The permit processing fee for a new facility required to obtain a Title V facility permit to construct shall be the sum of all the applicable fees in subdivisions (c) and (i) for all equipment at the facility.
- (5) **Rule 301 Fee Applicability**
The permit processing fee for a facility required to obtain a Title V facility permit because of a modification, pursuant to paragraph (c)(2) of Rule 301, shall be those specified in paragraph (m)(3) plus the sum of all the applicable fees in subdivisions (c) and (i) for all new and modified equipment at the facility.
- (6) **Administrative Permit Revision Fee**
Notwithstanding paragraphs (l)(6), (l)(9), and (m)(3), and except as provided in paragraphs (l)(5), (l)(7), (l)(12), (m)(3), (m)(5) and (m)(8), the permit processing fee for an administrative permit revision shall be a fee of \$1,158.42 for FY2017-18, \$1,282.02 for FY2018-19 and \$1,418.68 for FY 2019-20 and thereafter.
- (7) **Permit Revision Fee**
The permit processing fees for a minor permit revision, de minimis significant permit revision, or significant permit revision shall be \$1,158.42 for FY 2017-18, \$1,282.02 for FY 2018-19 and \$1,418.68 for FY 2019-20 and thereafter plus the applicable fee in paragraphs (l)(5), (l)(6), (m)(3), and (m)(4). RECLAIM facilities shall only pay the fee specified in paragraph (l)(5).
- (8) **Renewal Fees**
The fees for renewal of a Title V Facility Permit, at the end of the term specified on the permit, shall be an initial processing fee of \$2,631.19 for FY 2017-18, \$2,911.94 for FY 2018-19 and \$3,222.35 for FY 2019-20 and thereafter to be paid when the application is submitted; and a final fee of \$184.10 for FY 2017-18 and \$203.74 for FY 2018-19 and \$225.46 for FY 2019-20 and thereafter per hour for time spent on the application in excess

of 8 hours, due upon notification by the District of the amount due when the permit is issued.

(9) Public Notice Fees

The holder of, or applicant for, a Title V permit shall either:

(A) pay a fee, as specified in Table IIB, for publication of the notice by prominent advertisement in the newspaper of general circulation in the area affected where the facility is located and for the mailing of the notice to persons identified in Rule 212(g), or

(B) arrange publication of the above notice independent of the District option. This notice must be by prominent advertisement in the newspaper of general circulation in the area affected where the facility is located.

Where publication is performed by the owner/operator or an independent consultant, the owner/operator of the source shall provide to the Executive Officer a copy of the proof of publication.

(10) Public Hearing Fees

The holder of, or applicant for, a Title V permit shall, upon notification by the District of the amount due, pay fees of \$3,685.23 for FY 2017-18, \$4,078.44 for FY 2018-19 and \$4,513.20 for FY 2019-20 and thereafter plus \$1,145.79 for FY 2017-18, \$1,268.05 for FY 2018-19 and \$1,403.22 for FY 2019-20 and thereafter per hour for a public hearing held on a permit action.

(11) Application Cancellation

If a Title V permit application is canceled, the applicant shall pay, upon notification of the amount due, a final fee in accordance with this subdivision. The District shall refund the initial fee only if evaluation of the application has not been initiated.

(12) Notice of Amount Due and Effect of Nonpayment

For fees due upon notification, such notice may be given by personal service or by deposit, postpaid, in the United States mail and shall be due thirty (30) days from the date of personal service or mailing. For the purpose of this paragraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or the state

holiday with the same effect as if it had been postmarked on the expiration date. Nonpayment of the fee within this period of time will result in permit expiration or revocation of the subject permit(s) in accordance with subdivision (f) of Rule 3002. No further applications will be accepted from the applicant until such time as overdue permit processing fees have been fully paid.

(13) Exclusion Requests

The fees for requesting exclusion or exemption from the Title V program shall be calculated in accordance with Rule 306 – Plan Fees.

(n) All Facility Permit Holders

(1) Applicability

The requirements of this subdivision apply to all non-RECLAIM holders of a Facility Permit.

(2) Rule 301 Applicability

All non-RECLAIM Facility Permit holders or applicants shall be subject to all other provisions of Rule 301 - Permit Fees, except as provided for in this subdivision.

(3) Facility Permit Revision

Except as provided in paragraphs (m)(7) and (m)(8), the permit processing fee for an addition, alteration or revision to a Facility Permit that requires engineering evaluation or causes a change in emissions shall be the sum of applicable fees assessed for each affected equipment as specified in subdivisions (c) and (i).

(4) Change of Operating Condition

The permit processing fee for a Change of Operating Condition that requires engineering evaluation or causes a change in emissions shall be the sum of fees assessed for each equipment or process subject to the change of condition as specified in subdivisions (c) and (i).

(5) Fee for Change of Operator

The Permit Processing Fee for a Change of Operator of a facility permit shall be determined from the Table Summary of Permit Fee Rates – Change of Operator, Non-Small Business. In addition, an administrative permit revision fee, as shown in the table below in this paragraph shall be assessed.

Facility Type	Non-Title V	Title V
FY 2017-18	\$1,088.60	\$1,158.42
FY 2018-19	\$1,132.14	\$1,282.02
FY 2019-20 and thereafter	\$1,132.14	\$1,418.68

All fees billed within the past 3 years from the date of application submittal that are associated with the facility for equipment for which a Change of Operator or Additional Operator application is filed, and all facility specific fees (such as “Hot Spots” fees), must be paid before the Change of Operator or Additional Operator application is accepted. If after an application is received and SCAQMD determines that fees are due, the new operator shall pay such fees within 30 days of notification. If the fees are paid timely, the new operator will not be billed for any additional fees billed the previous operator.

- (6) Annual Operating Permit Renewal Fee
 - (A) Unless otherwise stated within this subdivision, the Facility Permit holder shall be subject to all terms and conditions pursuant to subdivision (d).
 - (B) An Annual Operating Permit Renewal Fee shall be submitted by the end of the compliance year. Such fee shall be equal to the sum of applicable annual operating permit renewal fees specified in paragraph (d)(2).
 - (C) At least thirty (30) days before the annual renewal date, the owner/operator of equipment under permit will be notified by mail of the amount to be paid and the due date. If such notice is not received at least thirty (30) days before the annual renewal date, the owner/operator of equipment under permit shall notify the District on or before the permit renewal date that said notice was not received. If the Annual Operating Permit Renewal Fee is not paid within thirty (30) days after the due date, the permit will expire and no longer be valid. In such a case, the owner/operator will be notified by mail of the expiration and the consequences of operating

equipment without a valid permit as required by District Rule 203 (Permit to Operate). For the purpose of this subparagraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Post Office on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or state holiday as if it had been postmarked on the expiration date.

(7) Certified Permit Copies

A request for a certified copy of a Facility Permit shall be made in writing by the permittee. The permittee shall, at the time a written request is submitted, pay \$27.00 for the first page and \$1.91 for each additional page in the facility permit.

(8) Reissued Permits

A request for a reissued Facility Permit shall be made in writing by the permittee where there is a name or address change without a change of operator or location. The permittee shall, at the time a written request is submitted, pay \$209.03 for the first page plus \$1.91 for each additional page in the Facility Permit.

(o) Asbestos Fees

Any person who is required by District Rule 1403 - Asbestos Emissions from Demolition/Renovation Activities to submit a written notice of intention to demolish or renovate shall pay at the time of delivery of notification, the Asbestos and Lead Fees specified in Table VI of this rule. Fees are per notification and multiple fees may apply. No notification shall be considered received pursuant to Rule 1403, unless it is accompanied by the required payment. Each revision of a notification shall require a payment of the Revision to Notification fee in Table VI. When a revision involves a change in project size, the person shall pay, in addition to the revision fee, the difference between the fee for the original project size and the revised project size according to Table VI. If the project size does not change for the revision, no additional fees based on project size shall be required. Revisions are not accepted for expired notifications.

For all requests of pre-approved Procedure 5 plans submitted in accordance with Rule 1403(d)(1)(D)(i)(V)(2), the person shall pay the full fee for the first evaluation

and shall pay fifty percent (50%) of the applicable fee for each subsequent pre-approved Procedure 5 plan evaluation.

(p) **Lead Abatement Notification Fees**

A person who is required by a federal or District rule to submit written notice of intent to abate lead shall, at the time of delivery of notification, pay the appropriate renovation and abatement fee specified in Table VI of this rule. Fees are per notification and multiple fees may apply. No notification shall be considered received unless it is accompanied by the required payment. Each revision of a notification shall require a payment of the Revision to Notification fee in Table VI. When a revision involves a change in project size, the person shall pay, in addition to the revision fee, the difference between the fee for the original project size and the revised project size according to Table VI. If the project size does not change for the revision, no additional fees based on project size shall be required. Revisions are not accepted for expired notifications.

(q) **NESHAP Evaluation Fee**

(1) At the time of filing an application for a Change of Operating Conditions submitted solely to comply with the requirements of a NESHAP, a NESHAP Evaluation Fee shall be paid. The fee shall be \$336.57. Additional fees shall be assessed at a rate of \$166.35 per hour for time spent in the evaluation in excess of two (2) hours, to a maximum total fee not to exceed the applicable Change of Conditions Fees listed for each affected piece of equipment as specified in the Summary Permit Fee Rates - Permit Processing, Change of Conditions, Alteration /Modification table and in the Summary ERC Processing Rates – Banking, Change of Title, Alteration/Modification table.

(2) Payment of all applicable fees shall be due in thirty (30) days from the date of personal service or mailing of the notification of the amount due. Non-payment of the fees within this time period will result in expiration of the permit. For the purpose of this paragraph, the fee payment will be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the business day following the Saturday, Sunday, or the state holiday, with the same effect as if it had been

postmarked on the expiration date. No further applications will be accepted until such time as all overdue fees have been fully paid.

(r) Fees for Certification of Clean Air Solvents

Persons applying for Clean Air Solvent certification shall pay the following fee for each product to be certified:

Gas Chromatograph/Mass Spectrometry Analysis	\$373.24 for five or fewer compounds \$34.63 for each additional compound
Density measurement	\$139.97
Time and material	\$131.31 per person per hour or prorated portion thereof
Clean Air Solvent Certificate	\$190.96

At the time of filing for a Clean Air Solvent certificate, the applicant shall submit a fee of \$835.46 for each product to be tested. Adjustments, including refunds or additional billings, shall be made to the submitted fee as necessary. A Clean Air Solvent Certificate shall be valid for five (5) years from the date of issuance and shall be renewed upon the determination of the Executive Officer that the product(s) containing a Clean Air Solvent continue(s) to meet Clean Air Solvent criteria, and has not been reformulated.

(s) Fees for Certification of Consumer Cleaning Products Used at Institutional and Commercial Facilities

Persons applying for certification of Consumer Cleaning Products Used at Institutional and Commercial Facilities shall pay the following fee for each product to be certified:

Gas Chromatograph/Mass Spectrometry Analysis	\$373.24 for five or fewer compounds \$34.63 for each additional compound
Time and material	\$131.31 per person per hour or prorated portion thereof
Clean Air Choices Cleaner Certificate	\$190.96

At the time of filing for certification of any Consumer Cleaning Products Used at Institutional and Commercial Facilities, the applicant shall submit a fee of \$880.18 for each product to be tested. Adjustments, including refunds or additional billings, shall be made to the submitted fee as necessary. A Consumer Cleaning Products Used at Institutional and Commercial Facilities Certificate shall be valid for three

(3) years from the date of issuance and shall be renewed upon the determination of the Executive Officer that the product(s) certified as a Consumer Cleaning Products Used at Institutional and Commercial Facilities continue(s) to meet Consumer Cleaning Products Used at Institutional and Commercial Facilities criteria, and has not been reformulated.

(t) All Facility Registration Holders

(1) Applicability

The requirements of this subdivision apply to all holders of a Facility Registration.

(2) Rule 301 Applicability

Unless specifically stated otherwise, all Facility Registration holders shall be subject to all other provisions of Rule 301 - Permit Fees.

(3) Fee Applicability to Existing Facilities

Existing facilities entering the Facility Registration Program shall pay no fee if no changes are initiated by actions of the permittee to the existing permit terms or conditions or to the draft Facility Registration prepared by the District.

(4) Duplicate of Facility Registrations

A request for a duplicate of a Facility Registration shall be made in writing by the permittee. The permittee shall, at the time a written request is submitted, pay \$27.00 for the first page and \$1.91 for each additional page in the Facility Registration.

(5) Reissued Facility Registrations

A request for a reissued Facility Registration shall be made in writing by the permittee where there is a name or address change without a change of operator or location, or for an administrative change in permit description or a change in permit conditions to reflect actual operating conditions, which do not require any engineering evaluation, and do not cause a change in emissions. The permittee shall, at the time a written request is submitted, pay \$209.03 for the first equipment listed in the Facility Registration plus \$1.91 for each additional equipment listed in the Facility Registration.

(u) Fees for Non-permitted Emission Sources Subject to Rule 222

(1) Initial Filing Fee

Prior to the operation of the equipment, the owner/operator of an emission source subject to Rule 222 shall pay to the District an initial non-refundable non-transferable filing and processing fee of \$203.08 for each emission source.

(2) Change of Operator/Location

If the owner/operator or the location of an emission source subject to Rule 222 changes, the current owner/operator must file a new application for Rule 222 and pay to the District an initial non-refundable non-transferable filing and processing fee of \$203.08 for each emission source.

(3) Annual Renewal Fee

On an annual re-filing date set by the Executive Officer the owner/operator of a source subject to Rule 222 shall pay a renewal fee of \$203.08 (except for non-retrofitted boilers). At least thirty (30) days before such annual re-filing date, all owners/operators of emission sources subject to Rule 222 will be notified by either electronic or regular mail of the amount to be paid and the due date for the annual re-filing fee.

(4) Notification of Expiration

If the annual re-filing fee is not paid within thirty (30) days after the due date, the filing will expire and no longer be valid. In such case, the owner/operator will be notified by either electronic or regular mail of the expiration and the consequences of operating equipment without a valid Rule 222 filing.

(5) Reinstating Expired Filings

To re-establish expired filings, the owner/operator of a source subject to Rule 222 shall pay a reinstatement fee of fifty percent (50%) of the amount of fees due per emission source. Payment of all overdue fees shall be made in addition to the reinstatement surcharge. Payment of such fees shall be made within one year of the date of expiration. If the period of expiration has exceeded one year or the affected equipment has been altered, the owner/operator of an emission source subject to Rule 222 shall file a new application and pay all overdue fees.

(v) Fees for Expedited Processing Requests

An applicant has the option to request expedited processing for an application for a permit, CEQA work, an application for an ERC/STC, Air Dispersion Modeling, HRA, Source Test Protocols and Report Fees and Asbestos Procedure 4 & 5 notifications. A request for expedited processing pursuant to this section shall be made upon initial application submittal. Expedited processing is intended to be performed by District Staff strictly during overtime work. Approval of such a request is contingent upon the District having necessary procedures in place to implement an expedited processing program and having available qualified staff for overtime work to perform the processing requested. The applicant shall be notified whether or not the request for expedited processing has been accepted within 30 days of submittal of the request. If the request for expedited processing is not accepted by the District, the additional fee paid for expedited processing will be refunded to the applicant.

(1) Permit Processing Fee

Fees for requested expedited processing of permit applications will be an additional fee of fifty percent (50%) of the applicable base permit processing fee (after taking any discounts for identical equipment but not the higher fee for operating without a permit) by equipment schedule. For schedule F and higher as shown in the table below in this paragraph, expedited processing fees will include an additional hourly fee, as set forth in the applicable “Non-Title V Added Base Hourly Fee” or “Title V Added Base Hourly Fee” columns, when the processing time exceeds times as indicated in the “Processing Time Exceeding” column; but not to exceed the total amounts in the applicable “Non-Title V Maximum Added Base Cap Fee” or “Title V Maximum Added Base Cap Fee” columns.

Processing Time Exceeding	Schedule	Non-Title V Added Base Hourly Fee	Non-Title V Maximum Added Base Cap Fee	Title V Added Base Hourly Fee	Title V Maximum Added Base Cap Fee
FY 2017-18					
99 hours	F	\$259.52	\$48,778.45	\$276.16	\$51,906.84
117 hours	G	\$259.52	\$83,568.95	\$276.16	\$88,928.62
182 hours	H	\$259.52	\$106,257.72	\$276.16	\$113,072.52
FY 2018-19					
99 hours	F	\$269.90	\$50,729.59	\$305.63	\$57,445.30
117 hours	G	\$269.90	\$86,911.71	\$305.63	\$98,417.30
182 hours	H	\$269.90	\$110,508.03	\$305.63	\$125,137.36
FY 2019-20					
99 hours	F	\$269.90	\$50,729.59	\$338.21	\$63,568.97
117 hours	G	\$269.90	\$86,911.71	\$338.21	\$108,908.58
182 hours	H	\$269.90	\$110,508.03	\$338.21	\$138,477.00

(2) CEQA Fee

Fees for requested expedited CEQA work will be an additional fee based upon actual review and work time billed at a rate for staff overtime which is equal to the staff's hourly rate of \$166.35 plus \$86.28 per hour (one half of hourly plus mileage). The established CEQA fees found in the provisions

of Rule 301(j) shall be paid at the time of filing with the additional overtime costs billed following permit issuance. Notwithstanding other provisions of this section, fees are due at the time specified in the bill which will allow a reasonable time for payment. This proposal is contingent upon the ability of the District to implement the necessary policies and procedures and the availability of qualified staff for overtime work.

