

BOARD MEETING DATE: June 7, 2019

AGENDA NO. 23

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee held a meeting on Friday, May 17, 2019. The following is a summary of the meeting.

RECOMMENDED ACTION:  
Receive and file.

Ben Benoit, Chair  
Stationary Source Committee

LT:cr

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### **Committee Members**

Present: Council Member Ben Benoit/Chair (videoconference)  
Supervisor Janice Hahn  
Mayor Judith Mitchell  
Supervisor Janice Rutherford (videoconference)

Absent: Supervisor V. Manuel Perez

### **Call to Order**

Chair Benoit called the meeting to order at 10:30 a.m.

### **INFORMATIONAL ITEMS:**

#### **1. RECLAIM Quarterly Report – 5<sup>th</sup> Update**

Susan Nakamura, Assistant Deputy Executive Officer/Planning, Rule Development and Area Sources, provided the quarterly update regarding transitioning the NOx RECLAIM program to a command-and-control regulatory structure.

Supervisor Rutherford asked how long it will take for U.S. EPA to approve all the rules. Ms. Nakamura replied that an estimate is difficult. Barbara Baird, Chief Deputy Counsel, responded that although the statutory requirement for taking any action is 18 months, rules have been approved beyond that timeframe.

Mayor Mitchell asked if the new large NOx source offset bank would use offsets from the existing internal bank. Ms. Nakamura highlighted the need to preserve the current internal bank and use some offsets to seed the large NOx source bank. Ms. Baird added that the new bank would not rely on open market emission reduction credits (ERCs). Because the supply of NOx offset credits is constrained, Dr. Tisopulos noted that a fee is planned for accessing the new bank to ensure that the offsets are used judiciously.

Mayor Mitchell asked for confirmation that the new large NOx source bank would not be an open market and the existing internal bank would remain. Staff confirmed these comments. Mayor Mitchell asked how and when the current and next AQMP would coincide with the RECLAIM emission reductions and what would happen if the commitments in the 2016 AQMP are not accomplished. Ms. Nakamura responded that staff will have a better sense on being able to achieve the five tons per day NOx emission reductions from 2016 AQMP control measure CMB-05 as more command-and-control rules are adopted. Dr. Fine clarified that the next AQMP is due at the end of 2022 and that the RECLAIM component is separate from attainment of the 8-hour ozone standard by 2023.

## **2. Summary of Proposed Amended Rules 2001 – Applicability, and 2015 – Backstop Provisions**

Michael Morris, Planning and Rules Manager, provided a summary of the proposed amendments.

Mike Carroll, Regulatory Flexibility Group, commented that the current backstop provisions in Rule 2015 provide a range of actions the agency could take if emissions exceed allocations, including transitioning RECLAIM to command-and-control. He explained that the current rule does not impose a requirement on the agency to make a demonstration that emissions will be below a specific threshold by a certain date and that it is unknown if that demonstration can even be made. Mr. Carroll added that staff is suggesting that the RECLAIM aggregate cap is permanent and if it cannot be demonstrated each year that emissions are below the cap, it may be considered backsliding. Mr. Carroll stated that they disagree that the cap is permanent and that both the RECLAIM cap and command-and-control rules represent BARCT. He stated that it is their understanding that the command-and-control rules replace the RECLAIM cap. He stated that the amendment to Rule 2015 is unnecessary and urged not to move forward with the amendment.

Frances Keeler, California Council for Environmental and Economic Balance (CCEEB), commented that the overlay of command-and-control and RECLAIM creates a disparate impact on RECLAIM facilities in conflict with Health and Safety Code Section 39616. Ms. Keeler recommended a future effective date for command-and-control rules to avoid the disparate impact on RECLAIM facilities.

She added that CCEEB would work with staff on rule language for Proposed Amended Rule 2015.

Ms. Nakamura responded that the concept behind the amendments to Rule 2015 is to acknowledge that the transition to command-and-control is occurring and providing an alternative to current backstop provisions. If the backstop provision is triggered, the proposed provision allows staff to make a demonstration that emission reductions with the adopted landing rules for the RECLAIM transition are imminent and avoids unnecessary backstop measures. Ms. Nakamura added that staff will re-examine Proposed Amended Rule 2015 and that the proposed rule language is an optional alternative to other backstop provisions.

Dr. Fine stated U.S. EPA will only approve the rules related to the transition as a whole and that South Coast AQMD's original intent was not to overlay RECLAIM with command-and-control rules. He added that if facilities were let out of RECLAIM, it would be uncertain what those facilities would be subject to until U.S. EPA approves the rules. The proposal does not impact the ability for facilities to remain in the RECLAIM program during the transition.

Mayor Mitchell asked what the proposed demonstration accomplishes. Dr. Fine replied that the demonstration can show that the 2016 AQMP obligations are being met to address U.S. EPA's concerns. Ms. Nakamura clarified that these backstop provisions are only applicable if emissions exceed allocations by five percent or more.

