



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, JUNE 5, 2020

A meeting of the South Coast Air Quality Management District Board will be held at 9:00 AM.

Pursuant to Governor Newsom's Executive Orders N-25-20 (March 12, 2020) and N-29-20 (March 17, 2020), the Governing Board meeting will only be conducted via video conferencing and by telephone. Please follow the instructions below to join the meeting remotely.

ELECTRONIC PARTICIPATION INFORMATION (Instructions provided at bottom of the agenda)

Join Zoom Meeting - from PC, Laptop or Phone

<https://scaqmd.zoom.us/j/93128605044>

Meeting ID: **931 2860 5044** (applies to all)

Teleconference Dial In +1 669 900 6833 or +1 253 215 8782

One tap mobile +16699006833,,97364562763# or +12532158782,,93128605044#

Audience will be allowed to provide public comment through telephone or Zoom connection.

PUBLIC COMMENT WILL STILL BE TAKEN

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 South Coast AQMD 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.

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 at South Coast AQMD's web page (www.aqmd.gov).

Americans with Disabilities Act and Language Accessibility

Disability and language-related accommodations can be requested to allow participation in the Governing Board meeting. The agenda will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't Code Section 54954.2(a)). In addition, other documents may be requested in alternative formats and languages. Any disability or language-related accommodation must be requested as soon as practicable. Requests will be accommodated unless providing the accommodation would result in a fundamental alteration or undue burden to the South Coast AQMD. Please contact the Clerk of the Boards Office at (909) 396-2500 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to cob@aqmd.gov

A webcast of the meeting is available for viewing at:

<http://www.aqmd.gov/home/news-events/webcast>

Cleaning the air that we breathe...

CALL TO ORDER

- Pledge of Allegiance
- Roll Call
- Opening Comments: William A. Burke, Ed.D., Chair
Other Board Members
Wayne Nastri, Executive Officer

Staff/Phone (909) 396-

CONSENT CALENDAR (Items 1 through 15)

Note: Consent Calendar items held for discussion will be moved to Item No. 16

1. Approve Minutes of May 1, 2020 Board Meeting **Thomas/3268**

2. Set Public Hearing August 7, 2020 to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations **Nastri/3131**

Determine That Proposed Submission of Amended Rule 212 – Standards for Approving Permits and Issuing Public Notice, For Inclusion into the SIP, Is Exempt from CEQA and Submit Rule 212 for Inclusion into the SIP **Nakamura/3105**

When Rule 212 – Standards for Approving Permits and Issuing Public Notice, was amended on March 1, 2019, the Public Hearing Notice did not specify that the amendments would be submitted for incorporation into the SIP. This proposal is to provide Public Notice that the March 1, 2019 amendments to Rule 212, as adopted, will be submitted to U.S. EPA for incorporation into the SIP. (No Committee Review)

Budget/Fiscal Impact

3. **Execute Contract for Commercial Experience Demonstration of Heavy-Duty Electric Trucks** **Miyasato/3249**

In July 2018, the Board approved more than \$13 million in funding with \$2.5 million in cost-share from U.S. EPA and the San Pedro Bay Ports for Daimler Trucks North America LLC (DTNA) to develop and demonstrate 20 heavy-duty electric trucks and fast charge infrastructure with two fleets in the South Coast region. In July 2019, the Board recognized \$4.177 million in U.S. EPA Targeted Airshed Grant funds and approved a \$4.01 million contract with DTNA for a second project to build and deploy 35 commercial-ready heavy-duty battery electric trucks and fast charge infrastructure for delivery fleets in the South Coast region. Currently, DTNA proposes to develop a Commercial Experience project to demonstrate heavy-duty battery electric trucks with 12-18 fleets to accelerate customer orders for commercial product. This action is to execute a contract with DTNA to demonstrate up to eight heavy-duty battery electric trucks and transportable fast-charging infrastructure in an amount not to exceed \$1,000,000 from the Clean Fuels Program Fund (31). (Reviewed: Technology Committee, May 15, 2020; Recommended for Approval)

4. **Amend Contract for Kore Infrastructure Project** **Miyasato/3249**

In January 2020, the Board approved a contract amendment for Kore Infrastructure LLC (Kore) for a Renewable Natural Gas Commercial Field Test project, including construction of a pyrolysis system on SoCalGas property in Los Angeles. The project is to test various biomass feedstocks for commercial production of renewable natural gas. This action is to amend the contract with Kore to extend the deadline to complete construction, commissioning and testing efforts by an additional six months subsequent to the date the City of Los Angeles lifts "Safer-At-Home" emergency orders for non-essential businesses. (Reviewed: Technology Committee, May 15, 2020; Recommended for Approval)

5. **Recognize Revenue and Reimburse General Fund for Administrative Costs for Enhanced Fleet Modernization Program** **Berry/2363**

Since 2015, the South Coast AQMD has been implementing an Enhanced Fleet Modernization Program (EFMP), branded as Replace Your Ride. For FY 2018-19, CARB has allocated an additional \$14 million in Low Carbon Transportation funds to the South Coast AQMD for the continued implementation of the EFMP Plus-Up Program and to update the alternative mobility options for consistency with SB 400 and assist with development of CARB's One-Stop-Shop Pilot Project. For FY 2019-20, CARB has also allocated \$1.4 million in AB 118 funds to the South Coast AQMD for the continued implementation of the EFMP Base Program. These actions are to: 1) recognize \$15.4 million from CARB for the EFMP Plus-Up and Base Programs; 2) approve vouchers or other alternative mobility options, including those consistent with SB 400, until all available funds are exhausted and support development of CARB's One-Stop-Shop Pilot Project; and 3) reimburse the General Fund for administrative costs necessary to implement the EFMP. (Reviewed: Technology Committee, May 15, 2020; Recommended for Approval)

6. **Recognize Revenue for Continued AB 617 Implementation** **Jain/2804**
- In February 2020, the Board recognized \$20 million upon receipt from CARB for continued AB 617 implementation. This action is to recognize up to an additional \$1.88 million upon receipt from CARB into the General Fund for AB 617. (No Committee Review)
7. **Authorize Purchase of Oracle PeopleSoft Software and Support** **Moskowitz/3329**
- The South Coast AQMD uses Oracle's PeopleSoft Integrated Financial/Human Resources System. The software package provides purchasing, accounting, asset management, financial management, project reporting, payroll and human resources functionality for the South Coast AQMD. The maintenance support for this system expires August 13, 2020. This action is to obtain approval for a three-year contract with Oracle America, Inc. for \$764,280. Funds for the first year's purchase are included in the IM's FY 2020-21 Budget and will be included in subsequent fiscal year budget requests. (Reviewed: Administrative Committee, May 8, 2020; Recommended for Approval)
8. **Approve Contract Modifications as Approved by MSRC and Approve Appropriation of Funds to Re-Open Contract as Approved by MSRC** **McCallon**
- The Mobile Source Air Pollution Reduction Review Committee (MSRC) approved modifications to contracts under the Local Government Partnership Program as part of their FYs 2016-18 Work Program. Additionally, a contract under the Major Event Center Transportation Program was closed prematurely prior to payment of the final invoice. The MSRC authorized an appropriation to re-open the contract as part of the FYs 2016-18 Work Program. At this time the MSRC seeks Board approval of the modifications as part of the FYs 2016-18 Work Program. (Reviewed: Mobile Source Air Pollution Reduction Review Committee, May 21, 2020; Recommended for Approval)

Items 9 through 15 - Information Only/Receive and File

9. **Legislative, Public Affairs, and Media Report** **Alatorre/3122**
- This report highlights the April 2020 outreach activities of the Legislative, Public Affairs and Media Office, which includes: Major Events, Community Events/Public Meetings, Environmental Justice Update, Speakers Bureau/Visitor Services, Communications Center, Public Information Center, Business Assistance, Media Relations and Outreach to Business and Federal, State and Local Government. (No Committee Review)
10. **Hearing Board Report** **Prussack/2500**
- This reports the actions taken by the Hearing Board during the period of April 1 through April 30, 2020 (No Committee Review)

11. **Civil Filings and Civil Penalties Report** **Gilchrist/3459**
- This reports the monthly penalties from April 1, 2020 through April 30, 2020, and legal actions filed by the General Counsel's Office from April 1 through April 30, 2020. An Index of South Coast AQMD Rules is attached with the penalty report. (Reviewed: Stationary Source Committee, May 15, 2020)
12. **Lead Agency Projects and Environmental Documents Received** **Nakamura/3105**
- This report provides a listing of CEQA documents received by the South Coast AQMD between April 1, 2020 and April 30, 2020, and those projects for which the South Coast AQMD is acting as lead agency pursuant to CEQA. (No Committee Review)
13. **Rule and Control Measure Forecast** **Fine/2239**
- This report highlights South Coast AQMD rulemaking activities and public hearings scheduled for 2020. (No Committee Review)
14. **Report of RFQs Scheduled for Release in June** **Jain/2804**
- This report summarizes the RFQs for budgeted services over \$100,000 scheduled to be released for advertisement for the month of June. (Reviewed: Administrative Committee, May 8, 2020)
15. **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 South Coast AQMD operations. This action is to provide the monthly status report on major automation contracts and planned projects. (Reviewed: Administrative Committee, May 8, 2020)
16. **Items Deferred from Consent Calendar**

BOARD CALENDAR

Note: The May meeting of the Mobile Source Committee was canceled. The next meeting of the Mobile Source Committee is scheduled for June 19, 2020.

17. **Administrative Committee (Receive & File)** **Chair: Burke** **Nastri/3131**
18. **Investment Oversight Committee (Receive and File)** **Chair: Cacciotti** **Jain/2804**
19. **Legislative Committee (Receive and File)** **Chair: Mitchell** **Alatorre/3122**
20. **Stationary Source Committee (Receive & File)** **Chair: Benoit** **Dejbakhsh/2618**

21. Technology Committee (Receive & File) **Chair: Buscaino Miyasato/3249**
22. Mobile Source Air Pollution Reduction Review Committee (Receive & File) **Board Liaison: Benoit Berry/2363**
23. California Air Resources Board Monthly Report (Receive & File) **Board Rep: Mitchell Thomas/2500**

Staff Presentation/Board Discussion

24. Emission Reductions and Air Quality Impacts from COVID-19 Pandemic Response (***Presentation In Lieu of Board Letter***) **Fine/2239**

The COVID-19 stay-at-home orders have resulted in changes in air pollutant emissions since March 2020. Staff will present data using several indicators to estimate the changes in emissions and the resulting impacts on regional air quality. (No Committee Review)

25. Budget and Economic Outlook Update (***Presentation In Lieu of Board Letter***) **Whynot/3104**

Staff will provide an update on economic information, revenue and expenditures, staffing levels, permitting activity, Fee Review requests and CEQA documents received. (Reviewed: Administrative Committee, May 8, 2020)

PUBLIC HEARINGS

26. Determine That Proposed Amendments to Rule 445 – Wood-Burning Devices, Are Exempt from CEQA and Amend Rule 445 (***This item was continued from the May 1, 2020 Board Meeting.***) **Rees/2856**

Proposed amendments to Rule 445 will satisfy U.S. EPA contingency measure requirements and Control Measure BCM-09 from the 2016 AQMP. The threshold for no-burn days would be incrementally lowered automatically for each subsequent final determination by the U.S. EPA of a failure to meet an applicable Clean Air Act milestone. The proposed amendments would also reduce ambient PM2.5 by expanding the criteria for Basin-wide wood-burning curtailments. Other minor amendments include additional definitions for terms used in the rule, and revisions to improve rule implementation and clarify existing requirements. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Rule 445 – Wood-Burning Devices, are exempt from the requirements of the California Environmental Quality Act; and 2) Amending Rule 445 – Wood-Burning Devices. (Reviewed: Stationary Source Committee, March 20, 2020)

27. Determine That Proposed Amendments to Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces, Are Exempt from CEQA and Amend Rule 1117

Nakamura/3105

The adoption Resolution for the 2016 AQMP directed staff to achieve additional NOx reductions and to transition the RECLAIM program to a command-and-control regulatory structure as soon as practicable. Proposed Amended Rule (PAR) 1117 applies to container glass and sodium silicate production facilities. PAR 1117 will establish NOx and SOx emission standards for container glass melting and sodium silicate furnaces, update monitoring, reporting, and recordkeeping requirements, establish provisions for idling, startup, and shutdown of these furnaces, and remove obsolete provisions. PAR 1117 also includes NOx emission limits for auxiliary combustion equipment associated with container glass melting operations. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces, are exempt from the requirements of the California Environmental Quality Act; and 2) Amending Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces. (Reviewed: Stationary Source Committee, April 17, 2020)

28. Determine That Reasonably Available Control Technology (RACT) Demonstration and Emissions Statement Certification for 2015 8-Hour Ozone Standard Are Exempt from CEQA and Approve RACT Demonstration and Emissions Statement Certification

Rees/2856

As a component of the 2022 AQMP, South Coast AQMD is required to submit a Reasonably Available Control Technology (RACT) Demonstration and an Emissions Statement Certification to U.S. EPA by August 3, 2020. The RACT analysis provides a comprehensive assessment of the adequacy and comparative levels of emissions controls achieved in practice throughout the nation. The current RACT analysis demonstrates that for all applicable sources of VOC and NOx, South Coast AQMD's current rules meet or exceed federal RACT requirements with the exception of Rule 1115 – Motor Vehicle Assembly Line Coating Operations, which South Coast AQMD commits to amend to meet RACT. In addition, South Coast AQMD's Rule 301 – Permitting and Associated Fees, adequately meets the emissions statement requirements for the 2015 8-Hour Ozone Standard. This action is to adopt the Resolution: 1) Determining that the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard are exempt from the California Environmental Quality Act; and 2) Approving the RACT Demonstration and Emissions Statement Certification, and directing staff to forward to CARB for review and submission to U.S. EPA for inclusion in the SIP. (Reviewed: Stationary Source Committee, May 15, 2020)

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.

CLOSED SESSION - (No Written Material)

Gilchrist/3459

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);
- In the Matter of SCAQMD v. Browning-Ferris Industries of California, Inc. dba Sunshine Canyon Landfill, SCAQMD 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, Court of Appeals, Second Appellate District, Case No. B294732; (Tesoro)
- Communities for a Better Environment v. South Coast Air Quality Management District, Los Angeles Superior Court Case No. 19STCP05239; (Tesoro II)
- 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); Delaware District Court, Case No.: 19-00891 (Appellate Case); United States Court of Appeals, Third Circuit, Case No. 20-1858;
- In re: Exide Holdings Inc., U.S. Bankruptcy Court, District of Delaware, Case No. 20-11157 (CSS) (Bankruptcy Case);
- In the Matter of SCAQMD v. Southern California Gas Company, Aliso Canyon Storage Facility, SCAQMD Hearing Board Case No. 137-76 (Order for Abatement); People of the State of California, ex rel SCAQMD v. Southern California Gas Company, Los Angeles Superior Court Case No. BC608322; Judicial Council Coordinated Proceeding No. 4861;
- In the Matter of SCAQMD v. Torrance Refining Company, LLC, SCAQMD Hearing Board Case No. 6060-5 (Order for Abatement);
- People of the State of California, ex rel South Coast Air Quality Management District v. The Sherwin-Williams Company, an Ohio Corporation, and Does 1 through 50, Inclusive, Los Angeles Superior Court Case No. PSCV 00136;
- CalPortland Company v. South Coast Air Quality Management District; Governing Board of the South Coast Air Quality Management District; and Wayne Nastri, Executive Officer, and Does 1-100, San Bernardino County Superior Court, Case No. CIV DS 19258941;
- Downwinders at Risk et al. v. EPA, United States Court of Appeals, D.C. Circuit, Case No. 19-1024 (consolidated with Sierra Club, et al. v. EPA, No. 15-1465);
- SCAQMD, et al. v. Elaine L. Chao, et al., District Court for the District of Columbia, Case No. 1:19-cv-03436-KBJ;

- SCAQMD, et al. v. EPA, United States Court of Appeals, D.C. Circuit, Case No. 19-1241 (consolidated with Union of Concerned Scientists v. NHTSA, No. 19-1230);
- SCAQMD, et al. v. NHTSA, EPA, et al., United States Court of Appeals, D.C. Circuit, Filed May 28, 2020; and
- Association of Irrigated Residents v. U.S. EPA, SCAQMD, SJVUAPCD, et al., United States Court of Appeals, D.C. Circuit, Case No. 19-71223.