(3) CEMS, FSMS, and ACEMS Fee

Fees for requested expedited processing of CEMS, FSMS, and ACEMS applications will be an additional fee based upon actual review and work time billed at a rate for staff overtime which is equal to the staff's hourly rate of \$166.35 plus \$86.28 per hour (one half of hourly plus mileage). The established "Basic Fee" schedule found in the CEMS, FSMS, and ACEMS Fee Schedule in TABLE IIC shall be paid at the time of filing with the additional overtime costs billed following project completion. Notwithstanding other provisions of this section, fees are due at the time specified in the bill which will allow a reasonable time for payment. A request for expedited CEMS, FSMS, and ACEMS application work can only be made upon initial work submittal, and approval of such a request is contingent upon the ability of the District to implement the necessary policies and procedures and the availability of qualified staff for overtime work.

(4) Air Dispersion Modeling, HRA, Source Test Protocols and Reports Fees

Fees for requested expedited review and evaluation of air dispersion modelings, health risk assessments, source test protocols and source testreports will be an additional fee based upon actual review and work time billed at a rate for staff overtime which is equal to the staff's hourly rate of \$139.31 plus \$72.26 per hour (one half of hourly plus mileage).

(5) ERC/STC Application Fees

Fees for requested expedited review and evaluation of ERC/STC application fees will be an additional fee based upon actual review and work time billed at a rate for staff overtime which is equal to the staff's hourly rate of \$166.35 plus \$86.28 per hour (one half of hourly plus mileage).

(6) Procedure 4 & 5 Evaluation

Fees for requested expedited reviews and evaluation of Procedure 4 or 5 plans per Rule 301(n) Asbestos Fees will be an additional fee of fifty percent (50%) of the Procedure 4 & 5 plan evaluation fee.

(w) Enforcement Inspection Fees for Statewide Portable Equipment Registration Program (PERP)

(1) Registered Portable Equipment Unit Inspection Fee

Registered portable equipment units are those which emit PM10 in excess of that emitted by an associated engine alone. An hourly fee of \$98.00 shall be assessed for a triennial portable equipment unit inspection, including the subsequent investigation and resolution of violations, if any, of applicable state and federal requirements, not to exceed \$500.00 per unit.

(2) Registered Tactical Support Equipment (TSE) Inspection Fee

Registered TSE includes registered equipment using a portable engine, including turbines, that meet military specifications, owned by the U.S. Department of Defense, the U.S. military services, or its allies, and used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.

(A) To determine compliance with all applicable state and federal requirements, each registered TSE unit will be inspected once per calendar year.

(i) For registered TSE units determined to be in compliance with all applicable state and federal requirements during the annual inspection:

(a) A fee for the annual inspection of a single registered TSE unit shall be assessed at a unit cost of \$75.00.

(b) A fee for annual inspection of two or more registered TSE units at a single location shall be assessed at the lesser of the following costs:

(1) The actual time to conduct the inspection at the rate of \$100.25 per hour; or

(2) A unit cost of \$75.00 per registered TSE unit inspected.

(ii) For registered TSE units determined to be out of compliance with one or more applicable state or federal requirements during the annual inspection, fees for the annual inspection (including the subsequent investigation and resolution of the violation) shall be assessed at the lesser of the following costs:

- (1) The actual time to conduct the inspection at the rate of \$100.25 per hour; or
 - (2) A unit cost of \$75.00 per registered TSE unit inspected.
- (3) **Off-hour Inspection Fee**

In addition to the inspection fees stated above, any arranged inspections requested by the holder of the registration that are scheduled outside of District normal business hours may be assessed an additional off-hour inspection fee of \$40.96 per hour for the time necessary to complete the inspection.
- (4) **Notice to Pay and Late Payment Surcharge**

A notice to pay the inspection fees will be mailed to the registration holder. Fees are due and payable immediately upon receipt of the notice to pay. All inspection fees required under this section are due within 30 days of the invoice date. If fee payment is not received by the thirtieth (30th) day following the date of the notice to pay, the fee shall be considered late and, a late payment surcharge of \$70.11 per portable engine or equipment unit shall be imposed, not to exceed \$138.73 for any notice to pay. For the purpose of this subparagraph, the inspection fee payment shall be considered to be timely received by the District if it is postmarked by the United States Postal Service on or before the thirtieth (30th) day following the date of the notice to pay. If the thirtieth (30th) day falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been postmarked on the thirtieth (30th) day. Failure to pay the inspection fees and any late payment surcharge within 120 days of the date of the initial notice to pay may result in the suspension or revocation of the registration by CARB. Once a registration has been suspended, CARB will not consider reinstatement until all fees due, including late payment surcharge fees, have been paid in full.
- (x) **Rule 1149 and Rule 1166 Notification Fees**

Any person who is required by the District to submit a written notice pursuant to Rule 1149, Rule 1166 or for soil vapor extraction projects shall pay a notification fee of \$60.85 per notification.

- (y) Fees for the Certification of Equipment Subject to the Provisions of Rules 1111, 1121 and 1146.2
 - (1) Initial Certification Fee

Any person requesting certification pursuant to Rules 1111, 1121 or 1146.2 shall pay a fee of \$560.90 per certification letter for each family of model series certified. This fee shall be paid in addition to the fees paid to review any associated source test report(s).
 - (2) Additional Fees for Modification or Extension of Families to Include a New Model(s)

Any person requesting a modification or extension of a certification already issued to include a new model(s) shall pay an additional fee of \$280.46 for certification of new models added by extension to the previously certified model series per request.
 - (3) Failure to pay all certification fees shall result in the revocation of each certified piece of equipment that was evaluated for which fee payment has not been received within 30 days after the due date.

- (z) “No Show” Fee for Rule 461 – Gasoline Dispensing Equipment Scheduled Testing
 - (1) Reverification, and Performance Testing

If a testing company does not show for a Reverification test, or Performance test within one hour of its original scheduled time, and an SCAQMD inspector arrives for the inspection, a “No Show” fee of \$412.43 shall be charged to the testing company.
 - (2) Pre-Backfill Inspection

If a contracting company is not ready for a Pre-Backfill inspection of its equipment at the original scheduled time, and/or did not notify the SCAQMD inspector of postponement/cancellation at least three hours prior to the scheduled time, a “No Show” fee of \$412.43 shall be charged to the contracting company.

- (aa) Defense of Permit

Within 10 days of receiving a complaint or other legal process initiating a challenge to the SCAQMD’s issuance of a permit, the SCAQMD shall notify the applicant or permit holder in writing. The applicant or permit holder may, within 30 days of posting of the notice, request revocation of the permit or cancellation of the application. An applicant or permit holder not requesting revocation or cancellation

within 30 days of receipt of notice from the District shall be responsible for reimbursement to the District for all reasonable and necessary costs to defend the issuance of a permit or permit provisions against a legal challenge, including attorney's fees and legal costs. The Executive Officer will invoice the applicant or permit holder for fees and legal costs at the conclusion of the legal challenge. The SCAQMD and the applicant or permit holder will negotiate an indemnity agreement within 30 days of the notice by SCAQMD to the facility operator. The agreement will include, among other things, attorneys' fees and legal costs. The Executive Officer or designee may execute an indemnity agreement only after receiving authorization from the Administrative Committee. The Executive Officer may in his discretion, waive all or any part of such costs upon a determination that payment for such costs would impose an unreasonable hardship upon the applicant or permit holder.

FY 2017-18

SUMMARY PERMIT FEE RATES - PERMIT PROCESSING, CHANGE OF CONDITIONS, ALTERATION/MODIFICATION

Schedule	Non-Title V			Title V		
	Permit Processing	Change of Condition	Alteration/Modification	Permit Processing	Change of Condition	Alteration/Modification
A	\$1,660.65	\$865.01	\$1,660.65	\$1,767.15	\$920.48	\$1,767.15
A1	\$1,660.65	\$865.01	\$1,660.65	\$1,767.15	\$920.48	\$1,767.15
B	\$2,646.69	\$1,311.15	\$2,646.69	\$2,816.43	\$1,395.24	\$2,816.43
B1	\$4,186.29	\$2,269.16	\$4,186.29	\$4,454.77	\$2,414.69	\$4,454.77
C	\$4,186.29	\$2,269.16	\$4,186.29	\$4,454.77	\$2,414.69	\$4,454.77
D	\$5,777.78	\$3,880.88	\$5,777.78	\$6,148.34	\$4,129.78	\$6,148.34
E	\$6,642.70	\$5,698.08	\$6,642.70	\$7,068.73	\$6,063.52	\$7,068.73
F	\$16,693.49+ T&M	\$8,318.82+ T&M	\$13,233.47+ T&M	\$17,764.12+ T&M	\$8,852.34+ T&M	\$14,082.20+ T&M
G	\$19,703.51+ T&M	\$14,116.48+ T&M	\$16,243.46+ T&M	\$20,967.18+ T&M	\$15,021.84+ T&M	\$17,285.23+ T&M
H	\$30,532.44+ T&M	\$17,898.53+ T&M	\$27,072.40+ T&M	\$32,490.62+ T&M	\$19,046.45+ T&M	\$28,808.68+ T&M

+T&M =Time and Materials Charge in Addition to the Rates Above for Selected Schedules

Schedule	Begin Charging Hourly Rate After (hrs)	Non-Title V T& M Rate (\$/hr)	Non-Title V Not to Exceed (\$)	Title V T& M Rate (\$/hr)	Title V Not to Exceed (\$)
F	99	\$173.00	\$32,518.98	\$184.10	\$34,604.57
G	117	\$173.00	\$55,712.60	\$184.10	\$59,285.71
H	182	\$173.00	\$70,838.47	\$184.10	\$75,381.67

FY 2018-19

SUMMARY PERMIT FEE RATES - PERMIT PROCESSING, CHANGE OF CONDITIONS, ALTERATION/MODIFICATION

Schedule	Non-Title V			Title V		
	Permit Processing	Change of Condition	Alteration/Modification	Permit Processing	Change of Condition	Alteration/Modification
A	\$1,727.07	\$899.61	\$1,727.07	\$1,955.70	\$1,018.70	\$1,955.70
A1	\$1,727.07	\$899.61	\$1,727.07	\$1,955.70	\$1,018.70	\$1,955.70
B	\$2,752.55	\$1,363.59	\$2,752.55	\$3,116.94	\$1,544.11	\$3,116.94
B1	\$4,353.74	\$2,359.93	\$4,353.74	\$4,930.09	\$2,672.34	\$4,930.09
C	\$4,353.74	\$2,359.93	\$4,353.74	\$4,930.09	\$2,672.34	\$4,930.09
D	\$6,008.89	\$4,036.11	\$6,008.89	\$6,804.37	\$4,570.43	\$6,804.37
E	\$6,908.41	\$5,926.00	\$6,908.41	\$7,822.96	\$6,710.50	\$7,822.96
F	\$17,361.23+ T&M	\$8,651.57+ T&M	\$13,762.81+ T&M	\$19,659.55+ T&M	\$9,796.88+ T&M	\$15,584.77+ T&M
G	\$20,491.65+ T&M	\$14,681.14+ T&M	\$16,893.20 + T&M	\$23,204.38+ T&M	\$16,624.67+ T&M	\$19,129.56+ T&M
H	\$31,753.74+ T&M	\$18,614.48+ T&M	\$28,155.30 + T&M	\$35,957.37+ T&M	\$21,078.71+ T&M	\$31,882.57+ T&M

Schedule	Begin Charging Hourly Rate After (hrs)	Non-Title V T & M Rate (\$/hr)	Non-Title V Not to Exceed (\$)	Title V T & M Rate (\$/hr)	Title V Not to Exceed (\$)
F	99	\$179.92	\$33,819.74	\$203.74	\$38,296.88
G	117	\$179.92	\$57,941.11	\$203.74	\$65,611.50
H	182	\$179.92	\$73,672.01	\$203.74	\$83,424.89

**FY 2019-20 and thereafter
SUMMARY PERMIT FEE RATES - PERMIT PROCESSING, CHANGE OF
CONDITIONS, ALTERATION/MODIFICATION**

Schedule	Non-Title V			Title V		
	Permit Processing	Change of Condition	Alteration/Modification	Permit Processing	Change of Condition	Alteration/Modification
A	\$1,727.07	\$899.61	\$1,727.07	\$2,164.18	\$1,127.29	\$2,164.18
A1	\$1,727.07	\$899.61	\$1,727.07	\$2,164.18	\$1,127.29	\$2,164.18
B	\$2,752.55	\$1,363.59	\$2,752.55	\$3,449.21	\$1,708.71	\$3,449.21
B1	\$4,353.74	\$2,359.93	\$4,353.74	\$5,455.64	\$2,957.21	\$5,455.64
C	\$4,353.74	\$2,359.93	\$4,353.74	\$5,455.64	\$2,957.21	\$5,455.64
D	\$6,008.89	\$4,036.11	\$6,008.89	\$7,529.72	\$5,057.64	\$7,529.72
E	\$6,908.41	\$5,926.00	\$6,908.41	\$8,656.89	\$7,425.84	\$8,656.89
F	\$17,361.23+ T&M	\$8,651.57+ T&M	\$13,762.81+ T&M	\$21,755.26+ T&M	\$10,841.23+ T&M	\$17,246.11+ T&M
G	\$20,491.65+ T&M	\$14,681.14+ T&M	\$16,893.20+ T&M	\$25,677.97+ T&M	\$18,396.86+ T&M	\$21,168.77+ T&M
H	\$31,753.74+ T&M	\$18,614.48+ T&M	\$28,155.30+ T&M	\$39,790.43+ T&M	\$23,325.70+ T&M	\$35,281.25+ T&M

Schedule	Begin Charging Hourly Rate After (hrs)	Non-Title V T& M Rate (\$/hr)	Non-Title V Not to Exceed (\$)	Title V T& M Rate (\$/hr)	Title V Not to Exceed (\$)
F	99	\$179.92	\$33,819.74	\$225.46	\$42,379.33
G	117	\$179.92	\$57,941.11	\$225.46	\$72,605.69
H	182	\$179.92	\$73,672.01	\$225.46	\$92,317.98

SUMMARY OF ERC PROCESSING RATES, BANKING, CHANGE OF TITLE, ALTERATION/MODIFICATION, CONVERSION TO SHORT TERM CREDITS, RE-ISSUANCE OF SHORT TERM CREDITS, RETIREMENT OF SHORT TERM CREDITS FOR TRANSFER INTO RULE 2202, and TRANSFER OF ERCs OUT OF RULE 2202

Schedule I	Non-Title V		Title V		
	FY 2017-18	FY 2018-19 and thereafter	FY 2017-18	FY 2018-19	FY 2019-20 and thereafter
Banking Application	\$4,285.13	\$4,456.54	\$4,559.95	\$5,046.50	\$5,584.46
Change of Title	\$756.95	\$787.23	\$805.49	\$891.44	\$986.47
Alteration/Modification	\$756.95	\$787.23	\$805.49	\$891.44	\$986.47
Conversion to Short Term Credits	\$756.95	\$787.23	\$805.49	\$891.44	\$986.47
Re-Issuance of Short Term Credits	\$756.95	\$787.23	\$805.49	\$891.44	\$986.47
Retirement of Short Term Emission Credits for Transfer into Rule 2202 and Transfer of ERCs Out of Rule 2202	\$254.58	\$264.76	\$270.91	\$299.82	\$331.78

**SUMMARY OF PERMIT FEE RATES
CHANGE OF OPERATOR^a**

Facility Type	Non-Title V	Title V
Small Business	\$230.64 for FY 2017-18 and \$239.87 for FY 2018-19 and thereafter	\$245.43 for FY 2017-18, \$271.62 for FY 2018-19 and \$300.57 for FY 2019-20 and thereafter
Non-Small Business	\$633.40 for FY 2017-18 and \$658.74 for FY 2018-19 and thereafter	\$674.02 for FY 2017-18, \$745.94 for FY 2018-19 and \$825.46 for FY 2019-20 and thereafter

^aThe change of operator fee for Non-RECLAIM Title V facilities shall not exceed \$8,383.28 for FY 2017-18, \$9,277.78 for FY 2018-19 and \$10,266.79 for FY 2019-20 and thereafter per facility and for all other Non-RECLAIM facilities shall not exceed \$15,756.06 for FY 2017-18 and \$16,386.30 for FY 2018-19 and thereafter per facility.