Mayor Mitchell asked if RECLAIM is over when the command-and-control rules are approved. Staff confirmed that RECLAIM will be done when the command-and-control rules are approved by EPA. Dr. Fine added that the additional five tons per day of NO<sub>x</sub> reduction will be achieved through command-and-control rules. Mr. Carroll made a suggestion for Rule 2015 rule language. Executive Officer Wayne Nastri stated that staff will continue to work with all stakeholders and if there isn't agreement, staff would reconsider amendments to Rule 2015.

### **3. Proposed Amendments to Regulation IX – Standards of Performance for New Stationary Sources, and Regulation X – National Standards for Hazardous Air Pollutants**

Dr. Sarah Rees, Assistant Deputy Executive Officer/Planning, Rule Development and Area Sources presented an update on Regulations IX and X, which incorporate federal stationary source actions known as Standards of Performance for New Stationary Sources (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAP). Dr. Rees noted that these standards are in effect around the country, but that South Coast AQMD includes them in Regulations IX and X for the regulated community to have one place to look for the regulations that they are subject to. The regulations capture U.S. EPA actions to Code of Federal

Regulations (CFR) Title 40, Parts 60 (NSPS) and 61 (NESHAP). Dr. Rees also stated that U.S. EPA has delegated its authority to South Coast AQMD for the enforcement of most standards.

Dr. Rees summarized one new NSPS, subpart XXX, for municipal solid waste landfills that commence construction, reconstruction, or modification after July 17, 2014; and summarized amendments to six existing NSPS standards, two NSPS Appendices, and one NESHAP Appendix, relating to technical, operational, and test requirements for various emission sources. Staff is preparing for the set hearing in June and Board consideration in July.

Mayor Mitchell asked whether the new NSPS would apply to existing landfills. Dr. Rees replied that there are emission guidelines that apply to existing landfills and that these are not the subject of the current amendments. Regulation IX is for new source performance standards only, and emission guidelines for existing landfills are incorporated into the Title V permits.

#### **WRITTEN REPORTS:**

**4. Home Rule Advisory Group – March 2019 Meeting Minutes**

The report was acknowledged by the Committee.

**5. Notice of Violation Penalty Summary**

The report was acknowledged by the Committee.

#### **OTHER MATTERS:**

**6. Other Business**

There was no other business.

**7. Public Comment Period**

There were no public comments.

**8. Next Meeting Date**

The next regular Stationary Source Committee meeting is scheduled for Friday, June 21, 2019.

#### **Adjournment**

The meeting was adjourned at 11:17 a.m.

#### **Attachments**

1. Attendance Record
2. Home Rule Advisory Group – March 2019 Meeting Minutes
3. Draft Notice of Violation Penalty Summary

**ATTACHMENT 1**

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

**Attendance – May 17, 2019**

Council Member Ben Benoit (videoconference).....	South Coast AQMD Governing Board
Supervisor Janice Hahn .....	South Coast AQMD Governing Board
Mayor Judith Mitchell .....	South Coast AQMD Governing Board
Supervisor Rutherford (videoconference) .....	South Coast AQMD Governing Board
Tom Gross .....	Board Consultant (Benoit)
Michael Carroll.....	Regulatory Flexibility Group
Frances Keeler .....	California Council for Environmental and Economic Balance
Rita Loof.....	RadTech
Bridget McCann .....	Western States Petroleum Association
Bill Pearce .....	Boeing
David Rothbart .....	Los Angeles County Sanitation Districts
Peter Whittingham.....	Whittingham Public Affairs Advisors
Tammy Yamasaki.....	Southern California Edison
Barbara Baird.....	South Coast AQMD staff
Amir Dejbakhsh.....	South Coast AQMD staff
Marian Coleman .....	South Coast AQMD staff
Philip Fine .....	South Coast AQMD staff
Bayron Gilchrist .....	South Coast AQMD staff
Terrence Mann.....	South Coast AQMD staff
Matt Miyasato.....	South Coast AQMD staff
Michael Morris .....	South Coast AQMD staff
Susan Nakamura.....	South Coast AQMD staff
Wayne Nastri .....	South Coast AQMD staff
Sarah Rees.....	South Coast AQMD staff
Laki Tisopulos .....	South Coast AQMD staff
Jill Whynot .....	South Coast AQMD staff



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**HOME RULE ADVISORY GROUP**  
**Wednesday, March 13, 2019**  
**MEETING MINUTES**

**CHAIR:** Dr. Joseph Lyou, South Coast AQMD Governing Board Member

**MEMBERS PRESENT:**

Marc Carrel (Breathe California of Los Angeles County); Curt Coleman (Southern California Air Quality Alliance); Carlo De LA Cruz (Sierra Club); Martin Hansberger (Holliday Rock Company); Bill LaMarr (California Small Business Alliance); Rongsheng Luo (SCAG); Bridget McCann (Western States Petroleum Association); Dan McGivney (Southern California Gas); Art Montez (AMA International); TyRon Turner (Dakota Communications); and Janet Whittick (California Council for Environmental & Economic Balance).