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 (four cases).

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Also, it is necessary for the Board to recess to closed session pursuant to Government Code section 54956.9(d)(2) to confer with its counsel because there is a significant exposure to litigation against the SCAQMD (two cases).

Letter from Steven J. Olson, O'Melveny & Myers LLP, on behalf of ExxonMobil Corporation, dated August 22, 2018.

Email from Somerset Perry, California Deputy Attorney General, dated March 13, 2019, regarding Notice of Violation P61321.

ADJOURNMENT

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

Members of the public are afforded an opportunity to speak on any agenda item before consideration of that item. Persons wishing to speak may do so remotely via Zoom or telephone. To provide public comments via a Desktop/Laptop or Smartphone, click on the "Raise Hand" at the bottom of the screen, or if participating via Dial-in/Telephone Press *9. This will signal to the host that you would like to provide a public comment and you will be added to the list.

All agendas are posted at South Coast AQMD 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 South Coast AQMD's authority. Speakers may be limited to a total of three (3) minutes for the entirety of the Consent Calendar plus Board Calendar, and three (3) minutes or less for each of the 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. Individuals who wish to submit written or electronic comments must submit such comments to the Clerk of the Board, South Coast AQMD, 21865 Copley Drive, Diamond Bar, CA 91765-4178, (909) 396-2500, or to cob@aqmd.gov, on or before 5:00 p.m. on the Tuesday prior to the Board meeting.

ACRONYMS

AQ-SPEC = Air Quality Sensor Performance Evaluation Center

AQIP = Air Quality Investment Program

AQMP = Air Quality Management Plan

AVR = Average Vehicle Ridership

BACT = Best Available Control Technology

BARCT = Best Available Retrofit Control Technology

Cal/EPA = California Environmental Protection Agency

CARB = California Air Resources Board

CEMS = Continuous Emissions Monitoring Systems

CEC = California Energy Commission

CEQA = California Environmental Quality Act

CE-CERT =College of Engineering-Center for Environmental Research and Technology

CNG = Compressed Natural Gas

CO = Carbon Monoxide

DOE = Department of Energy

EV = Electric Vehicle

EV/BEV = Electric Vehicle/Battery Electric Vehicle

FY = Fiscal Year

GHG = Greenhouse Gas

HRA = Health Risk Assessment

LEV = Low Emission Vehicle

LNG = Liquefied Natural Gas

MATES = Multiple Air Toxics Exposure Study

MOU = Memorandum of Understanding

MSERCs = Mobile Source Emission Reduction Credits

MSRC = Mobile Source (Air Pollution Reduction) Review Committee

NATTS =National Air Toxics Trends Station

NESHAPS = National Emission Standards for Hazardous Air Pollutants

NGV = Natural Gas Vehicle

NOx = Oxides of Nitrogen

NSPS = New Source Performance Standards

NSR = New Source Review

OEHHA = Office of Environmental Health Hazard Assessment

PAMS = Photochemical Assessment Monitoring Stations

PEV = Plug-In Electric Vehicle

PHEV = Plug-In Hybrid Electric Vehicle

PM10 = Particulate Matter \leq 10 microns

PM2.5 = Particulate Matter \leq 2.5 microns

RECLAIM=Regional Clean Air Incentives Market

RFP = Request for Proposals

RFQ = Request for Quotations

RFQQ=Request for Qualifications and Quotations

SCAG = Southern California Association of Governments

SIP = State Implementation Plan

SOx = Oxides of Sulfur

SOON = Surplus Off-Road Opt-In for NOx

SULEV = Super Ultra Low Emission Vehicle

TCM = Transportation Control Measure

ULEV = Ultra Low Emission Vehicle

U.S. EPA = United States Environmental Protection Agency

VOC = Volatile Organic Compound

ZEV = Zero Emission Vehicle

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION

Instructions for Participating in a Virtual Meeting as an Attendee

As an attendee, you will have the opportunity to virtually raise your hand and provide public comment.

Before joining the call, please silence your other communication devices such as your cell or desk phone. This will prevent any feedback or interruptions during the meeting.

Please note: During the meeting, all participants will be placed on Mute by the host. You will not be able to mute or unmute your lines manually.

After each agenda item, the Chairman will announce public comment.

Speakers may be limited to a total of 3 minutes for the entirety of the consent calendar plus board calendar, and three minutes or less for each of the other agenda items.

A countdown timer will be displayed on the screen for each public comment.

If interpretation is needed, more time will be allotted.

Once you raise your hand to provide public comment, your name will be added to the speaker list. Your name will be called when it is your turn to comment. The host will then unmute your line.

Directions for Video ZOOM on a DESKTOP/LAPTOP:

- If you would like to make a public comment, please click on the “**Raise Hand**” button on the bottom of the screen.
- This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for Video Zoom on a SMARTPHONE:

- If you would like to make a public comment, please click on the “**Raise Hand**” button on the bottom of your screen.
- This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for TELEPHONE line only:

- If you would like to make public comment, please **dial *9** on your keypad to signal that you would like to comment.

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the May 1, 2020 meeting.

RECOMMENDED ACTION:

Approve Minutes of the May 1, 2020 Board Meeting.

Faye Thomas
Clerk of the Boards

FT:cmw

FRIDAY, MAY 1, 2020

Notice having been duly given, the regular meeting of the South Coast Air Quality Management District Board was conducted remotely via videoconference and telephone.
Members present:

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

Council Member Ben Benoit, Vice Chairman
Cities of Riverside County

Supervisor Kathryn Barger
County of Los Angeles

Supervisor Lisa A. Bartlett
County of Orange

Council Member Joe Buscaino
City of Los Angeles

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

Senator Vanessa Delgado (Ret.)
Senate Rules Committee Appointee

Gideon Kracov
Governor's Appointee

Mayor Larry McCallon
Cities of San Bernardino County

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

Supervisor V. Manuel Perez (Left the meeting at 10:30 a.m.)
County of Riverside

Council Member Carlos Rodriguez
Cities of Orange County

Supervisor Janice Rutherford
County of San Bernardino

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

- Opening Comments

Chairman Burke thanked Board members for the work they are doing in their communities during these unprecedented times.

Council Member Buscaino echoed Chairman Burke's sentiments and acknowledged Supervisor Barger's leadership in Los Angeles County during the COVID-19 pandemic. He noted that the National League of Cities is advocating for cities to ensure that public health and safety needs are addressed.

Supervisor Barger thanked fellow Board members for their work in their communities during the COVID-19 pandemic and acknowledged Council Member Buscaino for his work with the homeless.

Chairman Burke announced the retirement of Marian Coleman, DEO/Compliance and Enforcement and acknowledged her 34 years of dedicated service to the South Coast AQMD. He noted her accomplishments and leadership abilities and expressed appreciation for her dedication to the clean air mission on behalf of the Board.

Mr. Nastri noted that staff is recommending that Item No. 25 be continued due to a noticing issue.

CONSENT CALENDAR

1. Approve Minutes of April 3, 2020 Board Meeting
2. Set Public Hearings June 5, 2020 to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations
 - A. Determine That Proposed Amendments to Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces, Are Exempt from CEQA and Amend Rule 1117
 - B. Determine That Reasonably Available Control Technology (RACT) Demonstration and Emissions Statement Certification for 2015 8-Hour Ozone Standard, Are Exempt from CEQA, and Approve RACT Demonstration and Emissions Statement Certification

Budget/Fiscal Impact

3. Amend Contract for Tier 4 Passenger Locomotives
4. Amend Award and Execute Contract for Stationary Fuel Cells
5. Recognize Revenue and Transfer and Appropriate Funds for Air Monitoring Programs, and Issue an RFQ and Purchase Orders for Air Monitoring Equipment and One Vehicle
6. Approve Compensation Adjustments for Board Member Assistants and Board Member Consultants for FY 2020-21
7. Authorize Purchase of OnBase Software Support
8. Approve Allocation of Funds as Approved by MSRC

Items 9 through 14 – Information Only/Receive and File

9. Legislative, Public Affairs and Media Report
10. Hearing Board Report
11. Civil Filings and Civil Penalties Report
12. Lead Agency Projects and Environmental Documents Received
13. Rule and Control Measure Forecast
14. Status Report on Major Ongoing and Upcoming Projects for Information Management

Supervisor Barger and Mayor McCallon noted that they do not have a financial interest in Item No. 3 but are required to identify for the record that they are on the Board of Directors of the Southern California Regional Rail Authority, which is involved in this Item.

Anna Christensen of the Long Beach Area Group commented on a letter she sent to Board members regarding the health risks associated with wood burning smoke and prescribed burns, especially during the COVID-19 crisis. She requested that staff provide educational materials to communities about the risks of wood smoke and that the no-burn periods be extended. (Submitted Written Comment)

Agenda Items 3, 5 and 13 were withheld for comment and discussion.

MOVED BY BUSCAINO, SECONDED BY BENOIT, AGENDA ITEMS 1, 2, 4, 6 THROUGH 12 AND 14 APPROVED AS RECOMMENDED, BY THE FOLLOWING VOTE:

AYES: Barger, Bartlett, Benoit, Burke, Buscaino, Cacciotti, Delgado, Kracov, McCallon, Mitchell, Perez, Rodriguez and Rutherford

NOES: None

ABSENT: None

15. Items Deferred from Consent Calendar

3. Amend Contract for Tier 4 Passenger Locomotives

Council Member Cacciotti expressed support for the contract and asked where the new Tier 4 locomotives would be deployed, which lines will be extended, and what zero emission locomotives will be purchased in the future.

Mayor McCallon responded that 35 Tier 4 locomotives are already in service, with five yet to be delivered, and that the cleaner locomotives are being used on several Metrolink lines.

Supervisor Barger noted that Metrolink was recently awarded funding for infrastructure improvement projects on the Burbank and Antelope Valley lines.

MOVED BY CACCIOTTI, SECONDED BY MITCHELL, AGENDA ITEM 3 APPROVED AS RECOMMENDED, BY THE FOLLOWING VOTE:

AYES: Barger, Bartlett, Benoit, Burke, Buscaino, Cacciotti, Delgado, Kracov, McCallon, Mitchell, Perez, Rodriguez and Rutherford

NOES: None

ABSENT: None

5. Recognize Revenue and Transfer and Appropriate Funds for Air Monitoring Programs, and Issue an RFQ and Purchase Orders for Air Monitoring Equipment and One Vehicle

Council Member Cacciotti expressed support for the program and inquired about the type of vehicles that will be purchased and if there are state guidelines that apply in the purchasing decision.

Dr. Jason Low, Assistant DEO/Science and Technology Advancement, responded that state guidelines, are followed. but the driving range of the vehicle has to meet the mileage-intensive needs of field staff that drive long distances to various monitoring stations. Clean vehicles with the lowest possible emissions are considered in all vehicle purchases.

Council Member Cacciotti expressed concern that while people are encouraged to buy electric vehicles there is a lack of adequate infrastructure to support greater EV use. He also asked if a vehicle that gets 230-240 miles in one charge would qualify.

Dr. Low noted that the charging infrastructure for EVs is improving and vehicle purchases are carefully reviewed so that the cleanest vehicles are purchased while balancing operational needs and the corresponding clean air benefits. He noted that Dr. Matt Miyasato, DEO/Science and Technology Advancement, is aware of current technologies and helps guide vehicle purchasing decisions.

Senator Delgado shared challenges she has experienced with not having enough access to efficient chargers on the east side of Los Angeles. This is a problem, especially in underserved areas, and she recommended that the Board work with public-private partnerships to improve the charging infrastructure.

Chairman Burke concurred that EV infrastructure needs to improve, particularly in disadvantaged communities, and recommended that staff prepare a report to the Board on the status of EV charging infrastructure and disparities within the various communities in the South Coast.

Mr. Wayne Nastri, Executive Officer, commented on information regarding electric infrastructure and electric vehicles and stated that staff would provide an update to the Board. He commented on the Enhanced Fleet Modernization Program (EFMP), an incentive program branded as Replace Your Ride, that is targeted towards disadvantaged communities. He also commented on efforts with Southern California Edison on the rapid deployment of charging stations in AB 617 communities. Mr. Nastri added that staff looks at the operational needs, including equipment resources, duty cycle and driving range of the vehicle for purchases. He also stated that electric utility vehicles are a challenge because they currently do not have a long driving range.

Chairman Burke inquired if a car or utility vehicle is being purchased.

Dr. Low responded that a utility van with cargo space to carry equipment in the field would be purchased and reiterated that staff considers other clean vehicle options based on the application and use.

Council Member Rodriguez concurred that there is a need to improve electric infrastructure and is interested in staffs' recommendations. He also requested that staff evaluate electric vehicle battery waste and recycling options.

Council Member Cacciotti commented on a company that recycles electric car batteries for secondary uses and noted that a recycled car battery has an additional life of 7-10 years beyond its primary use. Since EV options for vans and light-duty vehicles are limited at this time, superior plug-in electric vehicles might be an option for staff to consider for these types of uses to set a good example.

Mr. Nastri noted the importance of balancing priorities during the COVID-19 crisis and commented on staff working with other agencies that have the lead responsibility for battery waste recycling. He noted that Council Member Mitchell serves on the CARB board, and can provide input to them, as CARB is in a better position to address this issue from a statewide perspective. He added that recycled batteries can adequately serve stationary source applications but not mobile.

Chairman Burke asked if AB 617 monies could be used to build charging stations.

Mr. Nastri responded that AB 617 monies are directed and prioritized by the communities. During the AB 617 process, the communities identified air quality priorities specific to their community and light-duty charging stations were not identified as a top priority.

Dr. Philip Fine, DEO/Planning, Rule Development and Area Sources, responded that during the AB 617 process the community steering committees prioritized air quality concerns for the Community Emission Reduction Plans. Light-duty electric vehicles and charging stations were discussed but were not considered top priorities for some communities; however, incentive programs such as Replace Your Ride and grant funds help toward the deployment of electric vehicles and providing incentives for charging stations in AB 617 communities.