TABLE IA - PERMIT FEE RATES FOR CONTROL EQUIPMENT

Equipment/Process	Schedule
Abatement System/HEPA, Asbestos, Lead	B
Activated Carbon Adsorber, Venting Single Source (s.s.=single source)	B
Activated Carbon Adsorber, Venting Multiple Source (m.s.=multiple sources)	C
Activated Carbon Adsorber, Other	D
Activated Carbon Adsorber, Drum Venting Toxic Source (t.s. = toxic source)	C
Activated Carbon Adsorber, with regeneration	E
Afterburner (<= 1 MMBTU/hr, venting s.s.)	B
Afterburner (<= 1 MMBTU/hr, venting m.s.)	C
Afterburner, Catalytic for Bakery Oven	C
Afterburner, Direct Flame	D
Afterburner/Oxidizer: Regenerative Ceramic/Hot Rock Bed Type, Recuperative Thermal	D
Afterburner/Oxidizer, Catalytic	D
Air Filter, Custom	C
Amine (or DEA) Regeneration Unit ¹	D
Amine Treating Unit ¹	D
Baghouse, Ambient (<= 100 FT ²)	A
Baghouse, Ambient (> 100 - 500 FT ²)	B
Baghouse, Ambient (> 500 FT ²)	C
Baghouse, Hot (> 350 F)	D
Biofilter (<= 100 cfm)	B
Biofilter (> 100 cfm)	C
Boiler as Afterburner	D
CO Boiler	F
Condenser	C
Control Systems, two in series	C
Control Systems, three in series	D
Control Systems, four or more in series	E
Control Systems, Venting Plasma Arc Cutters	B1
Cyclone	B
Dry Filter (<= 100 FT ²)	A
Dry Filter (> 100 - 500 FT ²)	B

Equipment/Process	Schedule
Dry Filter (> 500 FT ²)	C
Dust Collector/HEPA, other Rule 1401 toxics	C
Electrostatic Precipitator, Restaurant	B
Electrostatic Precipitator, Asphalt Batch Equipment	C
Electrostatic Precipitator, Extruder	B
Electrostatic Precipitator, < 3000 CFM	B
Electrostatic Precipitator, => 3000 CFM	D
Electrostatic Precipitator for Fluid Catalytic Cracking Unit (FCCU)	H
Ethylene Oxide Sterilization, Control, Hospital	B
Flare, Landfill/Digester Gas, Enclosed	E
Flare, Landfill/Digester Gas, Open	C
Flare, Portable	B
Flare System, Refinery ²	F
Flare Other	C
Flue Gas Desulfurization ¹	D
Gas Absorption Unit ³	D
Gas Scrubbing System ¹	F
Incinerator, Afterburner	D
Mesh pads, for toxics gas stream	C
Mesh pads, for other acid mists	B
Mist Control	B
Mist Eliminator with HEPA	C
Negative Air Machine/HEPA, Asbestos, Lead	A
Non-Selective Catalytic Reduction	B
Odor Control Unit	D
Relief and Blowdown System ⁴	D
Scrubber, Biofiltration	C
Scrubber Controlling NO _x venting	D
Scrubber Controlling SO _x venting	D
Scrubber Controlling HCL or NH ₃ venting s.s.	B
Scrubber Controlling HCL or NH ₃ venting m.s.	C
Scrubber, NO _x , multistage	D
Scrubber, NO _x , single stage	C
Scrubber, Odor, < 5000 cfm	C

TABLE IA - PERMIT FEE RATES FOR CONTROL EQUIPMENT

Equipment/Process	Schedule
Scrubber, Other venting s.s.	B
Scrubber, Other venting m.s.	C
Scrubber, Other Chemical venting s.s.	B
Scrubber, Other Chemical venting m.s.	D
Scrubber, Particulates venting s.s.	B
Scrubber, Particulates venting m.s.	C
Scrubber, Particulates venting t.s.	D
Scrubber, Restaurant	B
Scrubber, Toxics venting	D
Scrubber, Venturi venting s.s.	B
Scrubber, Venturi venting m.s.	C
Scrubber, Venturi venting t.s.	C
Scrubber, Water (no packing)	B
Selective Catalytic Reduction (SCR)	C
Settling Chamber	B
Ship Hold Hatch Cover	A
Slop Oil Recovery System	D
Sour Water Oxidizer Unit ⁵	D
Sour Water Stripper ⁶	D
Sparger	B
Spent Acid Storage & Treating Facility ⁷	E
Spent Carbon Regeneration System	D
Spent Caustic Separation System ⁸	D
Spray Booth/Enclosure, Other	B
Spray Booth/Enclosure, Powder Coating System with single or multiple APC for particulates	B

Equipment/Process	Schedule
Spray Booth, Metallizing	C
Spray Booth with Carbon Adsorber (non-regenerative)	C
Spray Booths (multiple) with Carbon Adsorber (non-regenerative)	D
Spray Booth(s) with Carbon Adsorber (regenerative)	E
Spray Booth(s) (1 to 5) with Afterburner/Oxidizer (Regenerative/Recuperative)	D
Spray Booths (>5) with Afterburner/Oxidizer (Regenerative/Recuperative)	E
Spray Booth, Automotive, with Multiple VOC Control Equipment	C
Spray Booth with Multiple VOC Control	D
Spray Booths (multiple) with Multiple VOC Control Equipment	E
Storm Water Handling & Treating System ⁹	E
Sulfur Recovery Equipment ⁷	H
Tail Gas Incineration	D
Tail Gas Unit ¹⁰	H
Storage Tank, Degassing Unit	D
Ultraviolet Oxidation	D
Vapor Balance System ¹¹	B
Vapor Recovery, Serving Crude Oil Production ¹¹	D
Vapor Recovery, Serving Refinery Unit ¹¹	E
Waste Gas Incineration Unit	E

¹ Including, but not limited to, all or part of the following: Accumulators, Columns, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels

² Including, but not limited to, all or part of the following: Flare, Compressors, Drums, Knock Out Pots, Pots, Vessels

³ Including, but not limited to, all or part of the following: Accumulators, Columns, Condensers, Drums, Heat Exchangers, Knock

TABLE IA - PERMIT FEE RATES FOR CONTROL EQUIPMENT

Out Pots, Pots, Pumps, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, towers, Vessels
⁴ Including, but not limited to, all or part of the following: Compressors, Drums, Knock Out Pots, Pots	⁸ Including, but not limited to, all or part of the following: Process Tanks, Separators, Tanks
⁵ Including, but not limited to, all or part of the following: Accumulators, Columns, Drums, Knock Out Pots, Tanks, Vessels	⁹ Including, but not limited to, all or part of the following: Air Flootation Units, Flootation Units, Filter Presses, Clarifiers, Settling Tanks, Waste Water Separators, Tanks
⁶ Including, but not limited to, all or part of the following: Condensers, Coolers, Drums, Sumps, Vessels	¹⁰ Including, but not limited to, all or part of the following: Absorbers, Condensers, Coolers, Drums, Heat Exchangers, Knock Out Pots, Reactors, Tanks, Vessels
⁷ Including, but not limited to, all or part of the following: Accumulators, Clarifier, Columns, Compressors, Condensers, Drums, Filters, Filter Presses, Heat Exchangers, Knock Out Pots, Pits,	¹¹ Including, but not limited to, all or part of the following: Absorbers, Compressors, Condensers, Knock Out Pots, Pumps, Saturators

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule
Abatement System, Asbestos, Lead	B
Abrasive Blasting (Cabinet, Mach., Room)	B
Abrasive Blasting (Open)	A
Absorption Chillers, Gas-Fired, < 5 MM Btu/hr	B
Absorption Chillers, Gas-Fired, => 5 MM Btu/hr	C
Acetylene Purification System Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
Acid Treating Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Adhesives Organic Additions Including, but not limited to, all or part of the following: Reactors, Mixers, Process Tanks, Vessels	C
Adsorption Chillers, Gas-Fired, < 5 MM Btu/hr	B
Adsorption Chillers, Gas-Fired, => 5 MM Btu/hr	C
Adsorption, Other	B
Aeration Potable Water	C
Aggregate, Tank Truck Loading/Conveying Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Weigh Stations	B
Aggregate Production, with Dryer Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Dryers, Feeders, Hoppers, Crushers, Cyclones, Log Washers, Mixers, Screens, Vibrating Grizzlies, Weigh Stations	E

Equipment/Process	Schedule
Aggregate Production/Crushing (< 5000 tpd) Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Crushers, Cyclones, Log Washers, Mixers, Screens, Vibrating Grizzlies, Weigh Stations	C
Aggregate Production/Crushing (=> 5000 tpd) Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Crushers, Cyclones, Log Washers, Mixers, Screens, Vibrating Grizzlies, Weigh Stations	D
Aggregate Screening Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Cyclones, Screens, Weigh Stations	C
Air Strippers	C
Aircraft Fueling Facility Including, but not limited to, all or part of the following: Storage Tanks, Dispensing Nozzles	D
Alkylation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Ammonia Mfg. Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Coolers, Drums, Ejectors, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
Ammonia Vaporization Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Coolers, Drums, Ejectors, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule
Animal Feed Processing, Conveying Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators	B
Animal Feed Processing, Other Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators, Mixers, Feeders, Grinders	C
Anodizing (sulfuric, phosphoric)	B
Aqueous Ammonia Transfer & Storage	C
Aromatics Recovery Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Asphalt Air Blowing	B
Asphalt Blending/Batching Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Cyclones, Dryers, Feeders, Hoppers, Knock Out Pots, Mixers, Screens, Tanks, Weigh Stations	E
Asphalt Coating	C
Asphalt Day Tanker/Tar Pot	A
Asphalt Refining Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Asphalt Roofing Line Including, but not limited to, all or part of the following: Pumps, Conveyors, Process Tanks, Coater Operations, Cutters	C
Asphalt Roofing Saturator	D
Asphalt-Rubber Spraying	B
Auto Body Shredding	C
Autoclave, Non-sterilizing Type	B

Equipment/Process	Schedule
Battery Charging/Manufacturing Including, but not limited to, all or part of the following: Cutters, Crushers, Separators, Process Tanks, Conveyors	C
Benzene/Toluene/Xylene Production Equip. Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Beryllium Machining and Control Including, but not limited to, all or part of the following: Machining Operations, Filters, Baghouses,	C
Bleach Manufacturing Including, but not limited to, all or part of the following: Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Tanks, Towers, Vessels	B
Blending, Other	B
Boiler/hot water heater, various locations, diesel/oil fired (< 300,000 BTU/hr)	A
Boiler/hot water heater, single facility, portable, diesel/oil fired (< 600,000 BTU/hr)	A
Boiler, Landfill/Digester Gas (< 5 MMBTU/hr)	B
Boiler, Landfill/Digester Gas (5 to 20 MMBTU/hr)	C
Boiler, Landfill/Digester Gas (> 20 to 50 MMBTU/hr)	D
Boiler, Landfill/Digester Gas (>50MMBTU/hr)	F
Boiler, Natural gas-fired, 5 – 20 MM BTU/hr	C
Boiler, Other Fuel (< 5MMBTU/hr)	B
Boiler, Other Fuel (5 - 20 MMBTU/hr)	C
Boiler, Other Fuel (> 20 - 50 MMBTU/hr)	D
Boiler, Other Fuel (> 50 MMBTU/hr)	E
Boiler, Utility (> 50 MW)	H
Brake Shoes, Grinding, Bonding and Debonding, Deriveter	B
Bulk Chemical Terminal	B

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule
Bulk Loading/Unloading Stn (< 50,000 GPD)	B
Bulk Loading/Unloading Rack (50,000 - 200,000 GPD)	D
Bulk Loading/Unloading Rack (> 200,000 GPD)	E
Bulk Loading/Unloading	C
Carpet Processing System Including, but not limited to, all or part of the following: Process Tanks, Dryers, Carpet Beaters, Carpet Shears	D
Catalyst Handling System Including, but not limited to, all or part of the following: Centrifuge, Bins, Conveyors, Hoppers, Cyclones, Screens, Tanks, Weigh Stations	C
Catalyst Mfg./Calcining Including, but not limited to, all or part of the following: Bins, Conveyors, Reactors, Mixers, Process Tanks, Kilns	D
Catalyst Storage (Hoppers)	C
Catalytic Reforming Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Caustic Treating Unit Including, but not limited to, all or part of the following: Knock Out Pots, Tanks, Towers, Vessels	E
Cement Marine Loading & Unloading Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Loading & Unloading Arms, Weigh Stations	E
Cement Packaging Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Weigh Stations	C
Cement Truck Loading	C
Charbroiler, Eating Establishment	A
Charbroiler with Integrated Control	B
Charbroiler, Food Manufacturing	C

Equipment/Process	Schedule
Chemical Additive Injection System Including, but not limited to, all or part of the following: Injectors, Compressors, Pumps	C
Chip Dryer	D
Circuit Board Etchers	B
Cleaning, Miscellaneous	B
Coal Bulk Loading Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Loading Arms, Weigh Stations	E
Coal Research Pilot / Equip (0-15 MMBTU/hr)	C
Coal Research Pilot / Equip (> 15 MMBTU/hr)	D
Coal Tar Treating Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
Coating & Drying Equipment, Continuous Organic, Web Type Including, but not limited to, all or part of the following: Coater Operations, Process Tanks, Dryers	C
Coffee Roaster < 50 lbs capacity with integrated afterburner	B
Coffee Roasting, (11-49 lb roaster capacity) Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Roasters, Coolers	A
Coffee Roasting, 50-99 lb roaster capacity Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Roasters, Coolers	B
Coffee Roasting, 100 lb or more roaster capacity Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Roasters, Coolers	C

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule	Equipment/Process	Schedule
Coke Handling & Storage Facility Including, but not limited to, al or part of the following: Centrifuge, Bins, Conveyors, Clarifier, Hoppers, Cyclones, Screens, Tanks, Weigh Stations	E	Crude Oil, Distillation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Composting, in vessel Including, but not limited to, all or part of the following: Bins, Conveyors, Hoppers	C	Crude Oil/Gas/Water Separation System (< 30 BPD)** Including, but not limited to, all or part of the following: Adsorbers, Oil Water Separators, Oil Gas Water Separators, Pits, Sumps, Tanks, Vessels	C
Concrete/Asphalt Crushing Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Crushers, Cyclones, Screens, Vibrating Grizzlies, Weigh Stations	C	Crude Oil/Gas/Water Separation System, (= > 30 BPD & < 400 BPD)** Including, but not limited to, all or part of the following: Adsorbers, Oil Water Separators, Oil Gas Water Separators, Pits, Sumps, Tanks, Vessels	C
Concrete Batch Equipment Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Dryers, Feeders, Hoppers, Crushers, Cyclones, Log Washers, Mixers, Screens, Vibrating Grizzlies, Weigh Stations	C	Crude Oil/Gas/Water Separation System, (= > 400 BPD)** Including, but not limited to, all or part of the following: Adsorbers, Oil Water Separators, Oil Gas Water Separators, Pits, Sumps, Tanks, Vessels	E
Confined Animal Facility	A	Decorating Lehr	C
Container Filling, Liquid	B	Decorator	B
Conveying, Other	B	Deep-Fat Fryer	C
Cooling Tower, Petroleum Operations	C	Dehydration Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
Cooling Tower, Other	B	Degreaser, Cold Solvent Dipping	B
Core Oven	B	Degreaser, Cold Solvent Spray	C
Cotton Ginning System Including, but not limited to, all or part of the following: Hoppers, Conveyors, Separators, Screens, Classifiers, Mixers	D	Degreaser, (<= 1 lb VOC/day)	B
Crankcase Oil, Loading and Unloading	C	Degreaser (> 1 lb VOC/day)	B
Crematory	C	Degreaser, (VOCw/Toxics)	C
Crude Oil, Cracking Catalytic Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	G		

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule
Delayed Coking Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Deposition on Ceramics (< 5 pieces)	B
Deposition on Ceramics (5 or more pieces)	C
Desalting Unit Including, but not limited to, all or part of the following: Mixers, Pumps, Reactors, Settling Tanks, Sumps, Tanks, Vessels	C
Die Casting Equipment	C
Digester Gas Desulfurization System Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Tanks, Towers, Vessels	C
Dip Tank, Coating	B
Dip Tank, (<= 3 gal/day)	B
Distillation, Other Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
Drilling Rig, Crude Oil Prod.	C
Drop Forge	B
Dry Cleaning & Associated Control Equipment	A
Dryer for Organic Material	C
Drying/Laundry	A
Drying, Other	B
Emission Reduction Credits [Rule 301(c)(4) and (c)(5)]	I
End Liner, Can	B
Ethylene Oxide Sterilization, Hospital	B
Evaporation, Toxics	C

Equipment/Process	Schedule
Evaporator, Other	B
Extraction - Benzene Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
Extruder	B
Extrusion System (Multiple Units) Including, but not limited to, all or part of the following: Extruders	C
Fatty Acid Mfg.	C
Feathers, Size Classification	A
Feed Handling (combining conveying and loading)	D
Fermentation/Brewing Including, but not limited to, all or part of the following: Hoppers, Conveyors, Brew Kettles	C
Fertilizer, Natural, Packaging/ Processing Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Loading Arms, Weigh Stations	B
Fertilizer, Synthetic, Production Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Mixers, Dryers, Process Tanks, Reactors, Hoppers, Loading Arms, Weigh Stations	C
Fiberglass Panel Mfg Including, but not limited to, all or part of the following: Conveyors, Mixers, Reactors, Process Tanks, Cutters	C
Filament Winder, Rule 1401 Toxics	C
Filament Winder, Other	B
Filling Machine, Dry Powder	C
Film Cleaning Machine	B
Flour Handling (combining conveying, packaging, and loadout)	E
Flour Manufacturing (combining milling and conveying)	E
Flour Milling Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Mills, Weigh Stations	D