The following members participated by conference call: Brian Clerico (CARB) and Amy Zimpfer (EPA).

**MEMBERS ABSENT:**

Ben Benoit (South Coast AQMD Governing Board Member); Mike Carroll (Regulatory Flexibility Group); Michael Downs (Downs Energy); Jaelyn Ferlita (Air Quality Consultants); Dr. Clark Parker (South Coast AQMD Governing Board Member); David Rothbart (Los Angeles County Sanitation District); and Larry Rubio (Riverside Transit Agency).

**OTHER ATTENDEES:**

Mark Abramowitz (Board Consultant to Dr. Lyou); Rita Loof (RadTech) and Susan Stark (Marathon Petroleum).

The following attendees participated by conference call: Gerhard Achtelik (CARB); Patrick Gaffney (CARB) and Andrew Martinez (CARB).

**SOUTH COAST AQMD STAFF:**

Khadeeja Abdullah (Air Quality Specialist); Philip Crabbe (Public Affairs Manager); Philip Fine (Deputy Executive Officer); Wei Li (Air Quality Specialist), Zorik Pirveysian (Planning & Rules Manager), Ann Scagliola (Administrative Secretary), William Wong (Principal Deputy District Counsel).

**OPENING COMMENTS AND SELF-INTRODUCTIONS**

The meeting was called to order at 10:06 a.m. by Dr. Philip Fine.

**APPROVAL OF JULY 2018 MEETING MINUTES**

Dr. Fine asked for comments on the January 9, 2019 meeting minutes. Carlo De La Cruz indicated that he arrived late to the meeting, but he was present. Bill La Marr indicated on page 2, under CARB regulatory activities, he asked a question about the criteria and toxics reporting regulation and would like the whole acronym for CTR defined. With these indicated changes, the minutes were approved.

## **EPA AND FEDERAL ACTIVITIES**

Amy Zimpfer provided an update on recent U.S. Environmental Protection Agency (EPA) and federal activities.

- Partial approval of the 2006 NAAQS for Fine Particulate Matter PM2.5 Plan was published on February 12, 2019.
- Targeted Air Shed Program application process closed and applications are being reviewed.
- Diesel Emissions Reduction Act (DERA) National Clean Diesel Funding Assistance Program application deadline was extended to March 26, 2019.

### *Discussion*

Art Montez asked if Carl Moyer is included in the \$40M available through DERA, and what the money can be used for. Ms. Zimpfer responded that they are accepting applications from state and local air districts, to replace truck engines, purchase new trucks and other sources of heavy duty equipment. Mr. Montez further inquired if they can replace the small, medium size trucks and who can he get the application from. Ms. Zimpfer responded that he could partner with South Coast AQMD or talk directly with EPA, and the contacts could be provided.

*Amy Zimpfer later provided the EPA contacts Francisco Donez [donez.francisco@epa.gov](mailto:donez.francisco@epa.gov) and Penny McDaniel [mcdaniel.penelope@epa.gov](mailto:mcdaniel.penelope@epa.gov) , along with the program link <https://www.epa.gov/cleandiesel/clean-diesel-national-grants>.*

## **CARB REGULATORY ACTIVITIES**

Brian Clerico and other CARB staff members provided updates on proposed and recent regulatory activities.

Patrick Gaffney provided an overview of the regulation for the reporting of criteria air pollutants and toxic air contaminants (CTR) and a summary of the proposed 15-day changes as a result of direction from the CARB Board and comments received from stakeholders and public meetings throughout the State. CARB is soliciting informal comments on the draft proposed updates, and expects to release the proposed 15-day revisions and open the formal comment period at the end of April (*this has been changed to mid-Spring*). The proposed draft regulatory 15-day text and materials from the recent workshops are available at <https://ww2.arb.ca.gov/our-work/programs/criteria-pollutant-and-toxics-emissions-reporting/meetings-workshops>.

### *Discussion*

Bill LaMarr asked for clarification on the CTR comment period. Mr. Gaffney responded that after the workshops they will be asking for informal comments by March 20, 2019. Once the workshops are done there will be a 15-day comment period for formal comments. Mr. LaMarr further inquired if in-formal comments will be considered. Mr. Gaffney responded that all comments will be considered.

Dr. Lyou inquired if the inventory captures the illegal engines data. Mr. Gaffney responded that the regulation will only focus on permitted sources, except in very limited cases. Dr. Lyou responded that this is striking because the intent of the AB 617 language was to capture all sources. Dr. Fine commented that there is a parallel effort with AB 617 to capture such sources and develop comprehensive emissions inventories.

Bill LaMarr inquired if the Rule 219 and 222 unpermitted, but registered sources, will be included in the regulation. Mr. Gaffney responded that currently it only includes permitted and registered sources. Dr. Fine commented that as of now in year 1 of the regulation, those registered under

Rule 219 and 222 will not be required to apply. Mr. LaMarr indicated that CARB has indicated that they will accept the districts estimated data. Dr. Fine commented that SCAQMD can provide emissions estimates for many different sources. Mr. Gaffney responded that in the regulation there is room for gathering information from districts on gas stations and other sources.