Council Member Mitchell commented that the CARB Board, at their April 23, 2020 meeting, heard an update on the implementation of the 2017 CARB Scoping Plan. The Scoping Plan includes measures that reduce greenhouse gas emissions, as well as pollution, and would be the appropriate place to address recycling of lithium-ion batteries. At the CARB meeting, she also brought up the important issue of SB 1383, which will require the recycling of organic waste. She thanked everyone for raising awareness about battery recycling which will become more important as we move toward more all electric transportation options.

Supervisor Perez commented on the needs of the Coachella Valley and noted the importance of providing incentives to allow individuals to afford EVs while at the same time improving electrical infrastructure. He noted that issues of immediate priority for the residents of the Coachella Valley include road paving improvements, suppression of dust at the Salton Sea, and incentive programs that assist gardeners and landscapers with the transition to electric lawn care equipment.

Jessica Craven, North East Los Angeles (NELA) Climate Collective, commented that she has been driving an EV for several years and range varies depending on the type of driving. She expressed support for EV use in city, state and airport rental agencies and expansion of electric infrastructure. She commented on the challenges of finding adequate charging stations and noted this as one of the biggest obstacles in buying an EV. She added that while Tesla has adequate charging stations, there is a lack of electric infrastructure for other EVs.

Ranji George thanked the Board for supporting zero emission technologies and the need for battery recycling programs. He commented on funding issues at national laboratories and federal agencies for new zero emission technologies and urged the Board to take a leadership role and incorporate battery recycling into the South Coast AQMD's Technology Advancement Office plan.

Emily Spokes, NELA Climate Collective, stated that she has experienced difficulty in accessing chargers at South Coast AQMD's headquarters because all the chargers are in use. She added that the lack

of adequate charging facilities disincentivizes the use of electric vehicles.

(Supervisor Barger left the meeting at 9:53 a.m.)

Council Member Benoit noted the importance of purchasing zero emission and plug-in hybrid vehicles for staff. He suggested looking into purchasing low-cost chargers that will allow recharging at facilities that are frequently visited by staff.

Dr. Miyasato responded that when vehicles are purchased, priority is given to the cleanest vehicles. Staff will investigate recharging options at facilities that are frequented by staff.

Harvey Eder, Public Solar Power Coalition, commented on several books by economists and the movie "Who Killed the Electric Car". He added support for the Solar New Deal.

MOVED BY CACCIOTTI, SECONDED BY
BARTLETT, AGENDA ITEM 5 APPROVED AS
RECOMMENDED, BY THE FOLLOWING
VOTE:

AYES: Bartlett, Benoit, Burke, Buscaino,
Cacciotti, Delgado, Kracov,
McCallon, Mitchell, Perez,
Rodriguez and Rutherford

NOES: None

ABSENT: Barger

13. Rule and Control Measure Forecast

Supervisor Rutherford expressed concerns about amendments to Rule 1111 - Reduction of NOx Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces, as meetings with stakeholders have not been held to discuss alternatives that apply to furnaces in high elevation communities. She noted that the Board unanimously supported a motion in December 2019 to have staff meet with industry to discuss the hybrid dual fuel furnace technology, and bring proposed rule amendments for the Board's consideration in the fall of 2020.

Susan Nakamura, Assistant DEO/Planning, Rule Development and Area Sources, responded that monthly and bi-monthly meetings have been held with manufacturers in anticipation of the October 2020 compliance dates under Rule 1111. She noted that meetings have been held with

manufacturers separately due to concerns about the disclosure of proprietary information. A working group meeting and additional stakeholder meetings are planned prior to a briefing to the Stationary Source Committee in June.

Mr. Nastri added that staff would provide Supervisor Rutherford with periodic status updates on this item.

Jerry Desmond, Metal Finishers Association of Southern California, commented on Rules 1469.1 - Spraying Operations Using Coatings Containing Chromium, and 1426 - Emissions from Metal Finishing Operations, regarding issues related to COVID-19 that are impacting members. He shared that 30-40 percent of businesses have furloughed or laid off employees. Emissions from these facilities are down and they remain in constant contact with staff about proposed rule amendments that affect their industry. He added that while they continue to participate in working groups, the focus for these businesses, at this time, is employee safety.

MOVED BY RUTHERFORD, SECONDED BY CACCIOTTI, AGENDA ITEM 13 APPROVED AS RECOMMENDED, BY THE FOLLOWING VOTE:

AYES: Bartlett, Benoit, Burke, Buscaino, Cacciotti, Delgado, Kracov, McCallon, Mitchell, Perez, Rodriguez and Rutherford

NOES: None

ABSENT: Barger

BOARD CALENDAR

16. Administrative Committee

17. Legislative Committee

Written Comment Submitted by:
Henry Feng

18. Mobile Source Committee

19. Stationary Source Committee

20. Technology Committee
21. Mobile Source Air Pollution Reduction Review Committee
22. California Air Resources Board Monthly Report

MOVED BY CACCIOTTI, SECONDED BY BENOIT, AGENDA ITEMS 16 THROUGH 22, APPROVED AS RECOMMENDED, RECEIVING AND FILING THE COMMITTEE, MSRC AND CARB REPORTS, BY THE FOLLOWING VOTE:

AYES: Bartlett, Benoit, Burke, Buscaino, Cacciotti, Delgado, Kracov, McCallon, Mitchell, Perez, Rodriguez and Rutherford

NOES: None

ABSENT: Barger

Staff Presentation

23. Update on Pending Application Status Dashboard (*Presentation in lieu of Board Letter*)

David Ono, Senior Air Quality Engineering Manager, gave the staff presentation on Item No. 23.

Supervisor Rutherford commended staff for their efforts in developing the dashboard to improve transparency for the public. She commented on a meeting she attended in July 2016 with Mr. Nastri at the Bay Area AQMD. The Bay Area AQMD staff shared their permitting automation efforts and facility-related online tools.

Supervisor Bartlett thanked staff for the development of the dashboard and commented on the milestones that were reached with the permit backlog. She inquired if a lower backlog reduction target should be set to further reduce the backlog.

Mr. Nastri commented on the tremendous efforts to develop the dashboard and noted that preliminary data indicates that the actual number of permit applications filed this year is slightly higher but we are only in April. He also noted

that staff will continue to provide a monthly report on the number of permit applications filed and, if there is a reduction in filing, look at the backlog and report back to the Board in three to six months.

Chairman Burke commented that the numbers for the backlog include applications that require a longer period for processing due to required review by other agencies and therefore does not necessarily reflect an in-house backlog.

RECEIVE AND FILE; NO ACTION NECESSARY

(Supervisor Barger rejoined the meeting at 10:25 a.m.)

PUBLIC HEARINGS

24. Adopt Executive Officer's FY 2020-21 Proposed Goals and Priority Objectives and Proposed Budget

Chairman Burke commented on the global economic uncertainties related to the COVID-19 pandemic. He noted that the federal and state government are having difficulty forecasting the financial impacts of the pandemic and he had asked staff to bring forth a fiscally conservative operational budget. In addition, he asked staff to bring monthly updates to the Board for the next 6-7 months on the financial condition of the budget.

(Supervisor Perez left the meeting at 10:30 a.m.)

Ian MacMillan, Planning and Rules Manager and Sujata Jain, DEO/Chief Financial Officer gave the staff presentation on Item No. 24.

Supervisor Barger thanked staff for their work on the budget in light of the many economic uncertainties due to the COVID-19 pandemic. She inquired if the South Coast AQMD is considering short-term relief measures for small businesses that are struggling.

Chairman Burke commented on a rendering facility that is struggling to pay employees while investing in facility upgrades to meet new rule requirements. He noted that this is only one example of the many challenges facing businesses during these challenging times.

Supervisor Barger commented on the decrease in revenues from restaurants in Los Angeles and the impacts to the city's budget. She stressed the importance of looking at short- and long-term consequences of lost revenue and noted that short-term subsidies and assistance can help businesses not close permanently.

Chairman Burke commented on the fixed costs at the South Coast AQMD and stressed the importance of finding a balance during economic uncertainties. He proposed working with staff to establish a subcommittee of the Budget

Committee to work on these concerns.

Supervisor Barger commented on the decline in passenger travel at Burbank and LAX airports which will affect revenue. She acknowledged the clean air benefits as a result of a decrease in traffic; however, she expressed caution about revenue impacts and noted the difficult decisions that must be made when revenues decline.

Mr. Nastri commented that staff is monitoring permit applications and other revenue streams and staff projects that South Coast AQMD's revenue will not be impacted as much as cities and counties. He also noted that most of the Annual Emissions Reporting (AER) revenue that was expected for this calendar year has been received. The South Coast AQMD is sensitive to the challenges currently facing businesses and an advisory was recently sent out offering assistance to facilities who may be experiencing difficulties paying their AER fees. Mr. Nastri stated that through normal attrition and a hiring freeze labor costs will be reduced. Staff will continue to monitor fiscal changes and report any impacts to the budget on a monthly basis.

The public hearing was opened, and the following individuals addressed the Board on Item 24.

Chris Chavez, Coalition for Clean Air, urged the Board to not cut back on enforcement or the rulemaking process given the economic uncertainties due to COVID-19. He expressed concern about delays in Indirect Source Rules (ISRs) and Rule 1109.1, the refinery equipment rule, which are needed to meet emission reductions in disadvantaged communities. He added concern in relying on incentive funding from the State if the AQMP and air quality standards are to be achieved.

Chairman Burke commented on his conversation with a legislator about similar concerns.

Mr. Chavez added that the Coalition for Clean Air is actively engaging in advocacy for clean transportation and noted the difficult challenges.

Emily Spokes, NELA Climate Collective, commented that frontline communities cannot afford delays in cleaning the air and urged the Board to continue efforts on a strong warehouse ISR. She commented on the health effects of pollution which may increase the risk of contracting COVID-19.

Jessica Craven, NELA Climate Collective, expressed concerns about more deregulation or delays in environmental laws due to COVID-19. She expressed support for a strong warehouse ISR and expressed appreciation to Chairman Burke for his continued efforts to fight for clean air.

Anna Christensen expressed concerns regarding delays in adopting ISRs for warehouses and read a statement regarding the need to reduce air pollution emissions from warehouses. She commented that ISRs should be connected to CEQA compliance and urged the Board to not allow owners and operators of warehouses to use future actions to reduce emissions that are detrimentally impacting communities. She added support for zero emission technologies.

Mr. Eder urged support for complete and equitable solar transition. He commented on the economic predictions related to the COVID-19 pandemic and expressed concerns about the economic impacts to small businesses. He added concern about the underreported numbers of deaths related to COVID-19.

Curtis Coleman, Southern California Air Quality Alliance, expressed support for the work plan and budget and noted that it is a responsible proposal considering the COVID-19 pandemic.

Frances Keeler, California Council for Environmental and Economic Balance, expressed support for the budget proposal and thanked staff for their work on preparing a balanced budget during these difficult times.

Bill LaMarr, California Small Business Alliance, commended staff for bringing forth a balanced budget during the COVID-19 global pandemic. He commented on the financial difficulties impacting small businesses and asked the Board to consider deferring the new Flat-Rate Device Fee for toxics emissions, to assist small businesses in reducing costs during the COVID-19 pandemic. He thanked the Board and staff for their consideration and sensitivity to the financial consequences impacting small businesses. (Submitted Written Comment)

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

MOVED BY MCCALLON, SECONDED BY
BUSCAINO, AGENDA ITEM 24 APPROVED
AS SET FORTH BELOW:

- 1) REMOVE FROM RESERVES AND DESIGNATIONS ALL AMOUNTS ASSOCIATED WITH THE FY 2019-20 BUDGET;
- 2) APPROVE TOTAL APPROPRIATIONS OF \$172,988,981;
- 3) APPROVE REVENUES FOR FY 2020-21 OF \$172,988,981;

- 4) AUTHORIZE STAFF TO FORGO THE CPI-BASED FEE INCREASE OF 2.8 PERCENT THROUGH A ONE-TIME CREDIT TO FEE PAYERS ON ALL APPLICABLE FEES TO MITIGATE THE IMPACT OF ANY FEE INCREASE IN LIGHT OF THE COVID-19 PANDEMIC;
- 5) APPROVE THE EXECUTIVE OFFICER'S FY 2020-21 GOALS AND PRIORITY OBJECTIVES;
- 6) APPROVE A PROJECTED JUNE 30, 2021 FUND BALANCE FOR TOTAL RESERVED AND UNRESERVED DESIGNATIONS OF \$23,631,673 AND TOTAL UNDESIGNATED FUND BALANCE OF \$49,454,307;
- 7) ADOPT THE ATTACHED RESOLUTION AMENDING ARTICLE 7 OF THE SOUTH COAST AQMD SALARY RESOLUTION TO REVISE ONE DEPUTY EXECUTIVE OFFICER CLASS TITLE TO INCLUDE CHIEF TECHNOLOGIST; AND
- 8) INSTRUCT STAFF TO ACTIVELY REVIEW AND ASSESS FISCAL CHANGES AND REPORT MONTHLY TO THE ADMINISTRATIVE COMMITTEE AND BOARD.

BY THE FOLLOWING VOTE:

AYES: Barger, Bartlett, Benoit, Burke, Buscaino, Cacciotti, Delgado, Kracov, McCallon, Mitchell, Rodriguez and Rutherford

NOES: None

ABSENT: Perez

25. Determine That Proposed Amendments to Rule 445 – Wood-Burning Devices, Are Exempt from CEQA and Amend Rule 445

Chairman Burke announced that staff requested that the public hearing on this item be continued to the June 5, 2020 Board meeting.

Written Comment Submitted by:
Anna Christensen

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

Emily Spokes, NELA Climate Collective, expressed concerns about recent air quality alerts and noted that the Los Angeles skyline is no longer visible from the Ventura freeway. She urged the Board to not delay regulatory efforts that will clean up harmful air pollution. She expressed concerns about the lack of charging stations and commented that the Zoom meeting format is eco-friendly and a good option to consider moving forward. She also suggested that the public comment period be moved to the beginning of the agenda and a scrolling side-bar be added to display current agenda items being discussed.

Chris Chavez, Coalition for Clean Air, suggested that the Mobile Source Committee discuss telecommuting options in Rule 2202 and noted the air quality benefits and cost savings for businesses.

Council Member Cacciotti commented on the teleworking schedule that has been adopted at the South Coast AQMD and Attorney General's office, and the City of South Pasadena within a few weeks had 90 percent of their workforce teleworking. He commented on the improvements to air quality and expressed support for agendizing Rule 2202 to discuss teleworking options.

Mr. Nastri noted that 90 percent of the South Coast AQMD workforce is teleworking and staff is assessing work efficiency and the benefits to air quality due to a decrease in vehicle traffic. He added that staff is also quantifying the benefits to air quality from meetings that are conducted via teleconference, and working with the California Air Pollution Control Officers Association and CARB to address these issues on a larger scale.

Anna Christiansen read a letter she emailed Board Members regarding smoke from wood burning and its negative effects on public health. She asked for educational materials, shared comments from community members and urged the Board to take action to ban all wood burning during the COVID-19 pandemic. (Submitted Written Comment)

Chairman Burke noted that he would have a staff member contact Ms. Christiansen to discuss her concerns and share information about wood burning.

Meghan Aftosmis, NELA Climate Collective, expressed concerns regarding the roll-back of environmental regulations and urged the Board to support regulations to clean the air. She noted concerns about air pollution that has aggravated and exacerbated respiratory illnesses during the global COVID-19 health crisis. She expressed support for continued virtual Board meetings.