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule	Equipment/Process	Schedule
Flow Coater	B	Furnace, Frit	C
Fluid Catalytic Cracking Equipment Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	H	Furnace, Galvanizing	C
Fluid Elimination, Waste Water	B	Furnace, Graphitization and Carbonization	C
Foam-in-Place Packaging	A	Furnace, Heat Treating	B
Food Processing Grinding, Blending, Packaging, Conveying, Flavoring	C	Furnace, Other Metallic Operations	C
Fractionation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E	Furnace, Pot/Crucible	C
Fruit and Vegetable Treating	A	Furnace, Reverberatory	D
Fuel Gas Mixer	C	Furnace, Wire Reclamation	C
Fuel Gas, Treating Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Scrubbers, Settling Tanks, Towers, Vessels	D	Garnetting, Paper/Polyester Including, but not limited to, all or part of the following: Feeders, Conveyors, Condensers, Cutters	C
Fuel Storage & Dispensing Equipment (Rule 461) Including, but not limited to, all or part of the following: Storage Tanks, Dispensing Nozzles	A	Gas Plant Including, but not limited to, all or part of the following: Accumulators, Columns, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Re-generators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Fumigation	A	Gas Turbine, Landfill/Digester Gas, <0.3 MW	B
Furnace, Arc	D	Gas Turbine, Landfill/Digester Gas, => 0.3 MW	E
Furnace, Burn-Off, Armature	C	Gas Turbine, <= 50 MW, other fuel	D
Furnace, Burn-Off, Drum	D	Gas Turbine, > 50 MW, other fuel	G
Furnace, Burn-Off, Engine Parts	C	Gas Turbine, Emergency, < 0.3 MW	A
Furnace, Burn-Off, Paint	C	Gas Turbine, Emergency, => 0.3 MW	C
Furnace, Burn-Off, Wax	C	Gas Turbines (Microturbines only)	A
Furnace, Burn-Off, Other	C	Gas-Oil Cracking Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Furnace, Cupola	D	Gasoline, In-line Blending Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D
Furnace, Electric, Induction and Resistance	C		

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule
Gasoline, Refining Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D
Gasoline, Separation - Liquid Production Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D
Gasoline, Vapor Gathering System Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D
Gasoline Blending Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Scrubbers, Settling Tanks, Towers, Vessels	E
Gasoline Fractionation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	F
Gasoline Transfer & Dispensing Facility (See Fuel Storage & Dispensing Equipment)	
Glass Forming Machine	C
Glass Furnace < 1TPD	B
Glass Furnace, > 1 - 50 TPD Pull	D
Glass Furnace, > 50 TPD Pull	E

Equipment/Process	Schedule
Grain Cleaning Including, but not limited to, all or part of the following: Air Classifiers, Bins, Conveyors, Bucket Elevators, Hoppers, Mills, Screens, Weigh Stations	C
Grain Handling (combining storage and cleaning)	E
Grain Storage	C
Grinder, Size Reduction	B
Groundwater Treatment System Including, but not limited to, all or part of the following: Air Strippers, Adsorbers, Process Tanks	C
Gypsum, Calcining Including, but not limited to, all or part of the following: Air Classifiers, Bins, Conveyors, Bucket Elevators, Hoppers, Kilns, Weigh Stations	E
Halon/Refrigerants, Recovery and Recycling Equipment	A1
Heater, (< 5 MMBTU/hr)	B
Heater, (5 - 20 MMBTU/hr)	C
Heater, (> 20-50 MMBTU/hr)	D
Heater, (> 50 MMBTU/hr)	E
Hot End Coating, (Glass Mfg. Plant)	B
Hydrant Fueling, Petrol. Middle Distillate Including, but not limited to, all or part of the following: Storage Tanks, Dispensing Nozzles	D
Hydrocarbons, Misc., Treating Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D
Hydrogen Desulfurization (HDS) Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	F

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule	Equipment/Process	Schedule
Hydrogen Production Equipment Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	F	Iodine Reaction Including, but not limited to, all or part of the following: Columns, Compressors, Condensers, Coolers, Heat Exchangers, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Tanks, Towers	C
Hydrotreating Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E	Isomerization Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
IC Engine, (51-500 HP) Cogeneration	B	Jet Engine Test Facility	C
IC Engine, (> 500 HP) Cogeneration	C	Kiln, Natural Gas	C
IC Engine, Emergency	B	Landfill Condensate/Leachate Collection/Storage	B
IC Engine, Landfill/Digester Gas	D	Landfill Gas, Collection, (< 10 Wells)	B
IC Engine, Other, 51-500 HP	B	Landfill Gas, Collection, (10 -50 Wells)	C
IC Engine, Other, > 500 HP	C	Landfill Gas, Collection, (> 50 Wells)	D
Impregnating Equipment	C	Landfill Gas, Treatment	E
Incineration, Hazardous Waste	H	Lime/Limestone, Conveying Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Weigh Stations	C
Incinerator, < 300 lbs/hr, Non-Hazardous	E	Liquid Separation, Other Including, but not limited to, all or part of the following: Process Tanks, Settling Tanks, Separators, Tanks	D
Incinerator, >= 300 lbs/hr, Non-Hazardous	F	Liquid Waste Processing, Hazardous Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Reactors, Process Tanks, Clarifiers, Settling Tanks, Waste Water Separators, Tanks	E
Indoor Shooting Range	B	Liquid Waste Processing, Non Hazardous Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Reactors, Process Tanks, Clarifiers, Settling Tanks, Waste Water Separators, Tanks	C
Ink Mfg./Blending Including, but not limited to, all or part of the following: Process Tanks, Mixers	B	LPG, Tank Truck Loading	D
Inorganic Chemical Mfg. Including, but not limited to, all or part of the following: Process Tanks, Mixers, Reactors	D		
Insecticide Separation/Mfg Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Coolers, Drums, Ejectors, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E		

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule
LPG, Treating Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D
LPG Distillation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Lube Oil Additive/Lubricant Mfg.	B
Lube Oil Re-refining Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D
Marine Bulk Loading/Unloading System, Including, but not limited to, all or part of the following: Absorbers, Compressors, Condensers, Knock Out Pots, Pumps, Reactors, Saturators	D
Marine Vessel Displaced Vapor Control, Including, but not limited to, all or part of the following: Absorbers, Compressors, Condensers, Knock Out Pots, Pumps, Reactors, Saturators	D
Merichem Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D

Equipment/Process	Schedule
Mercox Treating Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Metal Deposition Equipment	C
Metallic Mineral Production Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Crushers, Cyclones, Log Washers, Mixers, Screens, Vibrating Grizzlies, Weigh Stations	E
Misc. Solvent Usage at a Premise	B
Mixer, Chemicals	B
MTBE Production Facility Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Coolers, Drums, Ejectors, Heat Exchangers, Knock Out Pots, Mixers, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	F
Natural Gas Dehydration Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	C
Natural Gas Odorizers	C
Natural Gas Stabilization Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Scrubbers, Regenerators, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Nut Roasters Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Roasters, Coolers	C

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule
Nut Shell Drying Including, but not limited to, all or part of the following: Bins, Conveyors, Bucket Elevators, Hoppers, Dryers, Coolers	C
Oil/Water Separator (< 10,000 GPD) Including, but not limited to, all or part of the following: Oil Water Separators, Pits, Sumps, Tanks, Vessels	B
Oil/Water Separator (>= 10,000 GPD) Including, but not limited to, all or part of the following: Oil Water Separators, Pits, Sumps, Tanks, Vessels	C
Open-Air resin operations	A
Oven Bakery	C
Oven, Curing (Rule 1401 toxics)	C
Oven, Other	B
Packaging, Other	B
Paint Stripping, Molten Caustic	C
Paper Conveying	A
Paper Pulp Products	D
Paper Size Reduction	C
Pavement Grinder	B
Pavement Heater	B
Pelletizing, Chlorine Compounds Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Pelletizers, Mixers, Dryers	C
Perlite Furnace	C
Perlite Handling Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators	C
Pesticide/Herbicide Mfg. Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Coolers, Drums, Ejectors, Heat Exchangers, Knock Out Pots, Mixers, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Petroleum Coke Calcining Including, but not limited to, all or part of the following: Bins, Conveyors, Reactors, Mixers, Process Tanks, Kilns	F

Equipment/Process	Schedule
Petroleum Coke Conveying Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators	B
Pharmaceutical Mfg. Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Reactors, Process Tanks, Pelletizers, Mixers, Dryers	C
Pharmaceutical Mfg. Tableting, Coating Vitamins or Herbs	C
Pipe Coating, Asphaltic	B
Plasma Arc Cutting	B1
Plastic Mfg., Blow Molding Machine	B
Plastic/Resin Size Reduction Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Feeders, Hoppers, Grinders, Mills, Cyclones, Screens, Weigh Stations	B
Plastic/Resins Reforming	C
Plastic/Resins Treating	C
Plastisol Curing Equipment	B
Polystyrene Expansion/Molding	C
Polystyrene Expansion/Packaging	C
Polystyrene Extruding/Expanding	B
Polyurethane Foam Mfg. Including, but not limited to, all or part of the following: Coolers, Heat Exchangers, Pumps, Reactors, Mixers, Process Tanks	C
Polyurethane Mfg/Production	B
Polyurethane Mfg/Rebonding	B
Process Line, Chrome Plating (Hexavalent)	C
Process Line, Chrome Plating (Trivalent)	B
Precious Metal, Recovery, Other	B
Precious Metal, Recovery, Catalyst	D
Printing Press, Air Dry	B
Printing Press With IR, EB or UV Curing	B
Printing Press, Other	C
Printing Press, Screen	B
Production, Other	B
Railroad Car Loading/Unloading, Other	C
Railroad Car Unloading, liquid direct to trucks	B

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule
Reaction, Other	C
Recovery, Other	B
Refined Oil/Water Separator Including, but not limited to, all or part of the following: Oil/Water Separators, Pits, Sumps, Tanks, Vessels	B
Refrigerant Recovery/Recycling	A1
Rendering Equipment, Blood Drying	C
Rendering Equipment, Fishmeal Drying	C
Rendering Equipment, Rendering	D
Rendering Equipment, Separation, Liquid	C
Rendering Product, Handling Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators	C
Resin, Varnish Mfg. Including, but not limited to, all or part of the following: Coolers, Heat Exchangers, Pumps, Reactors, Mixers, Process Tanks	D
Roller Coater	B
Rubber Mfg. Including, but not limited to, all or part of the following: Coolers, Heat Exchangers, Pumps, Reactors, Mixers, Process Tanks	C
Rubber Presses or Molds with a ram diameter of more than 26 inches Submitted before September 11, 1999	A
Submitted on or after September 11, 1999	B
Rubber Roll Mill	B
Sand Handling Equipment, Foundry Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators	C
Sand Handling Equipment w/Shakeout, Foundry Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators	D
Screening, Green Waste	A
Screening, Other Including, but not limited to, all or part of the following: Screens, Conveyors, Bins, Hoppers, Bucket Elevators	C
Semiconductor, Int. Circuit Mfg (< 5 pieces)	B

Equipment/Process	Schedule
Semiconductor, Int. Circuit Mfg (5 or more)	C
Semiconductor, Photo resist (< 5 pieces)	B
Semiconductor, Photo resist (5 or more pieces)	C
Semiconductor, Solvent Cleaning (< 5 pieces)	B
Semiconductor, Solvent Cleaning (5 or more pieces)	C
Sewage Sludge Composting	C
Sewage Sludge Drying, Conveying, Storage, Load-out Including, but not limited to, all or part of the following: Conveyors, Bins, Hoppers, Bucket Elevators, Loading Arms	D
Sewage Sludge Digestion	D
Sewage Sludge Dryer	D
Sewage Sludge Incineration	H
Sewage Treatment, (<= 5 MGD), Aerobic Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Clarifiers, Settling Tanks, Trickling Filters, Waste Water Separators, Tanks	C
Sewage Treatment, (> 5 MGD) Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Filter Presses, Clarifiers, Settling Tanks, Trickling Filters, Waste Water Separators, Tanks	F
Sewage Treatment, (> 5 MGD), Anaerobic Including, but not limited to, all or part of the following: Air Floatation Units, Floatation Units, Digesters, Filter Presses, Clarifiers, Settling Tanks, Trickling Filters, Waste Water Separators, Tanks	G
Sheet Machine	B
Shell Blasting System	B
Shipping Container System	B
Sintering	C
Size Reduction, Other Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Dryers, Feeders, Hoppers, Crushers, Cyclones, Mixers, Screens, Weigh Stations	C

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule
Size Reduction, Petroleum Coke Including, but not limited to, all or part of the following: Bins, Bucket Elevators, Conveyors, Dryers, Feeders, Hoppers, Crushers, Cyclones, Mixers, Screens, Weigh Stations	C
Sludge Dewatering, Other Including, but not limited to, all or part of the following: Filter Press, Process Tanks, Settling Tanks	D
Sludge Dryer, Other	B
Sludge Incinerator	H
Smoke Generator	B
Smokehouse	C
Soap/Detergent Mfg Including, but not limited to, all or part of the following: Process Tanks, Mixers, Tanks, Conveyors, Bins, Hoppers, Bucket Elevators	D
Soil Treatment, Other Including, but not limited to, all or part of the following: Bins, Conveyors, Ovens	D
Soil Treatment, Vapor Extraction Including, but not limited to, all or part of the following: Adsorbers, Afterburners	C
Solder Leveling	B
Soldering Machine	B
Solvent Reclaim, Still (Multistage)	C
Solvent Reclaim, Still (Single stage)	A
Solvent Redistillation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Spent Stretford Solution Regeneration Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D
Spray Equipment, Open	B

Equipment/Process	Schedule
Spray Machine, Adhesive	B
Spray Machine, Coating	B
Spray Machine, Powder Coating	B
Spraying, Resin/Gel Coat	C
Sterilization Equipment	C
Stereolithography	A
Storage, Petroleum Coke	C
Storage Container, Baker-Type	B
Storage Container, Baker-Type w/Control	C
Storage Silo, Other Dry Material	A
Storage Tank, w/o Control, Crude Oil/Petroleum Products	B
Storage Tank, Acid with sparger	B
Storage Tank, Ammonia with sparger	B
Storage Tank, Asphalt <= 50,000 gallons	B
Storage Tank, Asphalt > 50,000 gallons	C
Storage Tank, Degassing Unit	D
Storage Tank, Fixed Roof with Internal Floater	C
Storage Tank, Fixed Roof with Vapor Control	C
Storage Tank, Fuel Oil	A
Storage Tank, Lead Compounds	C
Storage Tank, LPG	A
Storage Tank, LPG w/Vaporizing System	C
Storage Tank, Other	A
Storage Tank, Other w/ Control Equipment	B
Storage Tank, with Passive Carbon s.s.	B
Storage Tank, with Passive Carbon m.s.	C
Storage Tank, with Passive Carbon t.s.	C
Storage Tank, Rendered Products	C
Storage Tank, Waste Oil	A
Storage Tank with condenser	B
Storage Tank, with External Floating Roof	C
Stove-Oil Filter/Coalescer Facility	D
Striper, Can	B
Striper, Pavement	B
Stripping, Other	B

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule
Sulfonation Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Sulfuric Acid Plant Including, but not limited to, all or part of the following: Accumulators, Columns, Condensers, Drums, Heat Exchangers, Knock Out Pots, Pots, Pumps, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	F
Sump, Covered & Controlled	C
Sump, Spill Containment	A
Tablet Coating Pans	A
Tank, Hard Chrome Plating	C
Tank/Line, Other Chrome Plating or Chrome Anodizing	C
Tank, Line, Other Process Emitting Hexavalent Chrome	C
Tank/Line, Trivalent Chrome Plating	B
Tank/Line, Cadmium or Nickel Plating	C
Tank/Line, Other Process Emitting Nickel or Cadmium	B1
Tank/Line, Other Plating	B
Tank/Line Nitric Acid Process Emitting NOx	C
Tank/Line, Other Process Using Aqueous Solutions	B
Tank, Paint Stripping w/Methylene Chloride	C
Textiles, Recycled, Processing	C
Thermal Cracking Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Tire Buffer	A
Treating, Other	B

Equipment/Process	Schedule
Treating, Petroleum Distillates Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	D
Vacuum Distillation Unit Including, but not limited to, all or part of the following: Absorbers, Accumulators, Columns, Compressors, Condensers, Drums, Fractionators, Heat Exchangers, Knock Out Pots, Pots, Pumps, Reactors, Regenerators, Scrubbers, Settling Tanks, Sumps, Tanks, Towers, Vessels	E
Vacuum Machine	C
Vacuum Metalizing	B
Vacuum Pumps	C
Vegetable Oil Extractor Including, but not limited to, all or part of the following: Bins, Conveyors, Cookers, Presses, Tanks, Kilns	E
Warming Device, Electric	A
Waste Water Treating (< 10,000 gpd) Including, but not limited to, all or part of the following: Air Flootation Units, Flootation Units, Filter Presses, Clarifiers, Settling Tanks, Waste Water Separators, Tanks	B
Waste Water Treating (< 20,000 gpd) no toxics Including, but not limited to, all or part of the following: Air Flootation Units, Flootation Units, Filter Presses, Clarifiers, Settling Tanks, Waste Water Separators, Tanks	B
Waste Water Treating (20,000 - 50,000 gpd) Including, but not limited to, all or part of the following: Air Flootation Units, Flootation Units, Filter Presses, Clarifiers, Settling Tanks, Waste Water Separators, Tanks	D
Waste Water Treating (> 50,000 gpd) Including, but not limited to, all or part of the following: Air Flootation Units, Flootation Units, Filter Presses, Clarifiers, Settling Tanks, Waste Water Separators, Tanks	E

TABLE IB - PERMIT FEE RATES FOR BASIC EQUIPMENT

Equipment/Process	Schedule
Waste-to-Energy Equipment	H
Wet Gate Printing Equipment using Perchloroethylene	B
Weigh Station	A
Wood Treating Equipment Including, but not limited to, all or part of the following: Coater Operations, Process Tanks	C

TABLE IIA
SPECIAL PROCESSING FEES
AIR QUALITY ANALYSIS/HEALTH RISK ASSESSMENT

Schedule	Fee
A	\$1,360.52
B	\$1,360.52
C	\$1,360.52
D	\$4,870.82+T&M
E	\$4,870.82+T&M
F	\$4,870.82+T&M
G	\$4,870.82+T&M
H	\$6,495.59+T&M

D through G: T&M = Time and Material charged at \$139.31 per hour above 35 hours.