Gerhard Achteлик and Andrew Martinez presented information on CARB's green infrastructure projects in the current state and growth prospects of fuel-cell and hydrogen refueling infrastructure in Southern California. This includes current and projected growth in the number and types of fuel cell vehicles and hydrogen refueling stations. AB 8 requires that CARB issue an Annual Evaluation in June/July that discusses updated projects of vehicle deployments, current vehicle deployment and station status with an analysis of where additional hydrogen stations are needed (and at what capacity) and recommendations for technical specifications. Also required is a joint agency staff report by CEC and CARB in December that updates current vehicle deployment and station status, and discusses the costs and timing of implementing the regulation's hydrogen requirements. The three main web sites for hydrogen and fuel cell electric vehicles (FCEVs) in California are:

- 1) CARB - (<https://ww2.arb.ca.gov/our-work/programs/hydrogen-fueling-infrastructure>)
- 2) CEC - (<https://www.energy.ca.gov/altfuels/>)
- 3) California Fuel Cell Partnership - ([www.cafcp.org](http://www.cafcp.org)).

### Discussion

Art Montez commented that there has never been a comprehensive program that looks at hydrogen and electric vehicles stations in the communities of color, and where the stations would be located. Mr. Martinez indicated that the Energy Commission handles the siting of the hydrogen stations. He said that a tool was developed to analyze where hydrogen fueling cells will be placed, looking at many different factors. They have also determined that by 2030 the station access will equal the access provided to gasoline stations. That will allow 100% of disadvantaged communities to have access. Mr. Montez inquired what practices and actions have been implemented in these locations and would like information on the current site locations. Dr. Lyou indicated that the California fuel cell website has information on the stations.

Dr. Lyou commented that the infrastructure for heavy-duty vehicles is complicated. He asked if it is still the plan to complete 100 fuel cell stations and if there will be places where heavy-duty trucks can fill up. Mr. Martinez responded that most stations will be open by 2020, but there will be limitations for heavy-duty trucks at light-duty stations.

Dr. Lyou asked if reliability will be an issue with compressors going down at these stations. Mr. Martinez responded that the issue of reliability is dependent on hydrogen availability. Hydrogen storage is moving towards liquid storage, which allows for pumps that are cheaper and more reliable with lower maintenance costs.

Janet Whittick commented that at a recent CARB workshop, they projected very high ownership costs for hydrogen fuel cells vehicles (for medium-duty and heavy-duty applications) and asked if it was anticipated that these costs would come down. Mr. Achteлик responded that they expect the cost to decrease with scale, and in a recent study it showed that by having just 15 additional stations per year the price drops by 50 percent. Mr. Martinez responded that they were not involved with that workshop presentation, but they could find out what the assumptions were behind the numbers. Ms. Whittick added that it would be beneficial to build in communication around uncertainty. The numbers were dramatic and uncertainty could affect the efforts, because they do not look viable when compared to other options.



Art Montez asked for additional hard costs and facts on the hydrogen vehicle technology; indicating visions and concepts are not enough. He added that the priority should be for the public, government and legislative institutions, whose vehicles have license exemptions.

Bill LaMarr commented that his members include 2,700 gasoline stations. He indicated that no plans were provided to small businesses on what it would take to add these technologies. There needs to be a marketing plan and it should be approached as a profit motive, not an emissions reductions motive. Mr. Achtelek responded that those putting in the equipment are leasing the space from the station owner. Mr. Martinez commented that the hydrogen pumps have not replaced the gasoline pumps. He added that the initial adoption by gasoline stations was positive and stations owners want to advance environmental goals. There are permitting and operational hurdles to address, and the industry is working on this. Mr. LaMarr commented that he recognized that this could be an opportunity for a small business, but there is a need for a more user friendly plan to show the opportunities and incentives.

### **LEGISLATIVE UPDATE**

Philip Crabbe reported on key legislative updates from the Legislative Committee meeting on Friday, March 8, 2019.

#### Update on Federal Legislative Issues

- South Coast AQMD's federal legislative consultants each provided a written report on various key Washington, D.C. issues.
- Some key verbal updates from the meeting were:
  - South Coast AQMD staff had a successful advocacy trip to Washington, D.C. Members of Congress and their staff, business representatives and other stakeholders were supportive of a timely and transparent rulemaking process for the U.S. EPA Ultra Low NOx Emission Standard for Heavy-Duty Trucks.
  - Mr. Andrew Wheeler was confirmed by the U.S. Senate as Administrator for the U.S. EPA.
  - President Trump's budget overview was presented on March 11, 2019, which will be followed by a more detailed document.
  - South Coast AQMD is working on annual appropriations requests to the Members of Congress.