Laura Shady, NELA Climate Collective, thanked the Board for their hard work during these unprecedented times. She expressed concerns for communities with the worst air pollution and urged the Board to continue working on regulations to clean the air. She also expressed an interest in studies related to improvements in air quality as a result of COVID-19 stay-at-home orders. She added concern that air pollution will become much worse once businesses return to normal operations.

Elease Stemp, NELA Climate Collective, thanked the Board for their service and expressed support for the continuation of virtual Board meetings which would increase public participation. She encouraged the Board to continue working for clean air regulations and commented that even with less cars on the road due to COVID-19 the air quality is still unhealthy, and she cannot allow her young daughter to play outside. She added concerns regarding the relationship between the health effects of pollution and COVID-19.

Leta Warner commented on wood burning smoke from the Auburn restaurant in Los Angeles that impacted her neighborhood for one year. She noted that the restaurant recently closed but there is still concern that another restaurant will move in and use the existing wood burning oven. She urged the Board to adopt stricter regulations for wood burning ovens in restaurants near residential areas and other sources of wood burning smoke. (Submitted Written Comment)

Mr. Eder commented on the need to study pneumonia vaccines and their effectiveness in reducing the mortality rate in COVID-19 cases, the higher death rate from COVID-19 in environmental justice communities and his litigation against the South Coast AQMD, CARB and federal agencies.

CLOSED SESSION

The Board recessed to closed session at 11:45 a.m., pursuant to Government Code sections:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

- 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 South Coast AQMD is a party. The actions are:

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

In re: Exide Technologies, Inc., U.S. Bankruptcy Court, District of Delaware, Case No.
13-11482 (KJC) (Bankruptcy Case); Delaware District Court, Case
No.: 19-00891 (Appellate Case).

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

ADJOURNMENT

There being no further business, the meeting was adjourned by Mr. Gilchrist at 12:00 p.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on May 1, 2020.

Respectfully Submitted,

Faye Thomas
Clerk of the Boards

Date Minutes Approved: _____

Dr. William A. Burke, Chairman

ACRONYMS

AQMP = Air Quality Management Plan

CARB = California Air Resources Board

CEQA = California Environmental Quality Act

EV = Electric Vehicle

FY = Fiscal Year

ISR = Indirect Source Rule

MSRC = Mobile Source (Air Pollution Reduction) Review Committee

PM2.5 = Particulate Matter < 2.5 microns

RFP = Request for Proposals

RFQ = Request for Quotations

U.S. EPA = United States Environmental Protection Agency

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 2

PROPOSAL: Set Public Hearing August 7, 2020 to Consider Adoption of and/or Amendments to South Coast AQMD Rules and Regulations:

Determine That Proposed Submission of Amended Rule 212 – Standards for Approving Permits and Issuing Public Notice, For Inclusion into the SIP, Is Exempt from CEQA and Submit Rule 212 for Inclusion into the SIP

When Rule 212 – Standards for Approving Permits and Issuing Public Notice, was amended on March 1, 2019, the Public Hearing Notice did not specify that the amendments would be submitted for incorporation into the SIP. This proposal is to provide Public Notice that the March 1, 2019 amendments to Rule 212, as adopted, will be submitted to U.S. EPA for incorporation into the SIP. (No Committee Review)

The complete text of the proposed amendments, staff report and other supporting documents will be available from the South Coast AQMD's publication request line at (909) 396-2001, or from: Ms. Fabian Wesson – Assistant Deputy Executive Officer/Public Advisor, South Coast AQMD, 21865 Copley Drive, Diamond Bar, CA 91765, (909) 396-2432, PICrequests@aqmd.gov and on the Internet (www.aqmd.gov) as of July 8, 2020.

RECOMMENDED ACTION:

Set Public Hearing August 7, 2020 to Submit Rule 212 (As Amended on March 1, 2019) to U.S. EPA for Incorporation into the SIP.

Wayne Nastri
Executive Officer

BOARD MEETING DATE: June 5, 2020

AGENDA NO. 3

PROPOSAL: Execute Contract for Commercial Experience Demonstration of Heavy-Duty Electric Trucks

SYNOPSIS: In July 2018, the Board approved more than \$13 million in funding with \$2.5 million in cost-share from U.S. EPA and the San Pedro Bay Ports for Daimler Trucks North America LLC (DTNA) to develop and demonstrate 20 heavy-duty electric trucks and fast charge infrastructure with two fleets in the South Coast region. In July 2019, the Board recognized \$4.177 million in U.S. EPA Targeted Airshed Grant funds and approved a \$4.01 million contract with DTNA for a second project to build and deploy 35 commercial-ready heavy-duty battery electric trucks and fast charge infrastructure for delivery fleets in the South Coast region. Currently, DTNA proposes to develop a Commercial Experience project to demonstrate heavy-duty battery electric trucks with 12-18 fleets to accelerate customer orders for commercial product. This action is to execute a contract with DTNA to demonstrate up to eight heavy-duty battery electric trucks and transportable fast-charging infrastructure in an amount not to exceed \$1,000,000 from the Clean Fuels Program Fund (31).

COMMITTEE: Technology, May 15, 2020; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Chairman to execute a contract with DTNA to develop and demonstrate up to eight heavy-duty battery electric trucks and transportable fast-charging infrastructure in an amount not to exceed \$1,000,000 from the Clean Fuels Program Fund (31).

Wayne Nastri
Executive Officer

Background

Daimler Trucks North America LLC (DTNA), the world's leader in heavy-duty truck sales, and the South Coast AQMD are working collaboratively on two heavy-duty battery electric truck projects to develop, demonstrate and deploy Class 6 and Class 8 vehicles in the South Coast Air Basin. In July 2018, the Board approved more than \$13 million in funding with \$2.5 million in cost-share from U.S. EPA and the San Pedro Bay Ports for DTNA to develop and demonstrate 20 heavy-duty battery electric trucks and fast-charge infrastructure with two fleet operators in the South Coast Air Basin. This project, which is expected to continue throughout 2021, has resulted in the commissioning of fifteen Class 8 eCascadia models, five Class 6 eM2 trucks and more than 2.5 MW in total DC fast-charging infrastructure. The two demonstration partners under this project have collectively accrued over 100,000 miles on these vehicles.

In July 2019, the Board recognized \$4,177,083 in U.S. EPA Targeted Airshed Grant funds for DTNA to build and deploy 35 commercial-ready Class 6 and Class 8 battery electric trucks and fast-charge infrastructure for demonstration and long-term deployment by fleets in the South Coast region. This project includes anticipated cost-share of \$5 million from CARB's Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) and \$240,000 from SCE's Charge Ready Transport funds. The vehicles to be developed and deployed by DTNA in this project represent DTNA's first commercial-ready heavy-duty battery electric vehicles, including refrigerated food transportation applications, and will continue to receive DTNA support following the demonstration efforts. The first of these commercial-ready vehicles is anticipated for deployment toward the end 2021. Fleet operators participating in this project are expected to continue operating these vehicles beyond the project term.

Proposal

DTNA currently proposes to develop a Commercial Experience (CX) project to build six Class 8 eCascadia and two Class 6 eM2 electric trucks and demonstrate them with 12-18 fleets as a part of DTNA's CX Fleet. The Bay Area AQMD is also participating in this project under a separate contract with DTNA, which will support the demonstration of these battery electric trucks in the Bay Area.

These eight battery electric trucks will be delivered to a select group of fleets participating in this project under separate contracts with DTNA, which will support the demonstration of these 12-18 DTNA customers, representing some of the largest trucking companies in North America, for short-term, real-world demonstrations lasting between two to nine months per demonstration. The CX Fleet project is intended to accelerate scaled volume orders of commercially viable zero emission trucks within the next two to three years. Several of the largest fleet operators in North America will be able to experience first-hand, the technical, operational and economic viability of zero emission trucks in their own daily operations.

Charging of the CX Fleet trucks will be accomplished using an innovative, skid-mounted, transportable DC fast-charging system with a minimum charging capacity of 62.5 kW. DTNA is working to secure up to \$500,000 from SCE and PG&E to assist in the cofunding of the innovative transportable heavy-duty DC chargers. DTNA expects that this transportable fast-charging approach will assist in the execution of the CX Fleet project concept and will showcase a new, pioneering way to facilitate early adoption of medium- and heavy-duty electric fleet vehicles.

Sole Source Justification

Section VIII.B.2 of the Procurement Policy and Procedure identifies four major provisions under which a sole source award may be justified. The request for a sole source award for this project is made under provision B.2.d.(1): Projects involving cost-sharing by multiple sponsors. This development and demonstration project will be cost-shared by Bay Area AQMD and DTNA. Additional cost-sharing is actively being sought, including cofunding from SCE and PG&E.

Benefits to South Coast AQMD

South Coast AQMD’s Clean Fuels Program supports development and demonstration of zero emission electric transportation powered by batteries for goods movement technologies. The South Coast AQMD also supports a number of activities directed toward the commercialization of electric vehicles and associated infrastructure. This proposed project is included in the *Technology Advancement Office Clean Fuels Program 2020 Plan Update* under “Develop and Demonstrate Medium- and Heavy-Duty On-Road and Off-Road Battery Electric and Hybrid Technologies” and “Develop and Demonstrate Electric Charging Infrastructure.”

Resource Impacts

The total cost for the Daimler CX Project is approximately \$6.8 million. South Coast AQMD’s contract with DTNA will not exceed \$1 million from the Clean Fuels Program Fund (31). Bay Area AQMD is expected to contribute \$322,500 through a direct contract with DTNA. The funding sources and partners for this project are identified in the following table:

Funding Source	Amount	Percent
DTNA	\$4,919,500	73
Bay Area AQMD	\$322,500	5
SCE and PG&E*	\$500,000	7
South Coast AQMD (<i>requested</i>)	\$1,000,000	15
Total	\$6,742,000	100

*Cofunding from SCE and PG&E are not yet confirmed; DTNA has committed to the full cofunding of \$5,419,500

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

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 4

PROPOSAL: Amend Contract for Kore Infrastructure Project

SYNOPSIS: In January 2020, the Board approved a contract amendment for Kore Infrastructure LLC (Kore) for a Renewable Natural Gas Commercial Field Test project, including construction of a pyrolysis system on SoCalGas property in Los Angeles. The project is to test various biomass feedstocks for commercial production of renewable natural gas. This action is to amend the contract with Kore to extend the deadline to complete construction, commissioning and testing efforts by an additional six months subsequent to the date the City of Los Angeles lifts “Safer-At-Home” emergency orders for non-essential businesses.

COMMITTEE: Technology, May 15, 2020; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Chairman to amend the contract with Kore Infrastructure LLC to extend the deadline to complete construction, commissioning and testing efforts by an additional six months subsequent to the date the City of Los Angeles lifts “Safer-At-Home” emergency orders for non-essential businesses.

Wayne Natri
Executive Officer

MMM:NB:JI:PMB

Background

In January 2020, the Board approved a contract amendment providing a six-month extension of a milestone for Kore Infrastructure LLC (Kore) for a Renewable Natural Gas Commercial Test project, which included construction of a pyrolysis system on SoCalGas property in Los Angeles. The six-month extension provided additional time for this project, which is to test various biomass feedstocks for commercial production

of renewable natural gas, to complete construction, commissioning and testing efforts through June 30, 2020. Since that time, Kore had continued to make modest gains in completing the project until March when the COVID-19 pandemic impacted further progress. Following is a summary of the impacts incurred to this project due to the COVID-19 pandemic.

Engineering and Manufacturing

Kore's engineers and engineering contractors continue to perform their work segregated in their homes. Subcontract engineers are also continuing to work through the pandemic performing structural calculations and automation and control system programming. Although most suppliers of construction materials are operating regular or reduced hours, supplies originating in China or India (i.e., steel pipe and structural steel) are limited. Many of the manufacturers in China are now resuming production, though material produced now is not expected to be available in the U.S. distribution system for at least four to six weeks. Kore believes manufacturers may be able to resume production soon and supply the components in May.

Safer-At-Home Orders

The orders issued by the City of Los Angeles, which applies to Kore's project site, allow contractors, manufacturers and distribution companies to operate only if they are designated essential as part of the Essential Infrastructure Supply Chain. Since Kore's project is not currently designated as Essential Infrastructure, construction will not be permitted to resume until the applicable orders are modified or expire. Kore's mechanical and electrical contractors are standing by to resume work as soon as allowed.

City Services

Some portions of the project require permits or inspection by city or county agencies. Kore is stating that some of these services have been suspended or curtailed due either to the pandemic restrictions or to prioritize municipal resources during this period of extra workload. Without such services, certain work cannot be completed, and the system cannot become operational. When the pandemic restrictions are mitigated, Kore will re-engage with the City to process the necessary permits and associated inspections.

Access to Capital Markets

Kore's access to critical funding in the capital markets has been impacted by the effects of the COVID-19 virus. Kore continues to work with several potential funding sources to secure the capital required to complete construction of the Olympic site.

Proposal

Due to the extent and uncertainty of when Kore will be allowed to resume work and be able to obtain the remaining parts and equipment necessary to complete this project, staff proposes amending Kore's contract to provide a six-month extension of the

construction, commissioning and testing efforts . At the time this proposal went to the Technology Committee, the plan was to extend the contract to December 31, 2020, but the proposal has been modified so that the six-months' extension would be effective from the date that the City of Los Angeles removes "Safer-At-Home" restrictions for non-essential businesses and activities. The current site-use agreement with SoCalGas and Kore extend through December 31, 2020, and the contractor will independently work with SoCalGas on any necessary extensions. Additionally, Kore will resubmit their request to extend South Coast AQMD permits that include an onsite portable electric generator and flare and ensure compliance with other permitting authorities having jurisdiction, including the City of Los Angeles, to continue construction of the field test project at the Olympic site. Staff will continue to maintain communications with Kore staff, will resume site visits once the project can commence and will provide the Technology Committee with updates on incremental project progress based on site visits. This action is to amend the contract with Kore Infrastructure LLC to extend the deadline to complete construction, commissioning and testing efforts by an additional six-months subsequent to the date the City of Los Angeles lifts "Safer-At-Home" emergency orders for non-essential businesses.

Benefits to South Coast AQMD

The South Coast Air Basin is classified as an extreme nonattainment area for ozone under the federal Clean Air Act. Wide-scale deployment of advanced technologies, including near-zero emission engines and fuel cells, is a critical step toward achieving the air quality standards which will have considerable public health benefits for our region. When combined with renewable fuels and its near-zero carbon footprint, these technologies are expected to provide a near-term, cost-effective option for addressing criteria pollutants and achieving GHG benefits. Ensuring greater supply of locally produced renewable fuels will address local, state and federal environmental regulations and goals. This proposed project is included in the *Technology Advancement Office Clean Fuels Program 2020 Plan Update* under the category of "Infrastructure and Deployment," specifically as "Demonstrate Natural Gas Manufacturing and Distribution Technologies including Renewables."

Resource Impacts

There is no fiscal impact associated with this no-cost time extension to an existing contract.