H: T&M = Time and Material charged at \$139.31 per hour above 47 hours. Time and material charges for work beyond these hourly limits shall be for analysis or assessment required due to modification of the project or supporting analysis submitted for initial review or for multiple analyses or assessments required for a project or other special circumstances and shall be approved by the Executive Officer.

An additional fee of \$2,332.31 shall be assessed for a project requiring modeling review triggered by the requirements of Regulation XVII – Prevention of Significant Deterioration (PSD). The total combined fee for these reviews shall not exceed \$15,548.72.

**TABLE IIB
FEE FOR PUBLIC NOTICE PUBLICATION^(a)**

County	FY 2017-18 Rule 212(g) Notice	FY 2017-18 Title V Notice	FY 2018-19 Title V Notice	FY 2019-20 and thereafter Title V Notice
Los Angeles	\$1,458.08	\$970.54	\$1,074.10	\$1,188.60
Orange	\$1,328.01	\$719.51	\$796.28	\$881.16
Riverside	\$288.34	\$341.63	\$378.08	\$418.38
San Bernardino	\$1,266.34	\$647.02	\$716.06	\$792.39

^(a)If Rule 212(g) and Title V notices are combined, pursuant to Rule 212(h), only Rule 212(g) publication fee applies.

**TABLE IIC
CEMS, FSMS, & ACEMS FEE SCHEDULE**

Certification Review		
CEMS and FSMS Review ¹	Basic Fee ²	Maximum Fee
Any combination of pollutants, diluent, flow, or other parameter ³ for:		
One to two components	\$3,766.44	\$6,743.66
Three to four components	\$4,530.74	\$12,409.79
For each additional component beyond four, the following amount is added to the fee for four components	\$0.00	\$3,065.45
For time-sharing of CEMS, the following amount is added to any fee determined above	\$0.00	\$3,065.45
ACEMS Review	Basic Fee ⁴	Maximum Fee
	\$3,766.44	\$12,409.79

¹The certification fee includes the initial application approval, approval of test protocol, and approval of the performance test results. An application resubmitted after a denial will be treated as a new application and will be subject to a new fee.

²Covers up to 40 hours evaluation time for the first two components, 60 hours for the first four components, and up to an additional 12 hours for each component beyond four. Excess hours beyond these will be charged at \$166.35 per hour, to the maximum listed in the table.

³Additional components, as necessary, to meet monitoring requirements (e.g., moisture monitor).

⁴Covers up to 40 hours evaluation time.

TABLE III - EMISSION FEES

Annual Emissions (tons/yr)	Organic Gases* (\$/ton)	Specific Organics** (\$/ton)	Nitrogen Oxides (\$/ton)	Sulfur Oxides (\$/ton)	Carbon Monoxide (\$/ton)	Particulate Matter (\$/tons)
4 – 25	\$604.61	\$108.17	\$353.72	\$419.37	-	\$462.33
>25 – 75	\$981.65	\$171.40	\$561.87	\$677.92	-	\$749.15
>75	\$1,469.41	\$257.08	\$846.20	\$1,017.80	-	\$1,121.67
≥100	-	-	-	-	\$7.24	-

* Excluding methane, exempt compounds as specified in paragraph (e)(13), and specific organic gases as specified in paragraph defined in subdivision (b) of this rule.

** See specific organic gases as defined in subdivision (b) of this rule.

TABLE IV
TOXIC AIR CONTAMINANTS AND OZONE DEPLETERS

TOXIC COMPOUNDS	Fee \$/1 lb	Annual Emission Thresholds (lbs)
Ammonia (Reporting Period 07/01/04 and beyond)	\$0.03	200
Asbestos	\$6.31	0.0001
Benzene	\$2.13	2.0
Cadmium	\$6.31	0.01
Carbon tetrachloride	\$2.13	1.0
Chlorinated dioxins and dibenzofurans (26 species)	\$10.54	0.00002
Ethylene dibromide	\$2.13	0.5
Ethylene dichloride	\$2.13	2.0
Ethylene oxide	\$2.13	0.5
Formaldehyde	\$0.47	5.0
Hexavalent chromium	\$8.42	0.0001
Methylene chloride	\$0.08	50.0
Nickel	\$4.20	0.1
Perchloroethylene	\$0.47	5.0
1,3-Butadiene	\$6.31	0.1
Inorganic arsenic	\$6.31	0.01
Beryllium	\$6.31	0.001
Polynuclear aromatic hydrocarbons (PAHs)	\$6.31	0.2
Vinyl chloride	\$2.13	0.5
Lead	\$2.13	0.5
1,4-Dioxane	\$0.47	5.0
Trichloroethylene	\$0.16	20.0
Chlorofluorocarbons (CFCs)	\$0.41	---
1,1,1-trichloroethane	\$0.05	---

**TABLE V
ANNUAL CLEAN FUELS FEES**

Volatile Organic Compounds (\$/ton)	Nitrogen Oxides (\$/ton)	Sulfur Oxides (\$/ton)	Particulate Matter (\$/ton)
\$47.11	\$26.41	\$32.74	\$26.41

**TABLE VI
DEMOLITION, ASBESTOS AND LEAD NOTIFICATION FEES**

Demolition and Renovation by Project Size (square feet) ¹					
up to 1,000	> 1,000 to 5,000	5,000 to 10,000	> 10,000 to 50,000	> 50,000 to 100,000	> 100,000
\$60.85	\$186.07	\$435.57	\$682.99	\$989.82	\$1,649.70

Additional Service Charge Fees				
Revision to Notification	Special Handling Fee ²	Planned Renovation	Procedure 4 or 5 Plan Evaluation	Expedited Procedure 4 or 5 Fee ³
\$60.85	\$60.85	\$682.99	\$682.99	\$341.49

¹ For demolition, the fee is based on the building size. For refinery or chemical unit demolition, the fee is based on the structure's footprint surface area.

For renovation, the fee is based on the amount of asbestos/lead removed.

² For all notifications postmarked less than 14 calendar days prior to project start date.

³ For all expedited Procedure 4 or 5 plan evaluation requests postmarked less than 14 calendar days prior to project start date.

For each subsequent notification for pre-approved Procedure 5 plan submitted per Rule 1403(d)(1)(D)(i)(V)(2).

TABLE VII
SUMMARY OF RECLAIM & TITLE V FEES

Description	Rule section	FY 2017-18	FY 2018-19	FY 2019-20 and thereafter
RECLAIM (I)				
Facility Amendment Fee with Engineering Evaluation <ul style="list-style-type: none"> • RECLAIM only • RECLAIM & Title V 	(I)(5)	\$1,088.60 \$2,247.02	\$1,132.14 \$2,414.16	\$1,132.14 \$2,550.82
Facility Amendment Fee without Engineering Evaluation <ul style="list-style-type: none"> • RECLAIM only • RECLAIM & Title V 	(I)(5)	\$1,088.60 \$2,247.02	\$1,132.14 \$2,414.16	\$1,132.14 \$2,550.82
Change of Operator <ul style="list-style-type: none"> • Facility Permit Amendment Fee <li style="text-align: center;">+ • Application Processing Fee for Each Application 	(I)(7)	\$1,088.60 + \$633.40	\$1,132.14 + \$658.74	\$1,132.14 + \$658.74

Description	Rule section	FY 2017-18	FY 2018-19	FY 2019-20 and thereafter
TITLE V (m)				
Administrative Permit Revision Fee	(m)(6)	\$1,158.42	\$1,282.02	\$1,418.68
Permit Revision Fee	(m)(7)			
<ul style="list-style-type: none"> • Minor permit revision • De minimis significant permit revision • Significant permit revision 		\$1,158.42	\$1,282.02	\$1,418.68
		\$1,158.42	\$1,282.02	\$1,418.68
		\$1,158.42	1,282.02	\$1,418.68
Permit Renewal Fees	(m)(8)	\$2,631.19	\$2,911.94	\$3,222.35
+		+	+	+
Final Fee if time exceeds 8 hours		\$184.10 per hour	\$203.74 per hour	\$225.46 per hour
Change of Operator				
<ul style="list-style-type: none"> • Administrative Permit Revision Fee 	(m)(6)	\$1,158.42	\$1,282.02	\$1,418.68

ATTACHMENT B

RESOLUTION NO. 18-_____

A Resolution of the Governing Board of the South Coast Air Quality Management District (SCAQMD) determining that Proposed Amended Rule 301 – Permitting and Associated Fees is exempt from the requirements of the California Environmental Quality Act (CEQA).

A Resolution of the SCAQMD Governing Board Adopting Proposed Amended Rule 301 – Permitting and Associated Fees.

WHEREAS, the SCAQMD Governing Board finds and determines that Proposed Amended Rule 301 is considered a "project" pursuant to CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and

WHEREAS, the SCAQMD has had its regulatory program certified pursuant to Public Resources Code Section 21080.5 and has conducted a CEQA review pursuant to such program (SCAQMD Rule 110); and

WHEREAS, the SCAQMD Governing Board finds and determines that after conducting a review of the proposed project in accordance with CEQA Guidelines Section 15002(k) - General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA, and CEQA Guidelines Section 15061 - Review for Exemption, procedures for determining if a project is exempt from CEQA, that Proposed Amended Rule 301 is 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 Proposed Amended Rule 301, which is identified as being strictly administrative in nature, may have any significant effects on the environment, and is therefore, exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule; and

WHEREAS, the SCAQMD Governing Board finds and determines that the proposed amendments to Rule 301 involve fees charged by the SCAQMD which are statutorily exempt from CEQA requirements pursuant to CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, because the proposed amendments involve charges by a public agency for the purpose of meeting operating expenses; and

WHEREAS, the SCAQMD staff has prepared a Notice of Exemption for Proposed Amended Rule 301, that is completed in compliance with CEQA Guidelines Section 15062 – Notice of Exemption; and

WHEREAS, Proposed Amended Rule 301 and supporting documentation, including the Notice of Exemption, were presented to the SCAQMD Governing Board and the SCAQMD Governing Board has reviewed and considered the entirety of this information, considered staff testimony and public comment prior to approving the project; and

WHEREAS, Proposed Amended Rule 301 is not a control measure in the 2016 Air Quality Management Plan (AQMP) and was not ranked by cost-effectiveness relative to other AQMP control measures in the 2016 AQMP; and

WHEREAS, Proposed Amended Rule 301 will not be submitted for inclusion into the State Implementation Plan; and

WHEREAS, Health and Safety Code Section 40727 requires that prior to adopting, amending or repealing a rule or regulation, the SCAQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication, and reference based on relevant information presented at the public hearing and in the staff report; and

WHEREAS, the SCAQMD Governing Board has determined that a need exists to amend Rule 301 to restore the SCAQMD's deleted authority to charge for the preparation of a notice for a project requiring notification as defined in Rule 212(c) in order to support necessary clean air programs; and

WHEREAS, Health and Safety Code Section 40510.5(a) requires the SCAQMD Governing Board to find that an increased fee will result in an equitable apportionment of fees when increasing fees beyond the CPI. However, Health and Safety Code Section 40510.5(a) is not applicable to PAR 301, which consists of administrative changes to restore the SCAQMD's deleted authority to charge for the preparation of a notice for a project requiring notification as defined in Rule 212(c); and

WHEREAS, the SCAQMD Governing Board obtains its authority to adopt, amend or repeal rules and regulations from Health and Safety Code Sections 40000, 40001, 40440, 40500, 40501.1, 40502, 40506, 40510, 40510.5, 40512, 40522, 40522.5, 40523, 40702, and 44380, and Clean Air Act Section 502(b)(3) [42 U.S.C. §7661(b)(3)]; and

WHEREAS, the SCAQMD Governing Board has determined that Proposed Amended Rule 301, as proposed to be adopted, is written and displayed so that the meaning can be easily understood by persons directly affected by it; and

WHEREAS, the SCAQMD Governing Board has determined that Proposed Amended Rule 301, as proposed to be adopted, is 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 Proposed Amended Rule 301, as proposed to be adopted, does not impose the same requirements as any existing state or federal regulations, and the proposed project is necessary and proper to execute the powers and duties granted to, and imposed upon, the SCAQMD; and

WHEREAS, the SCAQMD Governing Board, in amending Rule 301, references the following statutes which the SCAQMD hereby implements, interprets, or makes specific: Health and Safety Code Sections 40500, 40500.1, 40510, 40510.5, 40512, 40522, 40522.5, 40523, 41512, and 44380, and Clean Air Act Section 502(b)(3) [42 U.S.C.S. 7661 (b)(3)].

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 Governing Board has determined that Health and Safety Code Section 40920.6 is not applicable to Rule 301, as proposed to be amended, since Rule 301 is not a Best Available Retrofit Control Technology rule and does not regulate air contaminants; and

WHEREAS, the SCAQMD Governing Board specifies the Planning and Rules Manager overseeing the rule development for Proposed Amended Rule 301 as the custodian of the documents or other materials which constitute the record of proceedings upon which the adoption of this proposed project is based, which are located at the SCAQMD, 21865 Copley Drive, Diamond Bar, California.

NOW, THEREFORE BE IT FURTHER RESOLVED, that the SCAQMD Governing Board does hereby determine, pursuant to the authority granted by law, that Proposed Amended Rule 301 is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule and CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges. This information was presented to the SCAQMD Governing Board, whose members reviewed, considered and approved the information therein prior to acting on Proposed Amended Rule 301; and

BE IT FURTHER RESOLVED, that the SCAQMD Governing Board does hereby amend, pursuant to the authority granted by law, Proposed Amended Rule 301 as set forth in the attached, and incorporated herein by reference.

DATE: _____

CLERK OF THE BOARDS

ATTACHMENT C



**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 301 – PERMITTING AND ASSOCIATED FEES

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 301 – Permitting and Associated Fees. SCAQMD staff has reviewed the proposed project pursuant to: 1) CEQA Guidelines Section 15002(k) - General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 - Review for Exemption, procedures for determining if a project is exempt from CEQA.

SCAQMD staff is proposing amendments to Rule 301 that would restore SCAQMD's authority to charge for the preparation of a public notice for a permit for a significant project as defined in Rule 212(c), which was inadvertently deleted in the previous amendments to Rule 301. The proposed amendments to Rule 301 are identified as being strictly administrative in nature; as such, 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 Section 15061(b)(3) – Activities Covered by General Rule. Additionally, the proposed amendments to Rule 301 involve fees charged by the SCAQMD, such that all of these amendments are statutorily exempt from CEQA requirements pursuant to CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, because the proposed amendments involve charges by a public agency for the purpose of meeting operating expenses, purchasing supplies, equipment and materials, and meeting financial reserve requirements. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption. If the 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 my attention at the above address. I can also be reached at (909) 396-2716. Ms. Elaine Shen is also available at (909) 396-2715 to answer any questions regarding the proposed amended rule.

Date: December 5, 2017

Signature:

A handwritten signature in black ink, appearing to read "Barbara Radlein".

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

Project Title: Proposed Amended Rule 301 – Permitting and Associated Fees

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: SCAQMD staff is proposing amendments to Rule 301 that would restore SCAQMD's authority to charge for the preparation of a public notice for a permit for a significant project as defined in Rule 212(c), which was inadvertently deleted in the previous amendments to Rule 301.

Public Agency Approving Project: South Coast Air Quality Management District

Agency Carrying Out Project: South Coast Air Quality Management District

Exempt Status:

CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule
CEQA Guidelines Section 15273 - Rates, Tolls, Fares, and Charges

Reasons why project is exempt: SCAQMD staff has reviewed the proposed amendments to Rule 301 pursuant to: 1) CEQA Guidelines Section 15002(k) - General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 - Review for Exemption, procedures for determining if a project is exempt from CEQA. The proposed amendments to Rule 301 are identified as being strictly administrative in nature; as such, 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 Section 15061(b)(3) – Activities Covered by General Rule. Additionally, the proposed amendments to Rule 301 involve fees charged by the SCAQMD, such that all of these amendments are statutorily exempt from CEQA requirements pursuant to CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, because the proposed amendments involve charges by a public agency for the purpose of meeting operating expenses, purchasing supplies, equipment and materials, and meeting financial reserve requirements. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption. If the project is approved, the Notice of Exemption 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: January 5, 2018; SCAQMD Headquarters

CEQA Contact Person:	Phone Number:	Email:	Fax:
Ms. Barbara Radlein	(909) 396-2716	bradlein@aqmd.gov	(909) 396-3982

Rule Contact Person:	Phone Number:	Email:	Fax:
Ms. Elaine Shen	(909) 396-2715	eshen@aqmd.gov	(909) 396-3324

Date Received for Filing: _____

Signature: _____

(Signed Upon Board Approval)

Barbara Radlein
Program Supervisor, CEQA Section
Planning, Rule Development & Area Sources

[↑ Back to Agenda](#)

BOARD MEETING DATE: January 5, 2018

AGENDA NO. 20

PROPOSAL: Approve Three-Year Labor Agreement with Teamsters Local 911

SYNOPSIS: SCAQMD management and Teamsters Local 911, representing the Technical & Enforcement and Office Clerical & Maintenance bargaining units, have completed the bargaining process, and have reached a tentative agreement on a new 3-year MOU. This action is to present the proposed agreement to the Board for consideration and approval.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:

Authorize the Executive Officer to sign the ratified three-year agreement for a successor Teamsters MOU, concerning the Technical & Enforcement and Office Clerical & Maintenance bargaining units. Provisions for the proposed 2018-2020 Teamsters MOU are shown in Attachment A. All other provisions remain unchanged from the previous (2015-2017) MOU.