#### Update on State Legislative Issues

- South Coast AQMD's state legislative consultants provided written reports on various key issues in Sacramento.
- Some key verbal updates from the meeting were:
  - The state bill introduction deadline recently passed, and overall the California state legislature introduced 2,621 state bills. This is a new record, about 500 more than were introduced in the last legislative year.
  - Also the California Assembly Natural Resources Committee will be have an information hearing on March 18<sup>th</sup> regarding an AB 617 Program implementation update.
  - In late February, the most recent cap and trade revenue auction was held and all 80 million allowances were sold at a price of \$15.73 each, which is approximately 11 cents over the floor price. This generated about \$850 million for the state's Greenhouse Gas Reduction Fund which could potentially provide more clean air funding for the South Coast region.
  - The next auctions will be in May, August, and November of this year, which project to generate \$800-\$900 million each.

### Update on SCAQMD Sponsored Legislation Regarding Voting District Authorization for Clean Air

Mr. Crabbe stated that there is now an author for the bill, Senator Ben Allen, and a spot bill was introduced, SB 732, but it currently has no substantive content. South Coast AQMD recently submitted a new, more refined and streamlined version of the bill language to Legislative Counsel in Sacramento. Additionally, staff was in Sacramento recently to meet with Senator Allen and staff is continuing to actively communicate with electeds and a wide spectrum of interested stakeholders, in order to educate and firm up support for the bill.

Mr. Crabbe stated that feedback was received from various stakeholders regarding the tax cap issue. It is important to make clear that any potential future funding measures under this bill would be exempt from the sales tax cap, and would preserve existing tax cap space for cities, counties, transportation agencies, etc.

### Update on Potential Congressional Field Hearings

It was reported that several Congressional Committees mentioned the possibility of holding field hearings in the future on topics of interest to South Coast AQMD, including transportation and infrastructure, climate change and air quality. A field hearing could be an excellent opportunity to highlight the SCAQMD's efforts, accomplishments and future challenges in the South Coast Air Basin. There is a possibility that such hearings could be held within the South Coast region.

### ACTION ITEM - Recommend Positions on State Bills

SB 210 (Leyva) Heavy-Duty Vehicle Inspections and Maintenance Program - This bill would authorize CARB to adopt and implement "smog check" requirements for heavy-duty non-gasoline trucks by modernizing emissions control enforcement through a comprehensive inspection and maintenance program.

This bill would enhance compliance, and ensure a more even playing field for those maintaining their vehicle emission systems properly. Additionally, staff would like to work with the author to suggest a couple of adjustments to the bill:

- First, staff recommends clarifying that zero emission vehicles are exempt from the new smog check program created by the bill; and
- Staff recommends that penalty monies collected by CARB as part of the Program be designated as funds meant to assist local air districts in mitigating heavy-duty truck emissions. Penalty monies would be distributed to air districts based on where the penalty originated.

*The Committee adopted a SUPPORT position on this item.*

AB 210 (Voepel) Smog Check: exemption - The bill would exempt all motor vehicles manufactured prior to the 1983 model-year from the smog check program. This would be a change from current law that exempts vehicles prior to 1976.

*The Committee adopted an OPPOSE position on this item.*

AB 285 (Friedman) California Transportation Plan - This bill would require the Department of Transportation (CalTrans) to address in the California Transportation Plan on how the state will achieve maximum feasible emissions reductions in order to attain a statewide reduction of GHG emissions of 40% below 1990 levels by the end of 2030.

Staff would like to work with the author to require CalTrans to address how the state will achieve maximum feasible criteria pollutant emissions reductions to attain state and federal ambient air quality standards by the upcoming federal deadlines. South Coast AQMD is currently analyzing recent amendments to this bill.

*The Committee adopted a Work with Author position on this item.*

Discussion

Bill LaMarr inquired when the bill language would be available. Mr. Crabbe responded that the new draft bill language was submitted to Legislative Counsel in Sacramento and we are waiting for their input. Mr. LaMarr asked if it would be up to the cities to put the measure on their ballot, or would the district initiate this. Mr. Crabbe indicated that the language would allow for a voter driven initiative. Dr. Lyou clarified that it would be a voter initiative or Governing Board vote. Mr. LaMarr asked if the tax would be the same for all cities. Marc Carrel commented that the tax would have to be the same.

Art Montez asked if the cap-and-trade money is going into one pot, for the Governor. Mr. Crabbe responded that the funds go into the greenhouse gas reduction fund, which is allocated as part of the budget process. Dr. Fine added that sixty percent of the funds are already going to set projects.

Art Montez inquired about the incentive to promote such an authorization, if public polling was conducted, and if a fuel tax be passed instead of a sales tax. Dr. Lyou responded that the intent is to meet federal and state standards for cleaner air, polling has been conducted and a possible funding measure could be on the ballot in 2020.

Carlo De La Cruz asked if this is the same ballot measure that Move LA has been talking about, and if there is a possibility of competing ballot measures. Dr. Lyou responded that it is a coordinated effort, and there is the possibility of competing ballot measures. Mr. Crabbe added that any competing ballot measure would have to be focused on funding the air quality management plan to reduce emissions, be within South Coast AQMD's jurisdiction and a purpose for the money. Dr. Lyou commented that the agency can put a measure on the ballot, but we cannot lobby voters.