BOARD MEETING DATE: June 5, 2020

AGENDA NO. 5

PROPOSAL: Recognize Revenue and Reimburse General Fund for Administrative Costs for Enhanced Fleet Modernization Program

SYNOPSIS: Since 2015, the South Coast AQMD has been implementing an Enhanced Fleet Modernization Program (EFMP), branded as Replace Your Ride. For FY 2018-19, CARB has allocated an additional \$14 million in Low Carbon Transportation funds to the South Coast AQMD for the continued implementation of the EFMP Plus-Up Program and to update the alternative mobility options for consistency with SB 400 and assist with development of CARB's One-Stop-Shop Pilot Project. For FY 2019-20, CARB has also allocated \$1.4 million in AB 118 funds to the South Coast AQMD for the continued implementation of the EFMP Base Program. These actions are to: 1) recognize \$15.4 million from CARB for the EFMP Plus-Up and Base Programs; 2) approve vouchers or other alternative mobility options, including those consistent with SB 400, until all available funds are exhausted and support development of CARB's One-Stop-Shop Pilot Project; and 3) reimburse the General Fund for administrative costs necessary to implement the EFMP.

COMMITTEE: Technology, May 15, 2020; Recommended for Approval

RECOMMENDED ACTIONS:

1. Recognize, upon receipt, \$15.4 million from CARB (including \$14 million from Grant #G18-PLUS-01 Amendment 1 and \$1.4 million from Grant #G19-EFMP-01) into the HEROS II Special Revenue Fund (56) for the EFMP;
2. Authorize the Executive Officer to approve vouchers or other alternative mobility options, including those consistent with SB 400, for the continued implementation of the EFMP Plus-Up and Base incentives until all funds are exhausted and support development of CARB's One-Stop-Shop Pilot Project; and
3. Reimburse the General Fund up to \$1.54 million (or up to 10% of both grant awards) from the HEROS II Special Revenue Fund (56) as authorized by the grant agreements for administrative costs necessary to implement the EFMP.

Background

Since 2015, the South Coast AQMD has been implementing an Enhanced Fleet Modernization Program (EFMP), branded as Replace Your Ride, which is authorized by the AB 118 California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007 (Health and Safety Code Sections 44124-44127). The South Coast AQMD's Replace Your Ride Program is a vehicle retire and replacement program, which provides incentives to lower income motorists to scrap and replace their older, high-emitting vehicles with newer, cleaner models or other clean transportation options. The EFMP Plus-Up, which has been primarily funded through the Low Carbon Transportation Greenhouse Gas Emission Reduction Fund (GGRF), provides additional funds beyond the EFMP Base Program for qualified vehicle owners that reside in disadvantaged communities.

Since its inception, the South Coast AQMD has provided \$50.5 million in EFMP funding for the replacement of over 6,400 older passenger vehicles with newer fuel-efficient conventional vehicles, hybrid electric vehicles, plug-in hybrid electric vehicles and zero emission vehicles. Approximately 93 percent of the vouchers have been issued to participants residing in disadvantaged communities, and 88 percent of the participants have been in the lowest poverty level. The EFMP is achieving its goal of replacing the oldest and dirtiest light-duty passenger vehicles on the road--the average scrapped vehicle is 20 years old with 180,000 miles.

In June 2019, the Board recognized revenue to assist with development of CARB's One-Stop-Shop Pilot Project, which is a new project to increase awareness of low-income residents by expanding education and outreach on the state's clean transportation and mobility options. One of the key tasks of this project is to develop and maintain a single application for low-income consumers to apply and qualify for CARB's Low Carbon Transportation Equity projects, which includes the South Coast AQMD's Replace Your Ride Program.

In September 2019, Senate Bill 400 (Umberg) was chaptered, expanding the state's incentive for turning in old, polluting cars to include e-bikes and bikesharing as mobility options.

In November 2019, the Board recognized \$12 million in revenue from CARB for the FY 2018-19 EFMP. Based on the success and demand of South Coast AQMD's Replace

Your Ride Program, CARB has allocated the South Coast AQMD an additional \$14 million in FY 2018-19 Low Carbon Transportation funds for the continued implementation of the EFMP Plus-Up Program.

For FY 2019-20, CARB has allocated \$1.4 million in AB 118 funds to South Coast AQMD for the continued implementation of the EFMP Base Program. The additional funding will enable the continuation of the EFMP Base Program while offering eligible participants alternatives in replacement vehicle technologies.

Proposal

This action is to recognize \$15.4 million from CARB into the HEROS II Special Revenue Fund (56) for the continued implementation of the South Coast AQMD's Replace Your Ride Program. This revenue includes award providing an additional \$14 million for the FY 2018-19 EFMP Plus-Up Program and \$1.4 million for the FY 2019-20 EFMP Base Program. This action is to also authorize the Executive Officer to approve vouchers or other alternative mobility options, including e-bikes and bikesharing per SB 400 and support development of CARB's One-Stop-Shop Pilot Project, as allowed by these grants, until all funds are fully exhausted.

This action is to also reimburse the General Fund up to \$1.54 million (or up to 10% of both grant amounts) from the HEROS II Special Revenue Fund (56) for administrative and outreach costs necessary to implement the program.

Benefits to South Coast AQMD

Replace Your Ride will continue to provide incentives to qualifying lower income vehicle owners, including those residing in disadvantaged communities, and provide emissions reduction benefits to these communities and throughout the region. Implementing SB 400 will provide participants with additional clean transportation options in lieu of a replacement vehicle. South Coast AQMD's support in developing CARB's One-Stop-Shop is expected to increase awareness of the Replace Your Ride Program and inform potential applicants of other state incentives that may be available to them.

Resource Impacts

The revenue, comprised of \$14 million in additional FY 2018-19 EFMP Plus-Up funds (Grant #G18-PLUS-01 Amendment 1) and \$1.4 million in EFMP Base funds (Grant #G19-EFMP-01), will be recognized into the HEROS II Special Revenue Fund (56). Reimbursement of the General Fund for administrative costs will not exceed \$1.54 million (or up to 10% of both grant amounts).

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 6

PROPOSAL: Recognize Revenue for Continued AB 617 Implementation

SYNOPSIS: In February 2020, the Board recognized \$20 million upon receipt from CARB for continued AB 617 implementation. This action is to recognize up to an additional \$1.88 million upon receipt from CARB into the General Fund for AB 617.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:

Recognize revenue, upon receipt, up to \$1,880,000 from CARB into the General Fund for continued AB 617 implementation and authorize the Executive Officer to accept terms and conditions of the grant award from CARB.

Wayne Nasti
Executive Officer

SJ:DRP:tm

Background

This Board letter recognizes additional Year 3 funding for continued implementation of the AB 617 program. Major elements of AB 617 include: accelerated BARCT rulemaking, statewide consistent emission reporting, air monitoring in communities, and community emission reduction plans.

South Coast AQMD's portion of the statewide funding for the third year of the AB 617 program is \$21.88 million. In February 2020, the total amount was not yet known, so the Board recognized \$20 million. These actions are necessary to recognize the remaining \$1,880,000 that South Coast AQMD is eligible to receive from CARB for Year 3.

Proposal

Staff is seeking Board approval to recognize an additional \$1,880,000 into the General Fund from CARB for AB 617 Year 3 implementation.

Benefits to SCAQMD

The additional Year 3 funding will help support South Coast AQMD efforts to fulfill the legislative directives of AB 617, which will result in benefits to environmental justice communities and to the entire region.

Resource Impacts

The additional funding of \$1,880,000 from CARB's Community Air Protection Program under AB 617, together with \$20 million of AB 617 funding recognized by the Board in February 2020, will provide additional resources to implement South Coast AQMD's AB 617 program for the third year.

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 7

PROPOSAL: Authorize Purchase of Oracle PeopleSoft Software and Support

SYNOPSIS: The South Coast AQMD uses Oracle's PeopleSoft Integrated Financial/Human Resources System. The software package provides purchasing, accounting, asset management, financial management, project reporting, payroll and human resources functionality for the South Coast AQMD. The maintenance support for this system expires August 13, 2020. This action is to obtain approval for a three-year contract with Oracle America, Inc. for \$764,280. Funds for the first year's purchase are included in the IM's FY 2020-21 Budget and will be included in subsequent fiscal year budget requests.

COMMITTEE: Administrative, May 8, 2020; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Procurement Manager to issue a purchase order for three years of Oracle PeopleSoft software maintenance support from Oracle America, Inc. for the integrated Financial/Human Resources System for the period of August 13, 2020 through August 13, 2023, at a cost not to exceed \$764,280.

Wayne Natri
Executive Officer

RMM:MH:HPT:HLP

Background

In April 1998, after an extensive competitive bidding process, the South Coast AQMD purchased the Oracle PeopleSoft Financial/Human Resources System to enhance the

functionality of the overall finance system. The Oracle PeopleSoft system eliminated duplicate effort, where possible, and integrated processes that access the same data. The software package provides purchasing, accounting, asset management, financial management, project reporting, payroll, and human resources functionality for the South Coast AQMD. Software support includes day-to-day technical support, software patches and bug fixes, and software upgrades. Software maintenance support for the Oracle PeopleSoft system expires August 13, 2020.

The system also uses Oracle database software. The Oracle database is used to store all of the data used in the software system. The database support includes day-to-day technical support, software patches and bug fixes, and software upgrades. Software maintenance support for Oracle database software also expires August 13, 2020.

Oracle PeopleSoft maintenance support includes the following services:

Software Maintenance	Licensed product updates, enhancements, and repairs
Customer Care Business Center	Resolution of business issues and aid in finding assistance within PeopleSoft's customer service
PeopleSoft Advisor	Business-oriented information needs and advice
PeopleSoft Plugged In	Electronic distribution of information on new releases, fixes and patches, and software updates
Customer Connection	Online access to PeopleSoft information, including news, documentation, training, and user groups
Global Support Center	Assistance in resolving online operating difficulties, system failures, PeopleSoft application-related problems, potential system bugs, and installation and upgrade issues
Access to PeopleSoft Forum	Access to database documentation and PeopleSoft application problems and fixes

Oracle database maintenance support includes the following services:

Software Maintenance	Licensed product updates, enhancements, and repairs
Software Support	Assistance in resolving online operating difficulties, system failures, Oracle application-related problems, potential system bugs, and installation and upgrade issues

Sole Source Justification

Section VIII.B.2 of the Procurement Policy and Procedure identifies circumstances under which a sole source purchase award may be justified. These requests for a sole source award are made under provision VIII.B.2.c.(2) and (3). The services are available from only the sole source; involve the use of proprietary technology; and use key contractor-owned assets for project performance.

Proposal

Oracle America, Inc. is the sole manufacturer and provider of PeopleSoft and Oracle database software and therefore, the only source for software maintenance support licensing agreements. Staff recommends approval of a three-year contract for Oracle PeopleSoft software maintenance support at a cost not to exceed \$764,280 at \$254,760 per year.

Resource Impacts

Sufficient funds are included in Information Management's FY 2019-20 Budget Services and Supplies Major Object, Professional and Specialized Services account.

BOARD MEETING DATE: June 5, 2020

AGENDA NO. 8

PROPOSAL: Approve Contract Modifications as Approved by MSRC and Approve Appropriation of Funds to Re-Open Contract as Approved by MSRC

SYNOPSIS: The Mobile Source Air Pollution Reduction Review Committee (MSRC) approved modifications to contracts under the Local Government Partnership Program as part of their FYs 2016-18 Work Program. Additionally, a contract under the Major Event Center Transportation Program was closed prematurely prior to payment of the final invoice. The MSRC authorized an appropriation to re-open the contract as part of the FYs 2016-18 Work Program. At this time the MSRC seeks Board approval of the modifications as part of the FYs 2016-18 Work Program.

COMMITTEE: Mobile Source Air Pollution Reduction Review, May 21, 2020; Recommended for Approval

RECOMMENDED ACTIONS:

1. Approve modified contract with the City of Alhambra under the Local Government Partnership Program, substituting the installation of two single-port stations and eight dual-port stations for the twelve stations specified in the contract, as part of approval of the FYs 2016-18 Work Program, as described in this letter;
2. Approve modified contract with the City of Fontana under the Local Government Partnership Program, substituting the installation of four single-port stations and four dual-port stations for the twelve stations specified in the contract, as part of approval of the FYs 2016-18 Work Program, as described in this letter;
3. Appropriate \$255,011 to re-open Contract #MS18025 with Los Angeles County Metropolitan Transportation Authority to pay the final invoice on the contract as part of approval of the FYs 2016-18 Work Program, as described in this letter;
4. Authorize MSRC to adjust contract awards up to five percent, as necessary and previously granted in prior work programs; and

5. Authorize the Chairman of the Board to execute the modified contracts under the FYs 2016-18 Work Program, as described above and in this letter.

Larry McCallon
Chair, MSRC

MMM:NB:CR

Background

In September 1990, Assembly Bill 2766 was signed into law (Health & Safety Code Sections 44220-44247) authorizing the imposition of an annual \$4 motor vehicle registration fee to fund the implementation of programs exclusively to reduce air pollution from motor vehicles. AB 2766 provides that 30 percent of the annual \$4 vehicle registration fee subvented to the South Coast AQMD be placed into an account to be allocated pursuant to a work program developed and adopted by the MSRC and approved by the Board.

Proposal

At its May 21, 2020 meeting, the MSRC considered recommendations from its MSRC-Technical Advisory Committee and approved the following:

FYs 2016-18 Local Government Partnership Program

In September 2018, the MSRC approved an award to the City of Alhambra in an amount not to exceed \$111,980 for the installation of twelve electric vehicle charging stations within the City. The City determined that it would be more efficient to install dual-port charging stations, where feasible. The City therefore requested to substitute two single-port stations and eight dual-port stations for the twelve stations specified in the contract. They would be installing eighteen charging ports. The MSRC considered and approved the City's requested modification.

Similarly, in September 2018 the MSRC approved an award to the City of Fontana in an amount not to exceed \$269,090 for the installation of twelve electric vehicle charging stations within the City. The City requested to substitute four single-port stations and four dual-port stations for the twelve stations specified in the contract. They would still be installing twelve charging ports. The MSRC considered and approved the City's requested modification.

FYs 2016-18 Major Event Center Transportation Program

In March 2018, the MSRC approved an award to Los Angeles County Metropolitan Transportation Authority (Metro) to implement special transit service to Dodger Stadium for 2018. Contract #MS18025 was executed to effectuate the award. While awaiting

additional documentation in support of the \$255,011 final invoice, the contract was closed prematurely. The necessary supporting documentation was subsequently obtained. In order to pay the outstanding invoice, an appropriation of \$255,011 was recommended to re-open the contract. The MSRC considered and approved the recommended appropriation.

At this time, the MSRC requests the South Coast AQMD Board approve the contract modifications and appropriation as part of approval of the FYs 2016-18 AB 2766 Discretionary Fund Work Program as outlined above. The MSRC also requests the Board authorize the South Coast AQMD Board Chairman to execute all agreements described in this letter. The MSRC further requests authority to adjust the funds allocated to each project specified in this Board letter by up to five percent of the project's recommended funding. The Board has granted this authority to the MSRC for all past Work Programs.

Resource Impacts

The South Coast AQMD acts as fiscal administrator for the AB 2766 Discretionary Fund Program (Health & Safety Code Section 44243). Money received for this program is recorded in a special revenue fund (Fund 23) and the contracts specified herein will be drawn from this fund.