Wayne Natri
Executive Officer

AJO:mm

Background

SCAQMD negotiators have met and conferred with the representatives for Teamsters Local 911, representing the Technical & Enforcement and Office Clerical & Maintenance bargaining units. The Teamsters bargaining unit members have approved the proposed terms of the new agreement. This action is to present the proposed Teamsters Memorandum of Understanding (MOU) to the Board for its consideration. The new and revised provisions for the proposed 2018-2020 Teamsters MOU are shown in Attachment A. All other provisions in the proposed MOU remain the same as in the previous agreement.

Proposal

The proposed terms for a successor Teamsters MOU include: the addition of three new Salary Steps (6,7,8) with a 3% salary increase with each Step advance; a modified accrual limit, and a new sell back provision for Holiday Earned Hours; a modified accrual policy, and a revised payout provision for Vacation Hours; a \$2 increase to the Standby Pay rate; a \$1 increase to the Night Service Differential; a modification to Call Back Pay requirements and pay; expansion of the eligibility for Rideshare incentives to all members; increases to the allocations for safety shoe allowances and for tuition reimbursement; and a reopener of the Group Insurance provision in September 2018 and 2019 to discuss potential increases in health insurance premiums. Other provisions in the proposed MOU address changes to work conditions, and language clarifications.

Resource Impacts

There is sufficient funding available for the first six months of the three year agreement in the FY 2017-18 Budget. Funding for the remaining term of the labor agreement will be requested in future fiscal years' budgets.

Attachment

Attachment A – Teamsters MOU Changes

ATTACHMENT A

**SOUTH COAST AIR QUALITY
MANAGEMENT DISTRICT**

**MEMORANDUM
OF
UNDERSTANDING**

**TECHNICAL & ENFORCEMENT
AND
OFFICE CLERICAL & MAINTENANCE
UNITS**

January 1, 2018 – December 31, 2020

ARTICLE 4

WORKING OUT- OF-CLASS

Section 1. SCAQMD may work employees out of classification. No employee shall be worked out of class for more than ~~6~~180 consecutive calendar ~~months~~days per assignment. With approval from Human Resources, a working out-of-class assignment may be extended up to an additional 60 consecutive calendar days. Employees who have completed a working out-of-class assignment shall not be eligible for another working out-of-class assignment in the same job classification for 90 calendar days. It is not SCAQMD's intent to work employees out-of-class as defined below without appropriate compensation. If an employee works out-of-class for more than 80 work hours, the employee shall receive the pay for the classification worked beginning with the first day of the working-out-of-class assignment.

ARTICLE 5

WORK WEEK

Section 1. The work week shall consist of four 10-hour days within a 7 calendar day period. Work days will be Tuesday through Friday except that management may designate alternative work days for individual employees when operational needs require it.

This work schedule shall be applied to all employees unless specifically exempted by management.

Employees may choose, subject to management approval, to start work as early as ~~7~~6:30 a.m. and to end work as late as ~~6:30~~7:00 p.m.

Employees shall be entitled to two 15-minute breaks (one in the morning and one in the afternoon) and a 30- or 60-minute lunch period in a work day. Management reserves the right to schedule break and lunch times.

ARTICLE 8

(Salary Resolution, Section 23, “Differential for Night Service”)

DIFFERENTIAL FOR NIGHT SERVICE

Section 1. Differential For Night Service.

- a. For purposes of this section only:
 - (1) An evening shift is a regularly established work shift at least 1/2 of which falls between the hours of 4 p.m. and 11 p.m.
 - (2) A night shift is a regularly established work shift at least 1/2 of which falls between the hours of 9 p.m. and 8 a.m.
- b. A ~~\$1,002.00~~-per-hour bonus shall be paid to employees for each hour they work during an evening or night shift, except as otherwise provided herein.

ARTICLE 9

STANDBY PAY

(Salary Resolution, Section 24, “Standby Pay”)

Section 1. Standby Pay. When authorized, a \$~~13.00~~-per-hour payment ~~may~~will be paid to any person assigned regularly scheduled periods of standby service at off-duty times.

Employees who are required to stand by ~~shall~~must be available to return to duty with minimal delay, which may or may not require travel to SCAQMD headquarters or another location. Employees on standby shall not be considered to be inconvenienced or have their normal activities restricted if they are required to ~~wear a paging device~~be available to respond to phone calls or text messages by mobile phone, or are required to leave a telephone number where they can be reached by management, or management’s designeebe available to respond to pages or emails.

When an employee on standby service is required to return to duty, the employee shall receive Call-Back pay, in accordance with Article 10.

Section 1.1. Assignment. Assignment of standby service at off-duty times shall be on a voluntary basis. If no volunteers are available for standby service in a department for at least 30 days, SCAQMD and the Union will meet to discuss options to resolve the lack of standby service in that department.

ARTICLE 10

(Salary Resolution, Section 25, "Call-Back Pay")

CALL-BACK PAY

Section 1. Call-Back Pay.

- a. Whenever employees are unexpectedly ordered ~~by their supervisor~~ to return to duty because of unanticipated work requirements, such return to duty shall be deemed to be a call back if the order to return to duty is given to the employee following termination of his or her normal work shift and departure from the work location, and such return occurs within 24 hours of when the order is given but not less than 2 hours before the established starting time of the employee's next regular shift.

An employee on standby service shall receive Call-Back pay when required to return to duty, in accordance with Section 1.b below.

- b. Any employee in a full-time permanent position shall receive call back pay as follows:

- (1) ~~Minimum payment equal to 4 hours of pay at time and one-half (1-1/2) or~~ If the order to return to work requires travel to District headquarters or to another location to do the work,

(a) a minimum payment equal to 4 hours of pay at time-and-one-half (1-1/2) the employee's regular rate, or

(b) a minimum payment equal to 4 hours of compensatory time at time-and-one-half (1-1/2) to be added to his or her balance.

- (2) ~~Minimum payment equal to 4 hours of compensatory time at time and one half (1-1/2) to be added to his or her balance. If the order to return to work does not~~ require travel to District headquarters or to another location to do the work,

(a) a minimum payment equal to 2 hours of pay at time-and-one-half (1-1/2) the employee's regular rate, or

(b) a minimum payment equal to 2 hours of compensatory time at time-and-one-half (1-1/2) to be added to his or her balance.

- (3) If the total number of hours worked during the call ~~back~~ return to duty exceeds ~~4 hours~~ the minimum payment, the employee shall receive compensation at time-and-one-half (1-1/2) for all hours worked. As an alternative, the employee may opt to receive compensatory time hours at time-and-one-half (1-1/2) the employee's regular rate for all hours worked. The compensatory time and overtime provisions of this section shall apply regardless of the compensatory time balance of the employee prior to being called back.

The term "regular rate" shall be as defined by the FLSA.

ARTICLE 11

(Administrative Code, Section 110)

MILEAGE ALLOWANCE

Section 8. Reimbursement for ~~O~~ccasional Parking.
SCAQMD employees required to drive on SCAQMD business shall be entitled to reimbursement for actual expenses incurred for ~~o~~ccasional parking as a necessary part of official travel.

ARTICLE 12

(Administrative Code, Section 120)

TRAVEL EXPENSES

Section 1. Travel Expenses.

Expenses for travel shall ~~not exceed~~ be reimbursed in accordance with SCAQMD Administrative Code, Section 120.

- a. ~~— The actual cost of transportation when by public carrier.~~
- b. ~~— The actual cost of meals and lodging not to exceed the limits specified in Administrative Code, Section 120.~~
- c. ~~— Employee meal expenses within AQMD shall be reimbursed only when approved by the Executive Officer or designee.~~
- d. ~~— Meals and travel expenses for other than AQMD employees shall be reimbursed only when approved by the Executive Officer or designee. Reimbursement will be made for the actual cost of the meal and travel, subject to the limitations presented elsewhere in this Agreement.~~
- e. ~~— Meals and travel for other than AQMD employees asked to sit on oral boards, used for interviewing prospective employees of AQMD, will be reimbursed for the actual cost of the meal and travel subject to the limitations presented elsewhere in this Agreement. The Executive Officer, or designee, must approve a request in advance.~~

Requests for Travel Expenses:

~~All demands against AQMD for travel expenses shall be filed in duplicate on forms and at times prescribed by the Chief Financial Officer. Receipts must be presented for all expenses in excess of \$25 incurred under this section.~~

ARTICLE 14

(Salary Resolution, Section 28, "Holidays")

HOLIDAYS

Section 1. For the term of this Agreement, SCAQMD-paid holidays shall be:

- a. July 4 (Independence Day)
- b. The first Monday in September (Labor Day)
- c. November 11 (Veteran's Day)
- d. The fourth Thursday and the following Friday in November (Thanksgiving)
- e. December 25 (Christmas)
- f. January 1 (New Year's Day)
- g. The third Monday in January (Martin Luther King, Jr.'s Birthday)
- h. The third Monday in February (Presidents' Day)
- i. The last Monday in May (Memorial Day)

On each September 1 during the term of this Agreement, SCAQMD employees shall be granted 10 hours of floating holiday time (or 8 hours of floating holiday time if working an 8-hour-per-day schedule) in lieu of celebrating Admissions Day. On each February 1 during the term of this Agreement, SCAQMD employees shall be granted 10 hours (or 8 hours if working a 4/8 or a 5/8 schedule) of floating holiday time in lieu of celebrating Abraham Lincoln's birthday.

Whenever any employee is unable to take such time off as provided by this section regarding floating holidays, such time may be carried over into the next succeeding calendar year during which year such time off must be taken or it is lost. However, if a pay period bridges two calendar years, an employee will have until the end of that pay period to take off floating holiday time before it is lost.

Section 2. Paid Leave. Any employee who is employed on a basis shall be entitled to paid leave for holidays as defined by above, as follows:

- a. 40-hour-per-week employees and employees exempted for a medical condition from the 4/10 work schedule who are regularly scheduled to work a minimum of four 8-hour days per week:
 - (1) Any employee working a 4/10 work schedule shall receive 10 hours of holiday pay for each said holiday.

- (2) Any employee working a 4/8 or a 5/8 work schedule shall receive 8 hours of holiday pay for each said holiday.
- (3) Whenever an employee's regularly scheduled day off falls on a holiday, he or she shall be granted 10 hours of compensatory time (8 hours if working a 4/8 or a 5/8 schedule). This time shall be accounted for in the same manner as that earned under Article 6 of the MOU.

b. Part-time Employees. Any part-time employee employed on a biweekly basis shall be allowed paid leave for each said holiday in the manner set forth in this Section, but in an amount equal to the fraction of 10 hours or 8 hours equivalent to the basis for compensating said position.

c. Holiday Earned.

~~(1) Whenever any employee is unable to take such time off as provided by this section 2a.(3) above in the same calendar year in which it is earned, such time may be carried over into the next succeeding calendar year during which year such time off must be taken or it is lost. However, if a pay period bridges two calendar years, an employee will have until the end of that pay period to take off holiday time before it is lost. accrued for up to 140 hours. Holiday earned accrual will resume at the beginning of the pay period immediately following the pay period in which the balance falls below 140. This paragraph does not apply to compensatory time earned under Section 2a.(3) above.~~

Beginning January 1, 2018, or as soon as practicable, accrued holiday earned time will be tracked separately from accrued compensation time. Within 60 days from the effective date of the MOU, an employee may transfer up to 70 holiday earned hours accrued and unused during the previous 26 pay periods from the employee's compensation time balance to the employee's holiday earned balance.

(2) From the effective date of the MOU until March 31, 2018, any employee who has held a permanent full-time position for 26 consecutive pay periods shall have the option of selling back to SCAQMD up to 70 hours of holiday earned leave time accrued, and not used, during the previous 26 pay periods. Once an employee has sold back any amount of

holiday earned leave time, the employee may not do so again for another 26 pay periods.

Beginning April 1, 2018, any employee who has held a permanent full-time position for 26 consecutive pay periods shall have the option of selling back to SCAQMD up to 40 hours of holiday earned leave time accrued, and not used, during the previous 26 pay periods. Once an employee has sold back any amount of holiday earned leave time, the employee may not do so again for another 26 pay periods.

ARTICLE 15

(Salary Resolution, Article 9, "Vacations")

VACATIONS

Section 5. Time of Taking Vacations.

Vacations may be taken in the year in which they are earned or in subsequent years. An employee may have more than 360 hours of accrued vacation ~~on the books until~~through the end of the last pay period beginning in December. ~~No more than 360 hours of vacation may be carried over from these pay periods to the next.~~Employees whose vacation accrual balances exceed 360 hours by the end of the last pay period beginning in December may not accrue additional vacation until balances are lowered to 360 hours. Vacation accrual will resume at the beginning of the pay period immediately following the pay period in which the balance falls to 360 or less. Employees will be paid for all accrued vacation time at termination.

~~In any event, the maximum payoff for accrued vacation at termination shall be no more than 360 hours.~~ A Technical and Enforcement employee who has 360 hours of current and deferred vacation will be allowed to sell back up to 40 hours of vacation providing the employee has taken off at least 80 hours of vacation in the prior 12 months.

An Office Clerical and Maintenance employee who has 180 hours of current and deferred vacation will be allowed to sell back up to 40 hours of vacation, providing the employee has taken off at least 40 hours in the prior 12 months.

Once an employee has sold back vacation time, he may not do so again for another 26 biweekly pay periods. Employees hired after January 1, 2006, are not eligible to sell back vacation.

ARTICLE 17

GROUP INSURANCE (Health, Dental, Life and Vision Insurance)

Section 2. For employees in the Technical and Enforcement Unit, effective ~~September 1, 2010,~~ ~~†~~The total monthly contribution to be paid by SCAQMD for health, dental, life and vision insurance for employees shall be an amount not to exceed \$1,401.92.

Section 3. For employees in the Office Clerical and Maintenance Unit, effective September 1, 2010, the total monthly contribution to be paid by ~~AQMD~~ for health, dental, life, and vision insurance shall be an amount not to exceed \$1,401.92.

~~AQMD shall pay on behalf of each employee an additional amount of \$90.00 per month directly to the health insurance providers resulting in a reduction of premiums paid by employees. This monthly amount shall be retroactive to premiums effective September 1, 2011, for persons in AQMD employment as of March 2, 2012.~~

~~Beginning August 1, 2013, AQMD shall pay on behalf of each T&E and OCM bargaining unit member an additional amount of \$50.00 per month (for a total of \$140.00 per month) directly to the health insurance providers resulting in a reduction of premiums paid by employees.~~

~~Beginning January 1, 2014, SCAQMD shall pay on behalf of each employee an additional amount of \$100.00^{385.00} per month (for a total of \$240.00 per month) on behalf of each T&E and OCM bargaining unit member directly to the health insurance providers, resulting in a reduction of premiums paid by employees.~~

Section 7. No earlier than ~~October 1, 2015~~September 15, 2018 and ~~2016~~September 15, 2019, the parties agree to a reopener of Article 17, Sections 2 and 3 of the MOU for purposes of discussing potential health insurance premium increases effective January 1, ~~2016~~2019 and ~~2017~~January 1, 2020, respectively.

ARTICLE 25

SAFETY AND HEALTH

Section 3. In accordance with law, SCAQMD will provide safety equipment where required by law or regulations for the safe performance of assigned duties. Employees to whom such equipment is issued will wear or use the equipment when required and each will be responsible for the equipment issued. Employees shall adhere to SCAQMD rules regarding the use, maintenance, and replacement of safety equipment. Employees requiring such equipment will notify SCAQMD and SCAQMD will provide the necessary equipment.

~~Effective February 14, 1997, e~~Employees required to wear safety shoes will receive an allowance for a single expenditure of up to either 1) ~~\$80~~110 per year or 2) ~~\$125~~155 per 2-year period. Employees in Administrative Office units required to wear safety shoes will receive an allowance for a single expenditure of up to \$200 per year.

ARTICLE 26

EMPLOYEE PARKING

(Administrative Code, Section 162, "Employee Parking")

Section 2. Once a month, bargaining unit employees who rideshare and who qualify under rules in effect in the 1988-1991 MOU, except those designated by management as ineligible because of their SCAQMD vehicle assignments, will be paid \$25. ~~All Employees hired after January 1, 2006,~~ are not eligible to receive either this payment or rideshare incentive payments.