**UPDATE REGARDING LITIGATION ITEMS AND RELATED EPA ACTIONS**

William Wong had no updates to the April 2019 status report.

**TRENDS IN TRANSPORTATION EMISSIONS**

Zorik Pirveysian provided a presentation on the on-road vehicle emissions trend in the South Coast Air Basin. He also provided a brief overview of the existing regulations for new vehicles, including the Low Emission Vehicle regulation for light and medium-duty vehicles and heavy-duty diesel engine standards.

Discussion

Bill LaMarr asked if South Coast AQMD is projecting less emissions and more trucks. Mr. Pirveysian responded that the population is increasing, but cleaner technology is also being employed.

Dr. Lyou noted that the 2023 chart is different than what was projected in the 2016 AQMP. Mr. Pirveysian responded that some of the category names have changed, but the data has not.

Art Montez asked if the vehicle inventory data is broken down by age. Mr. Pirveysian responded that there is inventory and for some of the categories it is broken down by age. Dr. Lyou added that CARB has models that are used for the on-road and off-road equipment data.

Marc Carrell inquired if the data includes registered and unregistered vehicles. Dr. Fine responded that CARB provides this data, which also includes out-of-state vehicles. Mr. Carrell further inquired if this data also included unregistered vehicles. Dr. Fine indicated that this is a question for CARB.

Art Montez asked what the difference is between light-duty and medium-duty. Dr. Lyou responded that light-duty are vehicles like pick-up trucks and vans. Medium-duty vehicles are commercial delivery vehicles, but they are not as big as a semi-truck.

Rongsheng Luo, SCAG Program Manager of Air Quality and Conformity, presented background information on SCAG's Regional Transportation Plan, transportation conformity, and transportation control measures.

### Discussion

Bill LaMarr inquired if the conformity budgets are pre-determined by the Clean Air Act. Mr. Luo replied that they are determined by the allowable planning inventory.

Janet Whittick asked if congestion is considered positive or negative in regards to emissions reductions. Mr. Luo indicated both, because low speed emissions are high and congestion deters people from driving. Ms. Whittick further inquired if the modeling treats it in both directions. Mr. Luo replied that SCAG's objective is to reduce congestion and the model takes into account several factors.

Marc Carrell asked if telecommuting is going to become a key component to reduce congestion and air pollution. Mr. Luo replied that it already is. Mr. Carrell inquired if the South Coast AQMD has a telecommuting program. Dr. Fine replied that the South Coast AQMD has a telecommuting program and applications are being submitted by interested eligible employees.

Dr. Lyou inquired if there are 80% of the emissions coming from mobile sources, how does it work affectively as a program in regards to transportation control measures. Mr. Luo indicated that SCAG does not have authority over land use and the effective reductions will come from technology. Dr. Fine added that the South Coast AQMD is collaborating with SCAG in the development of their Regional Transportation Plan, to build incentives into the transportation network.

Bill LaMarr commented that encouraging maintenance on engines is something to look at, such as changing filters, and having an inspection criteria.

Marc Carrell inquired if SCAG is in discussions with other groups. Mr. Luo indicated yes, especially with new technology (e.g. Hyperloop).

Art Montez expressed concern about additional taxes and inequities that are being placed on working families, and encouraged looking at ports or airports for a port of entry tax. Dr. Lyou indicated that the port container fee was vetoed earlier by legislature, but staff is considering every idea possible.

## **SUBCOMMITTEE STATUS REPORTS**

### **A. Freight Sustainability (Dan McGivney)**

- Advanced Clean Transportation Expo, April 23-26, 2019.

### **B. Small Business Considerations (Bill LaMarr)**

No report was provided.

Mr. LaMarr made a recommendation for CARB's Criteria and Toxics Emissions Reporting Regulation (CTR) as a possible future Advisory Group topic. Dr. Fine replied that he planned to do this, but is waiting for CARB's regulation language.

***C. Environmental Justice and AB 617 Implementation (Curt Coleman)***

An update was provided on the following items.

- Wilmington/Carson/West Long Beach AB 617 Community Steering Committee meeting, March 14, 2019.
- San Bernardino/Muscoy AB 617 Community Steering Committee meeting, March 21, 2019.
- Boyle Heights/East Los Angeles/West Commerce AB 617 Community Steering Committee meeting, March 28, 2019.

*Discussion*

Bridget McCann inquired if the AB 617 community meeting information will be posted on the website. Dr. Fine indicated that the plan is to provide the materials, when they are available. Ms. McCann requested a notification when the materials is available for interested parties.

Bridget McCann inquired if source apportionment will be discussed at the March 14<sup>th</sup> meeting. Dr. Fine replied that there will be discussions on the specific actions that will go into community reduction plans.

Bill LaMarr noticed the differences in the interactive maps for the communities. Pedro Piqueras indicated that each community provided different levels of specifics. Dr. Fine added that the same format was used to identify the sources, but the community steering committee concerns are varied.