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 9

REPORT: Legislative, Public Affairs, and Media Report

SYNOPSIS: This report highlights the April 2020 outreach activities of the Legislative, Public Affairs, and Media Office, which includes Major Events, Community Events/Public Meetings, Environmental Justice Update, Speakers Bureau/Visitor Services, Communications Center, Public Information Center, Business Assistance, Media Relations, and Outreach to Community Groups and Federal, State, and Local Governments.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Executive Officer

DJA:FW:LTO:KH:DM:lm:ar

BACKGROUND

This report summarizes the activities of the Legislative, Public Affairs, and Media Office for April. The report includes: Major Events; Community Events/Public Meetings, Environmental Justice Update, Speakers Bureau/Visitor Services, Communications Center, Public Information Center, Business Assistance, Media Relations, and Outreach to Community Groups and Governments.

MAJOR EVENTS (HOSTED AND SPONSORED)

Each year, South Coast AQMD staff engage in holding and sponsoring several major events throughout South Coast AQMD's four county areas to promote, educate, and provide important information to the public regarding reducing air pollution, protecting public health, improving air quality, and the economy.

No major events were held or sponsored in April due to the COVID-19 pandemic.

COMMUNITY EVENTS/PUBLIC MEETINGS

Each year, South Coast AQMD 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 South Coast AQMD 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;
- South Coast AQMD incentive programs;
- Ways to participate in South Coast AQMD's rules and policy development; and
- Assistance in resolving air pollution-related problems.

South Coast AQMD staff attended and/or provided information and updates at the following April events and meetings:

April 16

Staff participated in a virtual Earth Day event hosted by Altadena Heritage which featured sustainable living tips. Staff provided information on South Coast AQMD operations and resources available during the COVID-19 pandemic.

April 22

Staff participated in the San Bernardino County Department of Education Alliance for Education Virtual Earth Day event. The virtual event utilized the educational web platform NEPRIS to broadcast environmental presentations throughout the day. South Coast AQMD staff presented on air quality issues at the high school level through the "Why Air Quality Matters" program and for elementary students via the Clean Air Ranger Education program.

Staff participated in the "Drive Electric Earth Day" virtual event sponsored by Plug In America, the Sierra Club, and Electric Auto Association. The event took place on Facebook Live and featured guest speakers, short videos, and a live musical performance.

ENVIRONMENTAL JUSTICE UPDATE

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

CEJA Webinar

Staff participated in the California Environmental Justice Alliance's (CEJA) webinar on April 1, "Designing Equitable Policy: How the Advancement of Environmental Justice and Community Leadership in Your Network." The event focused on environmental justice advocates working toward community health, advancing related civil rights in state, and local decision-making, as well as related legislation.

U.S. EPA TRI Webinar

Staff participated in the Toxics Release Inventory (TRI) National Analysis Webinar (Air, Land, Water) hosted by the U.S. EPA on April 3. The webinar introduced the basics of the TRI program, explained key findings from EPA's analysis for the 2018 year, and showed how to get TRI data for any location within the United States.

UCI Environmental Justice Collaboration

Staff collaborated with the University of California Irvine's Center for Land, Environment, and Natural Resources (CLEANR) students and professors to discuss environmental justice programs and AB 617 on April 8. The discussion supported implementation of environmental justice legislation and environmental justice program implementation.

Staff participated in a virtual meeting with Eastern Coachella Valley (ECV) AB 617 Community Steering Committee representatives (Leadership Counsel, Alianza, CCV, Pueblo Unido, Office of Assemblymember Garcia, Loma Linda University and residents of the ECV) to follow-up on the proposed charter, as well as CARB updates and the Technology Assessment Survey.

DV EJ Task Force Meeting

Staff participated in the Eastern Coachella Valley Environmental Justice Task Force virtual meeting on April 22. There was strong participation in the virtual meeting including, Comite Civico del Valle, the State Water Board, Department of Pesticide Regulations, Coachella Valley School Districts, 29 Palms Tribal Environmental Protection Agency, Coachella Mosquito Vector Control, City of Indio, CARB, and the Riverside Agricultural Commissioner. The discussion focused on how Coachella Valley communities are coping with COVID-19, identifying environmental and social justice issues arising due to the pandemic, and identifying needs for assistance. Staff updated the Task Force on how South Coast AQMD is moving forward with AB 617 and announced dates for upcoming AB 617 Community Steering Committee meetings.

SPEAKERS BUREAU/VISITOR SERVICES

South Coast AQMD 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. South Coast AQMD also hosts visitors from around the world who meet with staff on a wide range of air quality issues.

Due to COVID-19, there were no visits or speaker's bureau requests.

COMMUNICATION CENTER STATISTICS

The Communication Center handles calls on South Coast AQMD's main line, 1-800-CUT-SMOG® line, the Spanish line, and after-hours calls. Listed are the calls received in April:

South AQMD Main Line and 1-800-CUT-SMOG®	2,013
Spanish Language Line	26
Clean Air Connections	<u>9</u>
Total Calls	2,048

PUBLIC INFORMATION CENTER STATISTICS

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

Received by PIC Staff	5
Automated System	<u>436</u>
Total Calls	441

BUSINESS ASSISTANCE

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

- Provided permit application assistance to 223 companies; and,
- Processed 49 Air Quality Permit Checklists.

Types of businesses assisted:

Auto Body Shops	Gas Stations	Furniture Refinishing Facilities
Auto Repair Centers	Restaurants	Construction Firms
Warehouses	Plating Facilities	Architecture Firms
Manufacturing Facilities	Dry Cleaners	Engineering Firms

MEDIA RELATIONS

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

- Major Media Interactions: 65
- Press Releases: 5
- News Carousel Write Ups: 2

Major Media Topics for April

- American Lung Association State of the Air Report: An Op-Ed submitted on behalf of Wayne Nastri, Executive Officer was printed in the Los Angeles Daily News and re-printed in other Southern California News Group publications. Mr. Nastri participated in a teleconference with the Lung Association about the report and answered questions from the Orange County Register, Sacramento Bee, and KNX. News pitches were sent to Spectrum News 1, Bloomberg, KNX, KPCC/LAist, Reuters, FOX 11, Telemundo, Univision, AP, KPCC, KCBS/KCAL, KNX, KTLA, NBC Palm Springs, City News Service, KESQ, NBC4, and ABC7. The LAist/KPCC sent questions about the effects of air pollution on San Bernardino and Riverside counties, and written responses were provided.
- Ozone Exceedances and Air Quality: KPCC, NPR, and KNX requested additional interviews as air quality worsened. Staff conducted interviews with all three.
- Pending Permits Under New COVID-19 Permit Process – The Desert Sun requested information on pending permits which fall under the new prioritized permitting process. Written response was sent.
- Budget Actions Due to COVID-19 – LA Times was looking for information on the revenue loss as a result of not increasing CPI fees. Information was sent to reporter.
- Compliance and Rule Updates during COVID-19 – LA Times requested information on the number of inspections in comparison to the same time last year as a result of COVID-19. Reporter spoke to staff.
- Tesoro Refinery – Law360 requested information regarding a Court of Appeals rejection to a challenge of the AQMD's EIS for the Tesoro refinery project. Response was sent to reporter.
- EPA Title Plot Data – LA Magazine submitted questions regarding EPA's title plot data. Response was sent to reporter.
- World Sweeper – Following up from a prior request, responses were sent to World Sweeper Magazine on questions regarding equipment permitting.
- Air Quality Trends – NPR inquired about air quality trends and additional background information. Staff participated in an interview.

- AQI Map – Spectrum News 1 inquired about yellow zones on the AQI map. Response was sent to reporter.
- Regional Air Patterns – Wirecutter requested background information and explanation on regional air patterns. Staff working on response.

Release and Announcements

- The Fight Of Our Lives To Protect Our Community – April 16, 2020 – Letter on COVID-19 Disparities by Governing Board Chairman Dr. Burke for The Sentinel.
- Nunca Ha Sido Tan Importante Luchar Por Un Aire Limpio – April 17, 2020 – Letter on COVID-19 Disparities by Board Members Perez and Delgado for La Opinion.
- Despite some relief from bad air quality, there is a lot of work to do, April 21, 2020 – Op-ed by staff in response to the ALA Report published in the LA Daily News and other Southern California News Group papers.
- South Coast AQMD Responds to American Lung Association State of the Air Report with Air Quality Achievements – April 21, 2020 – Agency response to the ALA State of the Air Report.
- South Coast AQMD awards Volvo Construction Equipment \$2M to test electric heavy equipment in California – April 23, 2020 – Announced a \$2M grant to Volvo Construction to invest in electric, zero-emission construction equipment.

News Carousel Write-Ups

- South Coast AQMD Advisory for Regulated Companies and Other Entities Impacted by COVID-19 – April 15, 2020 – Outlined temporary changes in regulatory activities due to the COVID-19 situation.
- Article – L.A. coronavirus clean air streak has already come to an end. Here's why – April 30th, 2020 – Article published in the LA Times with quotes from Dr. Burke and staff.

Social Media Notable Posts

- World Health Day (4/7): 1,250 Twitter Impressions
- AQ Forecast (4/19): 26,087 Twitter Impressions
- AQ Forecast (4/18): 23,792 Twitter Impressions
- AQ Forecast (4/26): 2,891 Twitter Impressions
- LA Times Article: Burke Quote (4/28): 1,153 Twitter Impressions

OUTREACH TO COMMUNITY GROUPS AND FEDERAL, STATE AND LOCAL GOVERNMENTS

Communications was conducted with elected officials or staff from the following cities:

Alhambra	Huntington Beach	San Dimas
Anaheim	Industry	San Gabriel
Arcadia	Irwindale	San Marino
Azusa	Jurupa Valley	Santa Ana
Baldwin Park	La Cañada Flintridge	Sierra Madre
Buena Park	La Habra	South El Monte
Claremont	La Puente	South Pasadena
Coachella	La Verne	Temple City
Cypress	Lake Forest	Tustin
Diamond Bar	Long Beach	Walnut
Duarte	Monrovia	West Covina
El Monte	Monterey Park	Westminster
Fountain Valley	Newport Beach	Yorba Linda
Fullerton	Placentia	
Glendale	Rosemead	

Communications was conducted with elected officials and/or staff from the following state and federal offices:

- U.S. Representative Pete Aguilar
- U.S. Representative Nanette Barragán
- Senator Ben Allen
- Senator Ling Ling Chang
- Senator Lena Gonzalez
- Senator Gerry Hill
- Senator Anthony Portantino
- Senator Susan Rubio
- Senator Henry Stern
- Assembly Member Tyler Diep
- Assembly Member Tom Daly
- Assembly Member Phillip Chen
- Assembly Member Ed Chau
- Assembly Member Cristina Garcia
- Assembly Member Blanca Rubio

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

Alhambra Chamber of Commerce
Association of California Cities, Orange County
Beverly Hills Chamber of Commerce
Building Industry Association, Orange County
California Hydrogen Business Council
California Fuel Cell Partnership
Greater Lakewood Chamber of Commerce

Los Angeles Chamber of Commerce
Mountain Transit Board
Newport Beach Chamber of Commerce
Omnitrans
Orange County Business Council
Orange County Community Relations Collaborative
Riverside Board of Supervisors
Riverside County Department of Waste Resources
Riverside County Waste Management
San Bernardino Chamber of Commerce
San Bernardino Board of Supervisors
San Bernardino County Regional Parks
San Bernardino County Small Business Resources
San Bernardino County Transportation Authority
San Bernardino International Airport
San Gabriel Valley City Managers Association
San Gabriel Valley Council of Governments
San Gabriel Valley Economic Partnership
Santa Ana Chamber of Commerce
Southern California Association of Governments
Western Community Energy
Western Riverside Council of Governments

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

Active San Gabriel Valley
Asian Pacific Islander Forward Movement
CHA CHA Altadenians for Clean, Healthy Air
Chapman University
Lideres Campesinas
Plug-in America
Rowland Heights Unified School District
Santa Ana College
Santa Ana Unified School District
Sierra Club
Sustainable Claremont
University of California, Irvine
Walnut Unified School District

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 10

REPORT: Hearing Board Report

SYNOPSIS: This reports the actions taken by the Hearing Board during the period of April 1 through April 30, 2020.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Julie Prussack
Chairman of Hearing Board

ft

Two summaries are attached: **April 2020 Hearing Board Cases** and **Rules From Which Variances and Orders for Abatement Were Requested in 2020**. An index of South Coast AQMD Rules is also attached.

There were no appeals filed during the period of April 1 to April 30, 2020.

Report of April 2020 Hearing Board Cases

Case Name and Case No. (South Coast AQMD Attorney)	Rules	Reason for Petition/Hearing	South Coast AQMD Position/Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
1. Air Products and Chemicals, Inc. Case No. 4276-16 (K. Roberts)	203(b) 2004(f)(1) 3002(c)(1)	Petitioner sought last minute extension to perform modifications needed to comply with 4/27/20 South Coast AQMD rule deadline.	Opposed/Denied	Ex Parte EV denied.	N/A
2. Mitsubishi Cement Corporation Case No. 5545-4 (T. Barrera)	203(b)	Petitioner may exceed NOx and NH3 emissions limits on its first-time use of dockside catalytic converter system because the bonnet system was unexpectedly smaller than the stack's exterior housing and could not completely cover it.	Not Opposed/Granted	Ex Parte EV granted for 72-hour period between 4/9/20 and 4/15/20.	NH3: TBD by 4/15/20 NOx: TBD by 4/15/20
3. OC Waste & Recycling, Olinda Alpha Case No. 5710-2 (T. Barrera)	203(b) 3002(c)(1)	Unexpectedly failed emission source tests for its landfill flares and requested additional time to tune and retest.	Not Opposed/Granted	Ex Parte EV granted commencing 4/7/20 and continuing for 30 days or until the SV hearing currently scheduled for 5/7/20, whichever comes first.	CO: 109 lbs/day NOx: 8 lbs/day
4. Phillips 66 Company Case No. 4900-108 (Consent Calendar; No Appearance)	1180(e)	Due to construction delays resulting from lockdown of crucial UCLA staff during COVID-19, additional time required to meet fenceline monitoring deadline.	Not Opposed/Granted	SV granted commencing 4/21/20 and continuing through 6/24/20 or until UCLA staff is available and installation completed, whichever occurs first.	None

Case Name and Case No. (South Coast AQMD Attorney)	Rules	Reason for Petition/Hearing	South Coast AQMD Position/Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
5. Rheem Sales Company Case No. 5556-2 (M. Reichert)	1121(c)(3)(A)	Manufacturer of water heaters requested to sell noncompliant water heaters in South Coast AQMD because its sole manufacturing plant of ultra-low NOx heaters was unexpectedly shut down by the Mexican Government due to COVID-19.	Not Opposed/Granted	IPV granted commencing 4/30/20 and continuing through 6/2/20, at which time a RPV hearing is scheduled to be held.	NOx: Approximately 24.48 tons over a 10-year period, per week of sales
6. South Coast AQMD vs. Booster Fuels, Inc. Case No. 6171-2 (K. Manwaring and N. Feldman)	203(a) 203(b) 441 461	South Coast AQMD required that respondent file new applications for new Rule 441 Research and Development permits within 60 days to bring them into compliance with South Coast AQMD permitting rules.	Stipulated/Issued	O/A issued commencing 4/30/20; the Hearing Board shall retain jurisdiction over this matter until 6/29/20.	N/A
7. South Coast AQMD vs. Ralphs Grocery Company Case No. 6166-1 (Consent Calendar; No Appearance)	2004(f)(1)	Parties appeared for previously scheduled status and modification hearing and requested modification of Order to remove conditions already complied with and to set the next status and modification hearing for 9/10/20 .	Stipulated/Issued	Mod. O/A issued commencing 4/30/20; the Hearing Board shall continue to retain jurisdiction over this matter until 9/30/20.	N/A