ARTICLE 27

TRAINING

Section 2. Tuition Reimbursement. The objective of the program is to aid employees in career development within the scope of SCAQMD service.

The Executive Officer, or designee, shall administer SCAQMD's Tuition Reimbursement Program. Tuition reimbursement will apply to any class taken to qualify for a degree, if that degree is pursued to meet the minimum requirements for another classification for which the employee plans to apply. Classes that are job related or of benefit to SCAQMD will be reimbursed whether or not they apply to a degree. Applications for tuition reimbursement must be reviewed and approved by the employee's director.

An employee of SCAQMD, who has been appointed to a full-time permanent position, is eligible to apply for tuition reimbursement. Employees must successfully pass courses with a grade of "C" or better (or a "pass", if a "pass/no pass" system) in order to be reimbursed. Effective for classes beginning February 14, 1997 to December 31, 2017, or later, employees eligible for tuition reimbursement shall be entitled to receive a maximum of \$1,250 per calendar year. Under no condition will the amount exceed \$1,250 per calendar year. Effective for classes beginning January 1, 2018, or later, employees eligible for tuition reimbursement shall be entitled to receive a maximum of \$2,250 per calendar year. Under no condition will the amount exceed \$2,250 per calendar year.

The necessary financing for reimbursement of employees shall be determined by SCAQMD's Board in the annual budget.

ARTICLE 31

EMPLOYEE LIST AND NEW HIRE ORIENTATION

Section 1. Within 60 calendar days from the effective date of this MOU, Pursuant to Government Code sections 3555-3559, SCAQMD shall provide the Union with a list of the names, addresses, and classifications of all employees in the Units represented by the Union. A QMD shall provide the Union with the name, address, and classification of any new employee thereafter within 30 calendar days of hire. the name, job title, department, work location, work, home, and personal cellular telephone numbers on file, personal email addresses on file, and home address of any newly hired employee in its bargaining unit within 30 days of the date of hire or by the first pay period of the month following hire, whichever is sooner.

Section 2. Quarterly, A QMD shall, upon request, provide the Union with a list of the names, addresses, and classifications of all employees in the bargaining unit represented by the Union. Pursuant to Government Code sections 3555-3559, SCAQMD shall provide the Union with the name, job title, department, work location, work, home, and personal cellular telephone numbers on file, personal email addresses on file, and home address of all employees in its bargaining unit at least every 120 days.

Section 4. New Hire Orientation. As part of the onboarding process, new hires will be provided release time to attend a new hire orientation by the Union. The scheduling of the new hire orientation will be by mutual agreement between the Union and Human Resources.

ARTICLE 40

AUTHORIZED AGENTS

For the purpose of administering the terms and provisions of this MOU, principal authorized agents shall be:

1. Representing management:

~~William Johnson~~ A. John Olvera
Assistant DEO, Administrative & Human Resources
21685 Copley Drive, Diamond Bar, CA 91765-4182
Telephone No.: (909) 396-~~3018~~2309

2. The Teamsters Local 911 principal authorized agent shall be:

Ray Whitmer
Secretary-Treasurer, Teamsters Local 911
9900 Flower Street, Bellflower, CA 90706
Telephone No.: (562) 595-4518

ARTICLE 42

RENEGOTIATION

~~Section 2. In the event of a financial crisis (i.e., budget shortfall, passage of legislation that impacts staffing levels, working conditions, etc.) the Union agrees to meet and discuss with management options that might be used in addition, or as alternatives, to short-term and long-term layoffs. If a mutually agreed upon solution to the above referenced provision is reached that requires an amendment to this Memorandum of Understanding or incorporated documents, the parties agree to make the amendments, subject to approval by the membership of the Union and AQMD's Board.~~

~~Nothing contained herein shall be construed to limit management rights regarding short-term and long-term layoffs in accordance with existing provisions contained in Article 45, Section 9, Layoffs and Reductions.~~

ARTICLE 44

TERM OF MOU

Section 1. The term of this MOU shall commence on January 1, ~~2015~~2018, and shall continue for the period through December 31, ~~2017~~2020.

ARTICLE 45

PERSONNEL SYSTEM PROCEDURE

Section 5. Examination Procedures.

- c. Posting of Eligible Lists. Eligible lists are public records and will be posted ~~in~~by Human Resources on the internal website for SCAQMD staff. Copies will be posted on bulletin boards in the affected divisions and field offices. Upon request by the Union, Human Resources will provide an electronic copy of any eligible list maintained by Human Resources. Cutoff scores for placement on eligible lists shall be made solely at the discretion of management, and are not grievable. Eligible lists shall be posted with names listed in the order of their rank, and shall include the number of those who participated in the process and the cutoff score that was used to determine inclusion on the eligible list.

ARTICLE 46

UNION SECURITY

Section 2. Agency Shop.

- a. All employees covered by this Agreement and all employees subsequently hired must, as a condition of employment, either become and remain members of the Union in good standing for the term of this agreement or pay to the Union an agency fee equal to Union dues. Unit members must authorize payroll deductions for their dues payment, agency fee or charitable contribution.

If the agency shop arrangement in Section 2 is unenforceable as a matter of law during the term of this MOU, the parties shall reopen this Article.

- b. Dues, agency fees and charitable contributions shall be deducted by SCAQMD from the first pay warrant of each month. Dues and agency fees shall be remitted to the Union no later than 10 days from the pay date.

SCAQMD shall provide the Union, on a quarterly basis, with a list of the names of all employees employed in the Teamster bargaining units.

ARTICLE 47

USE OF SCAQMD VEHICLES

Section 3. Effective June 1, 1997, vVehicle assignments will be made solely at management's discretion and no employee will be entitled by virtue of his or her classification to an assigned vehicle. Employees who have long-term vehicle assignments who subsequently have their long-term vehicle assignment ended by management within the term of this agreement will receive a one-time \$3,000 transition allowance. The allowance will be paid, at management's discretion, in a single payment or in two equal payments within a 60-day period. Those receiving the transition allowance may designate some or all of the amount to their deferred compensation accounts. The \$3,000 transition allowance provision is in effect only through June 30, 2005. Effective January 1, 2018, Supervising Air Quality Inspectors may be given a long-term vehicle assignment, at management's discretion.

ARTICLE 48

TELECOMMUTING SUBCOMMITTEE

~~Telecommuting Subcommittee. An ad hoc labor-management telecommuting subcommittee will be established to develop a telecommuting policy recommendation. The telecommuting subcommittee will consist of one member appointed by the Union from each bargaining unit, as well as one management representative and a representative from the Transportation Unit recommended by the Designated Deputy over Administrative and Human Resources and approved by the Executive Officer. Once developed, the policy recommendation will be brought to the full Labor-Management Committee for discussion, and a final recommendation will be provided to the Executive Council for consideration.~~

A joint labor-management teleworking committee has been established. A teleworking pilot program has been initiated. This pilot program will remain in effect until December 31, 2018, unless extended by the Executive Officer for an additional 6 months. At the end of the pilot program, the committee will make a recommendation to the Executive Officer on the approval of a SCAQMD program for teleworking, including recommendations for policy requirements and guidelines. During the pilot program period, the committee will meet on a quarterly basis and submit a report to the Executive Officer.

APPENDIX A
TECHNICAL & ENFORCEMENT
EFFECTIVE WITH PAY PERIOD ENCOMPASSING JANUARY 1, 2017-2018

<u>Title</u>	<u>Unit</u>	<u>Schedule</u>	<u>Approximate Annual 1st Step</u>	<u>Approximate Annual 5th Step</u>	<u>Approximate Annual 6th Step</u>
AQ Inspector	T/E	37E	\$48,900	\$60,606	\$62,424
AQ Inspector I	T/E	39C	\$51,419	\$63,689	\$65,600
AQ Inspector II	T/E	47H	\$64,815	\$80,285	\$82,694
AQ Inspector III	T/E	50L	\$70,919	\$87,814	\$90,447
AQ Instrument Specialist I	T/E	44G	\$59,540	\$73,764	\$75,978
AQ Instrument Specialist II	T/E	47H	\$64,815	\$80,285	\$82,694
Asst. AQ Instrument Specialist	T/E	37E	\$48,900	\$60,606	\$62,424
Asst. Computer Operator	T/E	32C	\$42,409	\$52,545	\$54,121
<u>Asst. Info. Tech. Specialist</u>	<u>T/E</u>	<u>35H</u>	<u>\$46,648</u>	<u>\$57,791</u>	<u>\$59,525</u>
Asst. Programmer	T/E	40H	\$53,494	\$66,267	\$68,255
Asst. Telecommunications Tech	T/E	37L	\$49,641	\$61,495	
Audio Visual Specialist	T/E	43J	\$58,205	\$72,106	
Computer Operations Supervisor	T/E	39L	\$52,398	\$64,933	
Computer Operator	T/E	35H	\$46,647	\$57,791	
Engineering Technician	T/E	45B	\$60,429	\$74,862	
Graphic Arts Illustrator I	T/E	34J	\$45,462	\$56,339	\$58,029
Graphic Arts Illustrator II	T/E	38J	\$50,768	\$62,918	\$64,806
<u>Info. Tech. Supervisor</u>	<u>T/E</u>	<u>14T</u>	<u>\$89,573</u>	<u>\$108,907</u>	<u>\$112,174</u>
<u>Information Tech. Specialist I</u>	<u>T/E</u>	<u>34J</u>	<u>\$49,641</u>	<u>\$61,496</u>	<u>\$63,341</u>
<u>Information Tech. Specialist II</u>	<u>T/E</u>	<u>38J</u>	<u>\$60,725</u>	<u>\$75,217</u>	<u>\$77,474</u>
Investigator	T/E	53D	\$75,691	\$93,740	\$96,552
Laboratory Technician	T/E	39E	\$51,657	\$64,014	\$65,935
Meteorologist Technician	T/E	50D	\$69,675	\$86,330	\$88,921
Paralegal	T/E	45B	\$60,429	\$74,862	\$77,108
Prin. AQ Instrument Specialist	T/E	54J	\$78,773	\$97,593	\$100,521
Programmer	T/E	47B	\$63,866	\$79,130	\$81,503
Programmer Analyst	T/E	53B	\$75,276	\$93,265	\$96,064

APPENDIX A
TECHNICAL & ENFORCEMENT
EFFECTIVE WITH ~~PAY PERIOD ENCOMPASSING~~ JANUARY 1, 20172018

<u>Title</u>	<u>Unit</u>	<u>Schedule</u>	<u>Approximate Annual 1st Step</u>	<u>Approximate Annual 5th Step</u>	<u>Approximate Annual 6th Step</u>
Sr. AQ Instrument Specialist	T/E	50L	\$70,919	\$87,814	\$90,447
<u>Sr. Information Tech. Specialist</u>	<u>T/E</u>	<u>53B</u>	<u>\$75,277</u>	<u>\$93,266</u>	<u>\$96,064</u>
Sr. Paralegal	T/E	48B	\$65,644	\$81,322	\$83,762
Supv. AQ Inspector	T/E	54J	\$78,773	\$97,593	\$100,521
Supv. Investigator	T/E	55G	\$80,551	\$99,786	\$102,780
Telecommunications Technician I	T/E	45D	\$60,725	\$75,217	
Telecommunications Technician II	T/E	47H	\$64,815	\$80,285	
Transportation Plan Reviewer	T/E	42F	\$56,250	\$69,675	\$71,765

APPENDIX A
TECHNICAL & ENFORCEMENT
EFFECTIVE WITH PAY PERIOD ENCOMPASSING JANUARY 1, 20172019

<u>Title</u>	<u>Unit</u>	<u>Schedule</u>	<u>Approximate Annual 1st Step</u>	<u>Approximate Annual 5th Step</u>	<u>Approximate Annual 6th Step</u>	<u>Approximate Annual 7th Step</u>
AQ Inspector	T/E	37E	\$48,900	\$60,606	\$62,424	\$64,297
AQ Inspector I	T/E	39C	\$51,419	\$63,689	\$65,600	\$67,568
AQ Inspector II	T/E	47H	\$64,815	\$80,285	\$82,694	\$85,174
AQ Inspector III	T/E	50L	\$70,919	\$87,814	\$90,447	\$93,161
AQ Instrument Specialist I	T/E	44G	\$59,540	\$73,764	\$75,978	\$78,257
AQ Instrument Specialist II	T/E	47H	\$64,815	\$80,285	\$82,694	\$85,174
Asst. AQ Instrument Specialist	T/E	37E	\$48,900	\$60,606	\$62,424	\$64,297
Asst. Computer Operator	T/E	32C	\$42,409	\$52,545	\$54,121	\$55,745
<u>Asst. Info. Tech. Specialist</u>	<u>T/E</u>	<u>35H</u>	<u>\$46,648</u>	<u>\$57,791</u>	<u>\$59,525</u>	<u>\$61,310</u>
Asst. Programmer	T/E	40H	\$53,494	\$66,267	\$68,255	\$70,303
Asst. Telecommunications Tech	T/E	37L	\$49,641	\$61,495		
Audio Visual Specialist	T/E	43J	\$58,205	\$72,106		
Computer Operations Supervisor	T/E	39L	\$52,398	\$64,933		
Computer Operator	T/E	35H	\$46,647	\$57,791		
Engineering Technician	T/E	45B	\$60,429	\$74,862		
Graphic Arts Illustrator I	T/E	34J	\$45,462	\$56,339	\$58,029	\$59,770
Graphic Arts Illustrator II	T/E	38J	\$50,768	\$62,918	\$64,806	\$66,750
<u>Info. Tech. Supervisor</u>	<u>T/E</u>	<u>14T</u>	<u>\$89,573</u>	<u>\$108,907</u>	<u>\$112,174</u>	<u>\$115,539</u>
<u>Information Tech. Specialist I</u>	<u>T/E</u>	<u>34J</u>	<u>\$49,641</u>	<u>\$61,496</u>	<u>\$63,341</u>	<u>\$65,241</u>
<u>Information Tech. Specialist II</u>	<u>T/E</u>	<u>38J</u>	<u>\$60,725</u>	<u>\$75,217</u>	<u>\$77,474</u>	<u>\$79,798</u>
Investigator	T/E	53D	\$75,691	\$93,740	\$96,552	\$99,449
Laboratory Technician	T/E	39E	\$51,657	\$64,014	\$65,935	\$67,914
Meteorologist Technician	T/E	50D	\$69,675	\$86,330	\$88,921	\$91,589
Paralegal	T/E	45B	\$60,429	\$74,862	\$77,108	\$79,421
Prin. AQ Instrument Specialist	T/E	54J	\$78,773	\$97,593	\$100,521	\$103,536
Programmer	T/E	47B	\$63,866	\$79,130	\$81,503	\$83,948
Programmer Analyst	T/E	53B	\$75,276	\$93,265	\$96,064	\$98,946

APPENDIX A
TECHNICAL & ENFORCEMENT
EFFECTIVE WITH PAY PERIOD ENCOMPASSING JANUARY 1, 20172019

<u>Title</u>	<u>Unit</u>	<u>Schedule</u>	<u>Approximate Annual 1st Step</u>	<u>Approximate Annual 5th Step</u>	<u>Approximate Annual 6th Step</u>	<u>Approximate Annual 7th Step</u>
Sr. AQ Instrument Specialist	T/E	50L	\$70,919	\$87,814	\$90,447	\$93,161
<u>Sr. Information Tech. Specialist</u>	<u>T/E</u>	<u>53B</u>	<u>\$75,277</u>	<u>\$93,266</u>	<u>\$96,064</u>	<u>\$98,946</u>
Sr. Paralegal	T/E	48B	\$65,644	\$81,322	\$83,762	\$86,275
Supv. AQ Inspector	T/E	54J	\$78,773	\$97,593	\$100,521	\$103,536
Supv. Investigator	T/E	55G	\$80,551	\$99,786	\$102,780	\$105,863
Telecommunications Technician I	T/E	45D	\$60,725	\$75,217		
Telecommunications Technician II	T/E	47H	\$64,815	\$80,285		
Transportation Plan Reviewer	T/E	42F	\$56,250	\$69,675	\$71,765	\$73,918