Bridget McCann expressed concern about a public comment made at the AB 617 Technical Advisory Group meeting indicating how the agency's data should drive community action, and one of the staff members agreed with the comment. Ms. McCann further indicated that the agency's data should not be anyone's advocacy, it should be just data. Dr. Fine indicated there was a miscommunication.

***D. Climate Change (David Rothbart)***

No report was provided.

**REPORT TO AND FROM THE STATIONARY SOURCE COMMITTEE**

Dr. Philip Fine provided a summary of items on the February and March 2019 meeting agendas.

- RECLAIM audit report and transition;
- Rules 1111, 1134 and 1106; and
- AB 617 update.

**OTHER BUSINESS**

Art Montez requested a printout of future agency meetings and conferences. Dr. Lyou indicated that there is a calendar on the South Coast AQMD website.

**PUBLIC COMMENT**

There were no comments.

**ADJOURNMENT**

The meeting was adjourned at 12:47 pm. The next meeting of the Home Rule Advisory Group is scheduled for 10:00 a.m. on May 8, 2019, and will be held at SCAQMD in Conference Room CC-8.

**South Coast Air Quality Management District  
HOME RULE ADVISORY GROUP – Attendance Record – 2019**

	(Term: 1/1/19 - 1/1/21)	1/9	FEB	3/13	APR	5/8	JUN	7/10	AUG	9/11	OCT	11/13	DEC
	Board/Member, Business & Community Reps, SCAQMD Staff												
1	Dr. Joseph Lyou, Chair	X	<b>dark</b>	X	<b>dark</b>		<b>dark</b>		<b>dark</b>		<b>dark</b>		<b>dark</b>
2	Council Member Ben Benoit, Vice Chair	A		A									
3	Dr. Clark E. Parker, Sr., Governing Board Member	A		A									
4	Dr. Philip Fine (Agency Member) - SCAQMD	X		X									
5	Zimpfer, Amy (Agency Member) - EPA <i>Representing Elizabeth Adams</i>	A		T									
6	Clerico, Brian (Agency Member) - CARB <i>Representing Richard Corey</i>	T		T									
7	Chang, Ping (Agency Member) - SCAG <i>Alternate – Rongsheng Luo</i>	T*		X*									
8	Carrel, Marc (Environmental Representative)	T		X									
9	Carroll, Mike (Business Representative) <i>Alternate – Robert Wyman</i>	A		A									
10	Coleman, Curtis (Business Representative) <i>Alternate – Susan Stark</i>	X		X									
11	De La Cruz, Carlo (Environmental Representative)	T		X									
12	McCann, Bridget (Business Representative) <i>Alternate – Patty Senecal</i>	A*		X									
13	LaMarr, Bill (Business Representative)	X		X									
14	McGivney, Dan (Business Representative) <i>Alternate – Lauren Nevitt</i>	A*		X									
15	Quinn, Bill (Business Representative) <i>Alternate – Janet Whittick</i>	T		X*									
16	Downs, Michael (Community Representative - McCallon)	A		A									
17	Ferlita, Jaclyn (Community Representative - Lyou)	X		A									
18	Hansberger, Martin (Community Representative - Rutherford)	X		X									
19	Montez, Art (Community Representative - Lyou)	A		X									
20	Rothbart, David (Community Representative - Mitchell)	X		A*									
21	Rubio, Larry (Community Representative - Ashley)	A*		A*									
22	Smith, Larry (Community Representative - Benoit)	A		A*									
23	Turner, TyRon (Community Representative - Burke)	A		X									

Attendance Codes					
X	Present	T	Teleconference	A	Absence
X*	Alternate in Attendance	T*	Alternate Teleconference Participation	A*	Absence Excused

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
General Counsel's Office  
DRAFT  
April 2019 Settlement Penalty Report**

**Total Penalties**

Civil Settlements:	\$228,500.00
MSPAP Settlements:	\$10,600.00
Hearing Board Settlements:	\$51,000.00