Acronyms

AOC: Alternative Operating Conditions
CEMS: Continuous Emissions Monitoring System
CO: Carbon Monoxide
EV: Emergency Variance
H&S: Health and Safety Code

IPV: Interim Product Variance
Mod. O/A: Modification Order for Abatement
N/A: Not Applicable

NH3: Ammonia
NOx: Oxides of Nitrogen

O/A: Order for Abatement
PPM: Parts Per Million
RV: Regular Variance
RPV: Regular Product Variance
SV: Short Variance
TBD: To Be Determined

Rules from which Variances and Orders for Abatement were Requested in 2020															
	2020	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions	
202			1											1	
203(a)					1									1	
203(b)		6	7	3	4									20	
218.1(b)(4)(C)			2											2	
218(f)(3)				1										1	
401(b)(1)			1											1	
407(a)			1											1	
441					1									1	
461					1									1	
463(c)		1	1											2	
463(c)(2)				1										1	
463(e)(4)				1										1	
1121(c)(3)(A)					1									1	
1148.1(d)(8)		1												1	
1173(d)(1)(B)		1												1	
1176(e)(2)(A)			1											1	
1178(d)(3)				1										1	
1178(g)				1										1	
1180(e)				2	1									3	
2004(f)(1)		5	6	2	2									15	
2011(c)(2)(A)			1											1	
2011(c)(2)(B)			1											1	
2011(e)(1)			1											1	
2012, Appendix A		1												1	
2012, Appendix A, Chapter C h.			2											2	
2012(d)(2)		1												1	
2012(c)(2)(A)			1	1										2	
2012(c)(2)(B)			1	1										2	
2012(g)(1)			1	1										2	
3002(c)		1	1											2	
3002(c)(1)		4	5	3	2									14	
H&S 41701			1											1	

**SOUTH COAST AQMD RULES AND REGULATIONS INDEX
FOR 2020 HEARING BOARD CASES AS OF APRIL 30, 2020**

REGULATION II – PERMITS

- Rule 202 Temporary Permit to Operate
- Rule 203 Permit to Operate
- Rule 218 Continuous Emissions Monitoring
- Rule 218.1 Continuous Emission Monitoring Performance Specifications

REGULATION IV – PROHIBITIONS

- Rule 401 Visible Emissions
- Rule 441 Research Operations
- Rule 461 Gasoline Transfer and Dispensing
- Rule 463 Organic Liquid Storage

REGULATION XI - SOURCE SPECIFIC STANDARDS

- Rule 1121 Control of Nitrogen Oxides (NOx) from Residential Type, Natural-Gas-Fired Water Heaters
- Rule 1148.1 Oil and Gas Production Wells
- Rule 1173 Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants
- Rule 1176 VOC Emissions from Wastewater Systems
- Rule 1178 Reductions VOC Emissions from Storage Tanks at Petroleum Facilities
- Rule 1180 Refinery Fenceline and Community Air Monitoring

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

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

REGULATION XXX - TITLE V PERMITS

- Rule 3002 Requirements

CALIFORNIA HEALTH AND SAFETY CODE

- §41701 Restricted Discharges

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 11

REPORT: Civil Filings and Civil Penalties Report

SYNOPSIS: This reports the monthly penalties from April 1, 2020 through April 30, 2020, and legal actions filed by the General Counsel's Office from April 1 through April 30, 2020. An Index of South Coast AQMD Rules is attached with the penalty report.

COMMITTEE: Stationary Source, May 15, 2020, Reviewed

RECOMMENDED ACTION:
Receive and file this report.

Bayron T. Gilchrist
General Counsel

BTG:ew

There are no Civil Filings for April 2020

Attachments

April 2020 Penalty Report

Index of South Coast AQMD Rules and Regulations

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

April 2020 Settlement Penalty Report

Total Penalties

Civil Settlements:	\$90,145.00
MSPAP Settlements:	\$800.00
Hearing Board Settlements:	\$77,000.00

Total Cash Settlements: \$167,945.00

Total SEP Value: \$0.00

Fiscal Year through 4 / 2020 Cash Total: \$11,910,555.36

Fiscal Year through 4 / 2020 SEP Value Only Total: \$0.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
Civil Settlements						
3417	AIR PROD & CHEM INC	3002(c)(1)	4/10/2020	NSF	P68955 P68956 P68957 P68958	\$56,900.00
39133	COOPER & BRAIN, B & B LEASE	1148.1 1173	4/22/2020	KCM	P63263 P63264	\$9,250.00
346	FRITO-LAY, INC.	2004 2012	4/10/2020	TRB	P66209	\$1,500.00
9163	INLAND EMPIRE UTL AGEN, A MUN WATER DIS	203 1146 3002	4/10/2020	WBW	P65032 P65033	\$10,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
45746	PABCO BLDG PRODUCTS LLC,PABCO PAPER, DBA	2004 2012	4/22/2020	TRB	P66101 P68307	\$2,500.00
37603	SGL TECHNIC INC, POLYCARBON DIVISION	2004	4/10/2020	TRB	P65582 P66220 P68253	\$1,500.00
160437	SOUTHERN CALIFORNIA EDISON	2004 3002	4/17/2020	TRB	P64383 P64420	\$7,500.00
1634	STEELCASE INC, WESTERN DIV	2004(f)(1)	4/16/2020	SH	P65367	\$995.00

Total Civil Settlements: \$90,145.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
MSPAP Settlements						
148163	NELSON'S CLEANERS	1421	4/17/2020	TF	P68754	\$375.00
46138	PARIS CLEANERS	1421	4/17/2020	TF	P69301	\$50.00
135682	VASQUEZ MAINTENANCE	461	4/17/2020	TF	P66379	\$375.00
Total MSPAP Settlements: \$800.00						

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
Hearing Board Settlements						
104234	MISSION FOODS CORPORATION	202 203(b) 1153.1 1303	4/16/2020	KCM	5400-4	\$50,000.00
181758	RUDOLPH FOODS WEST, INC.	202	4/17/2020	KCM	6168-1	\$2,000.00
175187	VENICE BAKING, TORRANCE FACILITY	202(a) 203(a)	4/10/2020	KCM	6144-1	\$25,000.00

Total Hearing Board Settlements: \$77,000.00

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX
FOR APRIL 2020 PENALTY REPORT**

REGULATION II - PERMITS

- Rule 202 Temporary Permit to Operate
- Rule 203 Permit to Operate

REGULATION IV - PROHIBITIONS

- Rule 461 Gasoline Transfer and Dispensing

REGULATION XI - SOURCE SPECIFIC STANDARDS

- Rule 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters
- Rule 1148.1 Oil and Gas Production Wells
- 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 1421 Control of Perchloroethylene Emissions from Dry Cleaning Operations

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 (NOx) Emissions

REGULATION XXX - TITLE V PERMITS

- Rule 3002 Requirements for Title V Permits

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 12

REPORT: Lead Agency Projects and Environmental Documents Received

SYNOPSIS: This report provides a listing of CEQA documents received by the South Coast AQMD between April 1, 2020 and April 30, 2020, and those projects for which the South Coast AQMD is acting as lead agency pursuant to CEQA.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Executive Officer

PF:SN:JW:LS:MI

CEQA Document Receipt and Review Logs (Attachments A and B) – Each month, the South Coast AQMD receives numerous CEQA documents from other public agencies on projects that could adversely affect air quality. A listing of all documents received during the reporting period April 1 to April 30, 2020 is included in Attachment A. A list of active projects from previous reporting periods for which South Coast AQMD staff continues to evaluate or has prepared comments is included in Attachment B. A total of 41 CEQA documents were received during this reporting period and 10 comment letters were sent.

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 attachment notes proposed projects where the South Coast AQMD has been contacted

regarding potential air quality-related environmental justice concerns. The South Coast AQMD has established an internal central contact to receive information on projects with potential air quality-related environmental justice concerns. The public may contact the South Coast AQMD about projects of concern by the following means: in writing via fax, email or standard letters; through telephone communication; and as part of oral comments at South Coast AQMD meetings or other meetings where South Coast AQMD staff is present. The attachments also identify, for each project, the dates of the public comment period and the public hearing date, if applicable. 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 was 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 South Coast AQMD'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.

Staff focuses on reviewing and preparing comments for projects: where the South Coast AQMD is a responsible agency; that may have significant adverse regional air quality impacts (e.g. special event centers, landfills, goods movement); that may have localized or toxic air quality impacts (e.g. warehouse and distribution centers); where environmental justice concerns have been raised; and which a lead or responsible agency has specifically requested South Coast AQMD review. If staff provided written comments to the lead agency as noted in the column "Comment Status," there is a link to the "South Coast AQMD 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 of April 1 to April 30, 2020, the South Coast AQMD received 41 CEQA documents. Attachment B lists documents that are ongoing active projects. Of the 48 documents listed in Attachments A and B:

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

(The above statistics are from April 1 to April 30, 2020 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 South Coast AQMD’s CEQA webpage at the following internet address:

<http://www.aqmd.gov/home/regulations/ceqa/commenting-agency>.

South Coast AQMD Lead Agency Projects (Attachment C) – Pursuant to CEQA, the South Coast AQMD 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 for action is considered to be a “project” as defined by CEQA. For example, an Environmental Impact Report (EIR) is prepared when the South Coast AQMD, as lead agency, finds substantial evidence that the project may have significant adverse effects on the environment. Similarly, a Negative Declaration (ND) or Mitigated Negative Declaration (MND) may be prepared if the South Coast AQMD determines that the 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 projects will not have a significant adverse effect on the environment and, therefore, do not require the preparation of an EIR.

Attachments C to this report summarizes the active projects for which the South Coast AQMD is lead agency and is currently preparing or has prepared environmental documentation. As noted in Attachment C, the South Coast AQMD continued working on the CEQA documents for two active projects during February.

Attachments

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

ATTACHMENT A*
INCOMING CEQA DOCUMENTS LOG
April 1, 2020 to April 30, 2020

SOUTH COAST AQMD LOG-IN NUMBER	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
PROJECT TITLE				
Goods Movement LAC200423-01 Berth 182 Slope and Roadway Improvement Project	The proposed project consists of repair and structural improvements to increase geotechnical stability of embankment slopes. The project is located near the southeast corner of Water Street and Fries Avenue within the Port of Los Angeles. Comment Period: 4/9/2020 - 5/8/2020 Public Hearing: N/A	Notice of Intent to Adopt a Negative Declaration	City of Los Angeles Harbor Department	Document reviewed - No comments sent for this document received
Warehouse & Distribution Centers LAC200409-14 Development Plan Approval Case No. 971 and Amendment of Conditional Use Permit Case No. 780	The proposed project consists of demolition of eight self-storage facilities and construction of a 102,454-square-foot warehouse on 1.21 acres. The project is located at 13020 Telegraph Road on the southeast corner of Telegraph Road and Shoemaker Avenue. Reference LAC171110-13 Comment Period: 3/6/2020 - 3/26/2020 Public Hearing: 4/13/2020	Notice of Intent to Adopt a Mitigated Negative Declaration (received after close of comment period)	City of Santa Fe Springs	Document reviewed - No comments sent for this document received
Warehouse & Distribution Centers LAC200423-10 13131 Los Angeles Industrial Street Project	The proposed project consists of demolition of two existing buildings and construction of a 528,710-square-foot warehouse on 24.9 acres. The project is located at 13131 Los Angeles Street near the northwest corner of Los Angeles Street and Little John Street. Reference LAC190820-11 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/May/LAC200423-10.pdf Comment Period: 4/3/2020 - 5/18/2020 Public Hearing: N/A	Notice of Availability of a Draft Environmental Impact Report	City of Irwindale	South Coast AQMD staff commented on 5/14/2020
Warehouse & Distribution Centers ORC200402-01 Goodman Logistics Center Fullerton Project	The proposed project consists of construction of 1,561,522 square feet of warehouses on 73.1 acres. The project is located on the southeast corner of Kimberly Avenue and Acacia Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/April/ORC200402-01.pdf Comment Period: 3/30/2020 - 4/28/2020 Public Hearing: 4/20/2020	Notice of Preparation	City of Fullerton	South Coast AQMD staff commented on 4/7/2020

*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
April 1, 2020 to April 30, 2020**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Warehouse & Distribution Centers RBC200423-02 Plot Plan No. 190003	The proposed project consists of construction of an 83,449-square-foot warehouse on 5.77 acres. The project is located on the southwest corner of Harvill Avenue and Markham Street in the community of Mead Valley. Comment Period: N/A Public Hearing: 5/4/2020	Notice of Availability of an Addendum to an Environmental Impact Report	Riverside County	Document reviewed - No comments sent for this document received
Warehouse & Distribution Centers SBC200409-12 PROJ-2020-00009	The proposed project consists of construction of a 185,866-square-foot warehouse on 4.36 acres. The project is located at 8645 Almond Avenue on the northeast corner of Whittram Avenue and Almond Avenue in the City of Fontana. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/April/SBC200409-12.pdf Comment Period: 3/18/2020 - 4/1/2020 Public Hearing: N/A	Site Plan (received after close of comment period)	San Bernardino County	South Coast AQMD staff commented on 4/14/2020
Industrial and Commercial LAC200409-06 Pioneer Boulevard Development Project	The proposed project consists of demolition of 158,000 square feet of existing buildings and construction of three industrial buildings totaling 163,518 square feet on 9.06 acres. The project is located at 9920 Pioneer Boulevard on the northeast corner of Pioneer Boulevard and Telegraph Road. Comment Period: 3/18/2020 - 4/6/2020 Public Hearing: 4/13/2020	Notice of Intent to Adopt a Mitigated Negative Declaration (received after close of comment period)	City of Santa Fe Springs	Document reviewed - No comments sent for this document received
Industrial and Commercial LAC200414-01 Air Products Hydrogen Liquefaction Project	The project applicant has withdrawn the project applications with both the South Coast AQMD and City of Carson. The proposed project consists of construction of a hydrogen liquefaction tank with a storage capacity of 10 metric tons per day on 35,800 square feet. The project is located at 23320 South Alameda Street near the northeast corner of Alameda Street and East Sepulveda Boulevard. Comment Period: 4/15/2020 - 5/15/2020 Public Hearing: N/A	Notice of Intent to Adopt a Subsequent Mitigated Negative Declaration	City of Carson	Document does not require comments