APPENDIX A
TECHNICAL & ENFORCEMENT
EFFECTIVE WITH PAY PERIOD ENCOMPASSING JANUARY 1, 2017-2020

<u>Title</u>	<u>Unit</u>	<u>Schedule</u>	<u>Approximate Annual 1st Step</u>	<u>Approximate Annual 5th Step</u>	<u>Approximate Annual 6th Step</u>	<u>Approximate Annual 7th Step</u>	<u>Approximate Annual 8th Step</u>
AQ Inspector	T/E	37E	\$48,900	\$60,606	\$62,424	\$64,297	\$66,226
AQ Inspector I	T/E	39C	\$51,419	\$63,689	\$65,600	\$67,568	\$69,595
AQ Inspector II	T/E	47H	\$64,815	\$80,285	\$82,694	\$85,174	\$87,730
AQ Inspector III	T/E	50L	\$70,919	\$87,814	\$90,447	\$93,161	\$95,956
AQ Instrument Specialist I	T/E	44G	\$59,540	\$73,764	\$75,978	\$78,257	\$80,605
AQ Instrument Specialist II	T/E	47H	\$64,815	\$80,285	\$82,694	\$85,174	\$87,730
Asst. AQ Instrument Specialist	T/E	37E	\$48,900	\$60,606	\$62,424	\$64,297	\$66,226
Asst. Computer Operator	T/E	32C	\$42,409	\$52,545	\$54,121	\$55,745	\$57,417
<u>Asst. Info. Tech. Specialist</u>	<u>T/E</u>	<u>35H</u>	<u>\$46,648</u>	<u>\$57,791</u>	<u>\$59,525</u>	<u>\$61,310</u>	<u>\$63,150</u>
Asst. Programmer	T/E	40H	\$53,494	\$66,267	\$68,255	\$70,303	\$72,412
Asst. Telecommunications Tech	T/E	37L	\$49,644	\$61,495			
Audio Visual Specialist	T/E	43J	\$58,205	\$72,106			
Computer Operations Supervisor	T/E	39L	\$52,398	\$64,933			
Computer Operator	T/E	35H	\$46,647	\$57,791			
Engineering Technician	T/E	45B	\$60,429	\$74,862			
Graphic Arts Illustrator I	T/E	34J	\$45,462	\$56,339	\$58,029	\$59,770	\$61,563
Graphic Arts Illustrator II	T/E	38J	\$50,768	\$62,918	\$64,806	\$66,750	\$68,752
<u>Info. Tech. Supervisor</u>	<u>T/E</u>	<u>14T</u>	<u>\$89,573</u>	<u>\$108,907</u>	<u>\$112,174</u>	<u>\$115,539</u>	<u>\$119,006</u>
<u>Information Tech. Specialist I</u>	<u>T/E</u>	<u>34J</u>	<u>\$49,641</u>	<u>\$61,496</u>	<u>\$63,341</u>	<u>\$65,241</u>	<u>\$67,198</u>
<u>Information Tech. Specialist II</u>	<u>T/E</u>	<u>38J</u>	<u>\$60,725</u>	<u>\$75,217</u>	<u>\$77,474</u>	<u>\$79,798</u>	<u>\$82,192</u>
Investigator	T/E	53D	\$75,691	\$93,740	\$96,552	\$99,449	\$102,432
Laboratory Technician	T/E	39E	\$51,657	\$64,014	\$65,935	\$67,914	\$69,951
Meteorologist Technician	T/E	50D	\$69,675	\$86,330	\$88,921	\$91,589	\$94,336
Paralegal	T/E	45B	\$60,429	\$74,862	\$77,108	\$79,421	\$81,804
Prin. AQ Instrument Specialist	T/E	54J	\$78,773	\$97,593	\$100,521	\$103,536	\$106,643
Programmer	T/E	47B	\$63,866	\$79,130	\$81,503	\$83,948	\$86,466
Programmer Analyst	T/E	53B	\$75,276	\$93,265	\$96,064	\$98,946	\$101,914

APPENDIX A
TECHNICAL & ENFORCEMENT
EFFECTIVE WITH PAY PERIOD ENCOMPASSING JANUARY 1, 20172020

<u>Title</u>	<u>Unit</u>	<u>Schedule</u>	<u>Approximate Annual 1st Step</u>	<u>Approximate Annual 5th Step</u>	<u>Approximate Annual 6th Step</u>	<u>Approximate Annual 7th Step</u>	<u>Approximate Annual 8th Step</u>
Sr. AQ Instrument Specialist	T/E	50L	\$70,919	\$87,814	\$90,447	\$93,161	\$95,956
<u>Sr. Information Tech. Specialist</u>	<u>T/E</u>	<u>53B</u>	<u>\$75,277</u>	<u>\$93,266</u>	<u>\$96,064</u>	<u>\$98,946</u>	<u>\$101,914</u>
Sr. Paralegal	T/E	48B	\$65,644	\$81,322	\$83,762	\$86,275	\$88,863
Supv. AQ Inspector	T/E	54J	\$78,773	\$97,593	\$100,521	\$103,536	\$106,643
Supv. Investigator	T/E	55G	\$80,551	\$99,786	\$102,780	\$105,863	\$109,039
Telecommunications Technician I	T/E	45D	\$60,725	\$75,217			
Telecommunications Technician II	T/E	47H	\$64,815	\$80,285			
Transportation Plan Reviewer	T/E	42F	\$56,250	\$69,675	\$71,765	\$73,918	\$76,136

APPENDIX B
OFFICE CLERICAL & MAINTENANCE
EFFECTIVE WITH PAY PERIOD ENCOMPASSING JANUARY 1, 2017-2018

<u>Title</u>	<u>Unit</u>	<u>Schedule</u>	<u>Approximate Annual 1st Step</u>	<u>Approximate Annual 5th Step</u>	<u>Approximate Annual 6th Step</u>
Accounting Technician	OCM	37E	\$46,723	\$57,907	\$59,645
Building Supervisor	OCM	45K	\$58,899	\$72,972	\$75,161
Contracts Assistant	OCM	33G	\$42,078	\$52,132	\$53,695
Data Technician	OCM	35F	\$44,344	\$54,934	\$56,582
Deputy Clerk	OCM	34C	\$42,787	\$53,008	\$54,599
Deputy Clerk/Transcriber	OCM	37H	\$47,062	\$58,303	\$60,053
District Storekeeper	OCM	36B	\$45,081	\$55,868	\$57,545
Facilities Services Specialist	OCM	37L	\$47,430	\$58,757	\$60,520
Facilities Services Technician	OCM	41C	\$51,848	\$64,251	\$66,179
Fiscal Assistant	OCM	29J	\$37,859	\$46,893	\$48,299
Fleet Services Supervisor	OCM	38J	\$48,506	\$60,117	\$61,919
Fleet Services Worker I	OCM	28D	\$36,387	\$45,080	\$46,432
Fleet Services Worker II	OCM	33B	\$41,569	\$51,480	\$53,024
General Maintenance Helper	OCM	28J	\$36,812	\$45,619	\$46,987
General Maintenance Worker	OCM	43A	\$54,538	\$67,564	\$69,591
Mail / Subscription Services Clerk	OCM	28D	\$36,387	\$45,080	\$46,432
Mail / Subscription Services Supv.	OCM	36A	\$44,995	\$55,728	\$57,399
Office Assistant	OCM	28D	\$36,387	\$45,080	\$46,432
Offset Press Operator	OCM	34J	\$43,438	\$53,830	\$55,445
Payroll Technician	OCM	34F	\$43,126	\$53,406	\$55,007
Prin. Office Assistant	OCM	39G	\$49,611	\$61,447	\$63,290
Print Shop Duplicator	OCM	29J	\$37,859	\$46,893	\$48,299
Print Shop Supervisor	OCM	40L	\$51,480	\$63,770	\$65,682
Purchasing Assistant	OCM	38K	\$48,620	\$60,229	\$62,037
Purchasing Supervisor	OCM	48B	\$62,722	\$77,700	\$80,032
Radio Telephone Operator	OCM	28H	\$36,726	\$45,477	\$46,841
Secretary	OCM	33G	\$42,078	\$52,132	\$53,695
Sr. Deputy Clerk	OCM	41A	\$51,621	\$63,940	\$65,857
Sr. Fiscal Assistant	OCM	33G	\$42,078	\$52,132	\$53,695
Sr. Office Assistant	OCM	32C	\$40,521	\$50,205	\$51,712
Staff Assistant	OCM	34K	\$43,579	\$54,000	\$55,620

APPENDIX B
OFFICE CLERICAL & MAINTENANCE
EFFECTIVE WITH PAY PERIOD ENCOMPASSING JANUARY 1, 2017~~2018~~

<u>Title</u>	<u>Unit</u>	<u>Schedule</u>	<u>Approximate Annual 1st Step</u>	<u>Approximate Annual 5th Step</u>	<u>Approximate Annual 6th Step</u>
Stock Clerk	OCM	28D	\$36,387	\$45,080	\$46,432
Supv. Office Assistant	OCM	36A	\$44,995	\$55,728	\$57,399
Supv. Radio Telephone Operator	OCM	36A	\$44,995	\$55,728	\$57,399
Technical Writer	OCM	43J	\$55,614	\$68,894	\$70,959

**APPENDIX B
OFFICE CLERICAL & MAINTENANCE
EFFECTIVE WITH PAY PERIOD ENCOMPASSING JANUARY 1, 2017-2019**

<u>Title</u>	<u>Unit</u>	<u>Schedule</u>	<u>Approximate Annual 1st Step</u>	<u>Approximate Annual 5th Step</u>	<u>Approximate Annual 6th Step</u>	<u>Approximate Annual 7th Step</u>
Accounting Technician	OCM	37E	\$46,723	\$57,907	\$59,645	\$61,435
Building Supervisor	OCM	45K	\$58,899	\$72,972	\$75,161	\$77,416
Contracts Assistant	OCM	33G	\$42,078	\$52,132	\$53,695	\$55,306
Data Technician	OCM	35F	\$44,344	\$54,934	\$56,582	\$58,279
Deputy Clerk	OCM	34C	\$42,787	\$53,008	\$54,599	\$56,237
Deputy Clerk/Transcriber	OCM	37H	\$47,062	\$58,303	\$60,053	\$61,855
District Storekeeper	OCM	36B	\$45,081	\$55,868	\$57,545	\$59,271
Facilities Services Specialist	OCM	37L	\$47,430	\$58,757	\$60,520	\$62,335
Facilities Services Technician	OCM	41C	\$51,848	\$64,251	\$66,179	\$68,164
Fiscal Assistant	OCM	29J	\$37,859	\$46,893	\$48,299	\$49,748
Fleet Services Supervisor	OCM	38J	\$48,506	\$60,117	\$61,919	\$63,777
Fleet Services Worker I	OCM	28D	\$36,387	\$45,080	\$46,432	\$47,825
Fleet Services Worker II	OCM	33B	\$41,569	\$51,480	\$53,024	\$54,615
General Maintenance Helper	OCM	28J	\$36,812	\$45,619	\$46,987	\$48,396
General Maintenance Worker	OCM	43A	\$54,538	\$67,564	\$69,591	\$71,679
Mail / Subscription Services Clerk	OCM	28D	\$36,387	\$45,080	\$46,432	\$47,825
Mail / Subscription Services Supv.	OCM	36A	\$44,995	\$55,728	\$57,399	\$59,121
Office Assistant	OCM	28D	\$36,387	\$45,080	\$46,432	\$47,825
Offset Press Operator	OCM	34J	\$43,438	\$53,830	\$55,445	\$57,108
Payroll Technician	OCM	34F	\$43,126	\$53,406	\$55,007	\$56,657
Prin. Office Assistant	OCM	39G	\$49,611	\$61,447	\$63,290	\$65,189
Print Shop Duplicator	OCM	29J	\$37,859	\$46,893	\$48,299	\$49,748
Print Shop Supervisor	OCM	40L	\$51,480	\$63,770	\$65,682	\$67,653
Purchasing Assistant	OCM	38K	\$48,620	\$60,229	\$62,037	\$63,898
Purchasing Supervisor	OCM	48B	\$62,722	\$77,700	\$80,032	\$82,433
Radio Telephone Operator	OCM	28H	\$36,726	\$45,477	\$46,841	\$48,247
Secretary	OCM	33G	\$42,078	\$52,132	\$53,695	\$55,306
Sr. Deputy Clerk	OCM	41A	\$51,621	\$63,940	\$65,857	\$67,833
Sr. Fiscal Assistant	OCM	33G	\$42,078	\$52,132	\$53,695	\$55,306
Sr. Office Assistant	OCM	32C	\$40,521	\$50,205	\$51,712	\$53,264
Staff Assistant	OCM	34K	\$43,579	\$54,000	\$55,620	\$57,289

APPENDIX B
OFFICE CLERICAL & MAINTENANCE
EFFECTIVE WITH PAY PERIOD ENCOMPASSING JANUARY 1, 2017~~2019~~

<u>Title</u>	<u>Unit</u>	<u>Schedule</u>	<u>Approximate Annual 1st Step</u>	<u>Approximate Annual 5th Step</u>	<u>Approximate Annual 6th Step</u>	<u>Approximate Annual 7th Step</u>
Stock Clerk	OCM	28D	\$36,387	\$45,080	\$46,432	\$47,825
Supv. Office Assistant	OCM	36A	\$44,995	\$55,728	\$57,399	\$59,121
Supv. Radio Telephone Operator	OCM	36A	\$44,995	\$55,728	\$57,399	\$59,121
Technical Writer	OCM	43J	\$55,614	\$68,894	\$70,959	\$73,088

APPENDIX B
OFFICE CLERICAL & MAINTENANCE
EFFECTIVE WITH PAY PERIOD ENCOMPASSING JANUARY 1, 2017-2020

<u>Title</u>	<u>Unit</u>	<u>Schedule</u>	<u>Approximate Annual 1st Step</u>	<u>Approximate Annual 5th Step</u>	<u>Approximate Annual 6th Step</u>	<u>Approximate Annual 7th Step</u>	<u>Approximate Annual 8th Step</u>
Accounting Technician	OCM	37E	\$46,723	\$57,907	\$59,645	\$61,435	\$63,278
Building Supervisor	OCM	45K	\$58,899	\$72,972	\$75,161	\$77,416	\$79,738
Contracts Assistant	OCM	33G	\$42,078	\$52,132	\$53,695	\$55,306	\$56,965
Data Technician	OCM	35F	\$44,344	\$54,934	\$56,582	\$58,279	\$60,028
Deputy Clerk	OCM	34C	\$42,787	\$53,008	\$54,599	\$56,237	\$57,924
Deputy Clerk/Transcriber	OCM	37H	\$47,062	\$58,303	\$60,053	\$61,855	\$63,710
District Storekeeper	OCM	36B	\$45,081	\$55,868	\$57,545	\$59,271	\$61,050
Facilities Services Specialist	OCM	37L	\$47,430	\$58,757	\$60,520	\$62,335	\$64,205
Facilities Services Technician	OCM	41C	\$51,848	\$64,251	\$66,179	\$68,164	\$70,209
Fiscal Assistant	OCM	29J	\$37,859	\$46,893	\$48,299	\$49,748	\$51,240
Fleet Services Supervisor	OCM	38J	\$48,506	\$60,117	\$61,919	\$63,777	\$65,690
Fleet Services Worker I	OCM	28D	\$36,387	\$45,080	\$46,432	\$47,825	\$49,260
Fleet Services Worker II	OCM	33B	\$41,569	\$51,480	\$53,024	\$54,615	\$56,254
General Maintenance Helper	OCM	28J	\$36,812	\$45,619	\$46,987	\$48,396	\$49,848
General Maintenance Worker	OCM	43A	\$54,538	\$67,564	\$69,591	\$71,679	\$73,829
Mail / Subscription Services Clerk	OCM	28D	\$36,387	\$45,080	\$46,432	\$47,825	\$49,260
Mail / Subscription Services Supv.	OCM	36A	\$44,995	\$55,728	\$57,399	\$59,121	\$60,894
Office Assistant	OCM	28D	\$36,387	\$45,080	\$46,432	\$47,825	\$49,260
Offset Press Operator	OCM	34J	\$43,438	\$53,830	\$55,445	\$57,108	\$58,821
Payroll Technician	OCM	34F	\$43,126	\$53,406	\$55,007	\$56,657	\$58,357
Prin. Office Assistant	OCM	39G	\$49,611	\$61,447	\$63,290	\$65,189	\$67,145
Print Shop Duplicator	OCM	29J	\$37,859	\$46,893	\$48,299	\$49,748	\$51,240
Print Shop Supervisor	OCM	40L	\$51,480	\$63,770	\$65,682	\$67,653	\$69,682
Purchasing Assistant	OCM	38K	\$48,620	\$60,229	\$62,037	\$63,898	\$65,815
Purchasing Supervisor	OCM	48B	\$62,722	\$77,700	\$80,032	\$82,433	\$84,906
Radio Telephone Operator	OCM	28H	\$36,726	\$45,477	\$46,841	\$48,247	\$49,694
Secretary	OCM	33G	\$42,078	\$52,132	\$53,695	\$55,306	\$56,965
Sr. Deputy Clerk	OCM	41A	\$51,621	\$63,940	\$65,857	\$67,833	\$69,868
Sr. Fiscal Assistant	OCM	33G	\$42,078	\$52,132	\$53,695	\$55,306	\$56,965
Sr. Office Assistant	OCM	32C	\$40,521	\$50,205	\$51,712	\$53,264	\$54,861
Staff Assistant	OCM	34K	\$43,579	\$54,000	\$55,620	\$57,289	\$59,007

APPENDIX B
OFFICE CLERICAL & MAINTENANCE
EFFECTIVE WITH PAY PERIOD ENCOMPASSING JANUARY 1, 2017~~2020~~

<u>Title</u>	<u>Unit</u>	<u>Schedule</u>	<u>Approximate Annual 1st Step</u>	<u>Approximate Annual 5th Step</u>	<u>Approximate Annual 6th Step</u>	<u>Approximate Annual 7th Step</u>	<u>Approximate Annual 8th Step</u>
Stock Clerk	OCM	28D	\$36,387	\$45,080	\$46,432	\$47,825	\$49,260
Supv. Office Assistant	OCM	36A	\$44,995	\$55,728	\$57,399	\$59,121	\$60,894
Supv. Radio Telephone Operator	OCM	36A	\$44,995	\$55,728	\$57,399	\$59,121	\$60,894
Technical Writer	OCM	43J	\$55,614	\$68,894	\$70,959	\$73,088	\$75,280