**Total Cash Settlements: \$290,100.00**

**Total SEP Value: \$0.00**

**Fiscal Year through 4 / 2019 Cash Total: \$5,871,281.50**

**Fiscal Year through 4 / 2019 SEP Value Only Total: \$265,000.00**

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
<b>Civil Settlements</b>						
143132	ABSOLUTE ABATEMENT & DEMOLITION	1403	4/30/2019	KCM	P64858 P65926 P66408	\$10,500.00
175403	ASBESTOS CONTROL TESTING, INC	1403	4/17/2019	BST	P66415 P67252	\$1,800.00
13618	BARRY AVE PLATING CO INC	203	4/23/2019	WBW	P63092	\$15,000.00
185342	BEATRICE BABUCH - DUPLEX BUILDING	1403	4/25/2019	KCM	P63308	\$1,000.00
146448	BEO-MAG PLATING INC	203 1469	4/25/2019	BST	P63065 P63070 P63075 P63096	\$7,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
42645	BRITE PLATING CO INC	1469	4/17/2019	DH	P64856	\$500.00
86587	CONTROLLED ENVIRONMENTAL SOLUTIONS	1403	4/9/2019	BST	P65925	\$2,300.00
50098	D&D DISPOSAL INC,WEST COAST RENDERING CO	2004	4/10/2019	TRB	P63560 P66156 P66160	\$5,000.00
800091	EXXONMOBIL OIL CORP	462 463 3002	4/2/2019	DH	P59384 P59386	\$7,500.00
183897	IC2NET	203(a)	4/17/2019	KCM	P64071 P64072	\$500.00
173290	MEDICLEAN	2004	4/25/2019	DH	P66909 P68251	\$25,000.00
95252	MISSION COMMUNITY HOSPITAL	222 1146 1415 H&S 42401	4/4/2019	KCM	P62176 P66770	\$27,500.00
14437	SAN ANTONIO REGIONAL HOSPITAL	218 1110.2 3002	4/23/2019	VKT	P62049 P65369 P66558	\$65,000.00
178448	SENSITIVE ENVIRONMENT	1403	4/17/2019	KCM	P65910	\$1,800.00
101977	SIGNAL HILL PETROLEUM INC	463(c) 1173 2004 2012	4/19/2019	NSF	P57096 P67901 P67903 P67904 P67905	\$41,600.00



Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
174703	TESORO LOGISTICS,CARSON PROD TERMINAL	462	4/18/2019	NSF	P56574	\$16,500.00
		3002			P65312	
					P65313	
					P66503	

**Total Civil Settlements: \$228,500.00**

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
<b>MSPAP Settlements</b>						
176159	6228 FRANKLIN LLC, DBA JOE'S SERVICE CEN	461(c)(3)(Q)	4/30/2019	GV	P72651	\$300.00
83138	BEAR CREEK GOLF CLUB, INC	461(c)(3)(Q)	4/30/2019	GV	P71551	\$300.00
129093	JERRY'S UNION 76, JERRY I MADAIN, DBA	461(c)(3)(Q)	4/30/2019	GV	P72027	\$300.00
159449	KECK HOSPITAL OF USC	1146 203(b)	4/26/2019	GC	P64138	\$4,000.00
175275	KHA INC	461(c)(3)(Q)	4/30/2019	GV	P72634	\$300.00
131295	RIO PETROLEUM, INC.	461 H&S 41960	4/30/2019	TF	P64946	\$800.00
14479	SKANSKA USA CIVIL WEST CA DISTRICT INC	461(c)(3)(Q)	4/30/2019	GV	P71345	\$300.00
137146	SOUTH CITY GAS	461 H&S 41960	4/30/2019	TF	P64940	\$500.00
25304	VALLEY PLATING WORKS, INC	201 203(a)	4/26/2019	TF	P67453	\$1,600.00
25751	WALNUT VALLEY WATER DIST	461(c)(3)(Q)	4/30/2019	GV	P71391	\$300.00
31696	WORLD OIL CO #38	203(a)	4/5/2019	TF	P68113	\$400.00
151281	YUCAIPA FOOD MART 76	461	4/5/2019	TF	P66365	\$1,500.00
<b>Total MSPAP Settlements: \$10,600.00</b>						

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
<b>Hearing Board Settlements</b>						
104234	MISSION FOODS CORPORATION	202 203(b) 1153.1 1303	4/4/2019	KCM	5400-4	\$50,000.00
156902	PROVIDENCE TARZANA MEDICAL CENTER	203 1470	4/19/2019	TRB	6128-1	\$1,000.00

**Total Hearing Board Settlements: \$51,000.00**

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX  
FOR APRIL 2019 PENALTY REPORT**

**REGULATION II - PERMITS**

- Rule 201 Permit to Construct
- Rule 202 Temporary Permit to Operate
- Rule 203 Permit to Operate
- Rule 218 Continuous Emission Monitoring
- Rule 222 Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II

**REGULATION IV - PROHIBITIONS**

- Rule 403 Fugitive Dust - Pertains to solid particulate matter emitted from man-made activities
- Rule 461 Gasoline Transfer and Dispensing
- Rule 462 Organic Liquid Loading
- Rule 463 Storage of Organic Liquids

**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 1153.1 Emissions of Oxides of Nitrogen from Commercial Food Ovens
- Rule 1173 Fugitive Emissions of Volatile Organic Compounds

**REGULATION XIII - NEW SOURCE REVIEW**

- Rule 1303 Requirements

**REGULATION XIV - TOXICS**

- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
- Rule 1415 Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems
- Rule 1469 Hexavalent Chromium Emissions from Chrome Plating and Chromic Acid Anodizing Operations
- Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines

**REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)**

- Rule 2004 RECLAIM Program Requirements
- Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO<sub>x</sub>) Emissions

**REGULATION XXX - TITLE V PERMITS**

Rule 3002            Requirements for Title V Permits

**CALIFORNIA HEALTH AND SAFETY CODE**

41960                Certification of Gasoline Vapor Recovery System

42401                Violation of Order for Abatement