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

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
April 1, 2020 to April 30, 2020**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Industrial and Commercial</i> RVC200402-03 The Homestead Industrial Project	The proposed project consists of construction of seven warehouses totaling 1,080,060 square feet on 56 acres. The project is located on the southwest corner of Archibald Avenue and Remington Avenue. Reference RVC200124-01 and RVC190917-07 Comment Period: N/A Public Hearing: N/A	Final Environmental Impact Report	City of Eastvale	Document reviewed - No comments sent for this document received
<i>Industrial and Commercial</i> SBC200423-03 Fontana Foothills Commerce Center and Residential Upzone	The proposed project consists of construction of two industrial buildings totaling 754,408 square feet on 33.6 acres. The project is located on the northeast corner of Juniper Avenue and Jurupa Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/May/SBC200423-03.pdf Comment Period: 4/14/2020 - 5/14/2020 Public Hearing: N/A	Notice of Preparation	City of Fontana	South Coast AQMD staff commented on 5/5/2020
<i>Waste and Water-related</i> LAC200409-15 Hernan Norge Cleaners	The proposed project consists of development of cleanup actions to excavate, remove, and dispose contaminated soil with perchloroethylene on 0.17 acres. The project is located at 11905 Wilshire Boulevard near the southwest corner of South Westgate Avenue and Wilshire Boulevard in the City of Los Angeles. Comment Period: 4/1/2020 - 5/1/2020 Public Hearing: N/A	Time Critical Removal Action Workplan	Department of Toxic Substances Control	Document reviewed - No comments sent for this document received
<i>Waste and Water-related</i> LAC200423-11 City Trunk Line South Unit 5 Phase II and Unit 6 Project	The proposed project consists of construction of 925 linear feet of water pipelines ranging in diameter from 60 inches to 64 inches and a 34,017-square-foot water treatment facility. The project is located along Coldwater Canyon Avenue between Valleyheart Drive and Dickens Street in the community of Sherman Oaks–Studio City-Toluca Lake-Cahuenga Pass. Comment Period: 4/16/2020 - 5/18/2020 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent for this document 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
April 1, 2020 to April 30, 2020**

<u>SOUTH COAST AQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> ORC200423-01 Westminster East Garden Grove, CA Flood Risk Management Study	The proposed project consists of modifications to drainage channels, widening of existing roadways, replacement of tide gates, and construction of a floodwall. The project is located on the northeast corner of Beach Boulevard and Pacific Coast Highway in Orange County. Reference ORC191227-04 and ORC181107-05 Comment Period: N/A Public Hearing: N/A	Notice of Availability of an Integrated Feasibility Report/ Final Environmental Impact Statement/ Final Environmental Impact Report	United States Army Corps of Engineers	Document reviewed - No comments sent for this document received
<i>Waste and Water-related</i> RVC200423-03 Upper Valle de los Caballos Regional Pump Station	The proposed project consists of construction of a pump station, two water wells, and groundwater disinfection system on 20 acres. The project is located on the southeast corner of De Portola Road and Pauba Road near the City of Temecula. Comment Period: 4/15/2020 - 5/15/2020 Public Hearing: N/A	Mitigated Negative Declaration	Rancho California Water District	Document reviewed - No comments sent for this document received
<i>Waste and Water-related</i> SBC200409-04 Chino Basin Watermaster Optimum Basin Management Program Update	The proposed project consists of development of policies and programs to guide water management, monitoring, reporting, and treatment with a planning horizon of 2050. The project encompasses 235 square miles within the Upper Santa Ana River Watershed and is bounded by the San Gabriel Mountains to the north, Interstate 15 to the west, Santa Ana River to the south, and the community of Puente Hills and City of Chino Hills to the east. Reference SBC200213-02 Comment Period: 3/27/2020 - 5/11/2020 Public Hearing: N/A	Draft Subsequent Environmental Impact Report	Inland Empire Utilities Agency	Document reviewed - No comments sent for this document 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
April 1, 2020 to April 30, 2020**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Medical Facility RVC200423-01 Baxter Village Mixed-Use Project	The proposed project consists of construction of an 84,000-square-foot medical office and a hotel with 102 rooms on 9.6 acres. The project is located on the northeast corner of Baxter Road and White Street. Reference RVC160518-01 and RVC160105-01 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/May/RVC200423-01.pdf Comment Period: 4/8/2020 - 5/7/2020 Public Hearing: N/A	Notice of Preparation	City of Wildomar	South Coast AQMD staff commented on 5/5/2020
Medical Facility SBC200409-03 Summerland Senior Care Facility Chino	The proposed project consists of construction of a 105,051-square-foot assisted living facility with 109 beds and subterranean parking on 3.16 acres. The project is located at 13225 Serenity Trail near the southeast corner of Serenity Trail and Hillview Drive South. Reference SBC191016-02 Comment Period: 4/3/2020 - 4/23/2020 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	San Bernardino County	Document reviewed - No comments sent for this document received
Retail RVC200402-02 PP2018-0119 & CUP2018-0021	The proposed project consists of construction of a 4,000-square-foot restaurant, a 3,800-square-foot convenience store, a 1,500-square-foot car wash facility, a gasoline service station with nine pumps, and a 6,700-square-foot fueling canopy on 3.96 acres. The project is located on the northeast corner of Desert Lawn Drive and Oak Valley Parkway. Reference RVC200124-03 Comment Period: 3/30/2020 - 4/9/2020 Public Hearing: 4/9/2020	Site Plan	City of Beaumont	Document reviewed - No comments sent for this document received
Retail RVC200402-04 PP2020-0276, CUP2020-0046, CUP2020-0047, PM2020-0007	The proposed project consists of construction of a 3,500-square-foot restaurant, a 4,088-square-foot convenience store, and a gasoline service station with six pumps on 2.08 acres. The project is located on the southwest corner of Eighth Street and Highland Springs Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/April/RVC200402-04.pdf Comment Period: 4/2/2020 - 4/22/2020 Public Hearing: 4/23/2020	Site Plan	City of Beaumont	South Coast AQMD staff commented on 4/7/2020

- 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
April 1, 2020 to April 30, 2020**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
General Land Use (residential, etc.) LAC200423-05 6220 West Yucca Project (ENV-2014-4706)	The proposed project consists of demolition of 44 existing residential units and construction of two buildings totaling 316,948 square feet with 210 residential units, a 136-room hotel, and subterranean parking on 1.16 acres. The project is located on the southeast corner of Yucca Street and Argyle Avenue in the community of Hollywood. Reference LAC151201-04 Comment Period: 4/23/2020 - 6/8/2020 Public Hearing: N/A	Notice of Availability of a Draft Environmental Impact Report	City of Los Angeles	Under review, may submit written comments
General Land Use (residential, etc.) LAC200423-08 Chadwick Ranch Estates Specific Plan	The proposed project consists of construction of 28 residential units on 111.8 acres. The project is located near the northwest corner of Royal Oaks Drive and Mountain Avenue. Comment Period: 2/27/2020 - 4/30/2020 Public Hearing: 4/22/2020	Notice of Preparation	City of Bradbury	Document reviewed - No comments sent for this document received
General Land Use (residential, etc.) LAC200423-09 Bouquet Canyon Project	The proposed project consists of construction of 375 residential units totaling 414,000 square feet on 67.57 acres. The project is located near the southwest corner of Bouquet Canyon Road and Woodside Drive. Comment Period: 4/6/2020 - 6/5/2020 Public Hearing: N/A	Draft Environmental Impact Report	City of Santa Clarita	Document reviewed - No comments sent for this document received
General Land Use (residential, etc.) ORC200409-02 1600 W. Lincoln Avenue Mixed-Use Development Project	The proposed project consists of demolition of existing commercial buildings and construction of a 381,525-square-foot building with 315 residential units on 5.25 acres. The project is located at 1600 West Lincoln Avenue on the southeast corner of Lincoln Avenue and South Loara Street. Comment Period: 3/26/2020 - 4/15/2020 Public Hearing: 4/27/2020	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Anaheim	Document reviewed - No comments sent for this document 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
April 1, 2020 to April 30, 2020

SOUTH COAST AQMD LOG-IN NUMBER	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
General Land Use (residential, etc.) ORC200423-02 Creekside Specific Plan	The proposed project consists of demolition of a 123,000-square-foot building and construction of 188 residential units on 16.9 acres. The project is located on the southwest corner of Malaspina Road and Rancho Viejo Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/May/ORC200423-02.pdf Comment Period: 4/14/2020 - 5/14/2020 Public Hearing: 4/22/2020	Notice of Preparation	City of San Juan Capistrano	South Coast AQMD staff commented on 5/5/2020
General Land Use (residential, etc.) RVC200409-01 Rancho Diamante Phase II Specific Plan Amendment 15-001, General Plan Amendment 15-002, and Tentative Tract Map No. 36841	The proposed project consists of construction of 586 residential units, 19.6 acres of commercial uses, and 64.89 acres of open space on 245.07 acres. The project is located on the southeast corner of Second San Diego Aqueduct and Burlington Northern Santa Fe railroad tracks. Reference RVC190423-03 and RVC160804-04 Comment Period: 3/23/2020 - 5/6/2020 Public Hearing: N/A	Notice of Availability of a Draft Subsequent Environmental Impact Report	City of Hemet	Document reviewed - No comments sent for this document received
General Land Use (residential, etc.) RVC200409-05 Change of Zone No. 07544, EIR No. 500, and Tentative Tract Map No. 36030	Staff provided comments on the Draft Environmental Impact Report for the proposed project, which can be accessed at: http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/january/RVC181219-01.pdf . The proposed project consists of construction of 314 residential units and 76 acres of open space on 242 acres. The project is located on the southeast corner of Nuevo Road and Sky Drive in the community of Nuevo. Reference RVC181219-01 and RVC140610-05 Comment Period: N/A Public Hearing: 5/6/2020	Final Environmental Impact Report	Riverside County Planning Department	Document reviewed - No comments sent for this document received
General Land Use (residential, etc.) RVC200410-02 Rockport Ranch Project	Staff provided comments on the Draft Environmental Impact Report for the proposed project, which can be accessed at: http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2019/october/RVC190906-05.pdf . The proposed project consists of construction of 305 residential units totaling 549,000 square feet, 21.18 acres of roads, and 20.1 acres of open space on 79.68 acres. The project is located on the southwest corner of Briggs Road and Old Newport Road. Reference RVC190906-05, RVC170905-01, and RVC170106-05 Comment Period: N/A Public Hearing: 4/22/2020	Final Environmental Impact Report	City of Meniffee	Document reviewed - No comments sent for this document 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
April 1, 2020 to April 30, 2020**

SOUTH COAST AQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> SBC200409-09 The Heritage Specific Plan	The proposed project consists of construction of 207 residential units on 37.2 acres. The project is located on the northwest corner of Texas Street and West San Bernardino Avenue. Comment Period: 3/27/2020 - 4/27/2020 Public Hearing: 5/12/2020	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Redlands	Document reviewed - No comments sent for this document received
<i>Plans and Regulations</i> ALL200401-03 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy	Staff provided comments on the Draft Program Environmental Impact Report for the proposed project, which can be accessed at: http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/January/ALL191210-01.pdf . The proposed project consists of development of a long-range transportation plan and land use policies, strategies, actions, and programs to identify and accommodate current and future mobility goals, policies, and needs for the next 25 years. The project encompasses 38,000 square miles and includes counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura. Reference ALL191210-01 and ALL190123-01 Comment Period: N/A Public Hearing: 5/7/2020	Response to Comments	Southern California Association of Governments	Document reviewed - No comments sent for this document received
<i>Plans and Regulations</i> RVC200403-01 Northside Specific Plan	The proposed project consists of development of land use policies, development standards, and design guidelines with a planning horizon of 2040 on 2,000 acres. The project is located near the northeast corner of Santa Ana River and State Route 60 and encompasses the cities of Riverside and Colton and unincorporated areas of Riverside County. Reference RVC190404-04 Comment Period: 3/26/2020 - 5/25/2020 Public Hearing: N/A	Draft Environmental Impact Report	City of Riverside	Under review, may submit written comments

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

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

SOUTH COAST AQMD LOG-INNUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Warehouse & Distribution Centers RVC200317-01 Moreno Valley Trade Center	The proposed project consists of construction of 1,332,380 square feet of warehouses on 71.65 acres. The project is located on the southwest corner of Eucalyptus Avenue and Redlands Boulevard. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/April/RVC200317-01.pdf Comment Period: 3/16/2020 - 4/15/2020 Public Hearing: 4/8/2020	Notice of Preparation	City of Moreno Valley	South Coast AQMD staff commented on 4/1/2020
Warehouse & Distribution Centers RVC200317-05 Veterans Industrial Park 215 Project	The proposed project consists of construction of two warehouses totaling 2,219,852 square feet on 142.5 acres. The project is located on the northeast corner of Interstate 215 and Harley Knox Boulevard in Riverside County. Reference RVC160825-08 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/May/RVC200317-05.pdf Comment Period: 3/11/2020 - 5/11/2020 Public Hearing: N/A	Notice of Availability of a Draft Environmental Impact Report	March Joint Powers Authority	South Coast AQMD staff commented on 5/5/2020
Industrial and Commercial RVC200324-06 Gateway Project	The proposed project consists of construction of 339,583 square feet of office uses, 2,820,352 square feet of industrial uses, and 928,049 square feet of open space on 95.94 acres. The project is located on the southeast corner of Holland Road and Haun Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/April/RVC200324-06.pdf Comment Period: 3/24/2020 - 4/16/2020 Public Hearing: 4/8/2020	Site Plan	City of Menifee	South Coast AQMD staff commented on 4/1/2020
General Land Use (residential, etc.) ORC200317-03 Doheny Village Zoning District Update Project	The proposed project consists of updates to existing land use designations, design guidelines, and zoning requirements for future development of 736 residential units and 381,650 square feet of retail and commercial uses on 80 acres. The project is located on the southeast corner of Interstate 5 and Camino Las Ramblas. Reference ORC160311-03 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/April/ORC200317-03.pdf Comment Period: 3/13/2020 - 5/28/2020 Public Hearing: 5/20/2020	Notice of Preparation	City of Dana Point	South Coast AQMD staff commented on 4/1/2020
General Land Use (residential, etc.) RVC200312-03 Norco Valley Square Project	The proposed project consists of construction of 320 residential units and a hotel with 128 rooms on 18.42 acres. The project is located on the southwest corner of Third Street and Hamner Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2020/April/RVC200312-03.pdf Comment Period: 3/9/2020 - 4/7/2020 Public Hearing: 3/26/2020	Notice of Preparation	City of Norco	South Coast AQMD staff commented on 4/1/2020

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

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

** Disposition may change prior to Governing Board Meeting

**ATTACHMENT C
ACTIVE SOUTH COAST AQMD LEAD AGENCY PROJECTS
THROUGH APRIL 30, 2020**

PROJECT DESCRIPTION	PROPONENT	TYPE OF DOCUMENT	STATUS	CONSULTANT
<p>The Phillips 66 (formerly ConocoPhillips) Los Angeles Refinery Ultra Low Sulfur Diesel project was originally proposed to comply with federal, state and South Coast AQMD requirements to limit the sulfur content of diesel fuels. Litigation regarding the CEQA document was filed. Ultimately, the California Supreme Court concluded that the South Coast AQMD had used an inappropriate baseline and directed the South Coast AQMD 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 Final EIR was certified on April 3, 2020.</p>	<p>Environmental Audit, Inc.</p>
<p>Quemetco is proposing to modify existing South Coast AQMD permits to allow the facility to recycle more batteries and to eliminate the existing daily idle time of the furnaces. The proposed project will increase the rotary feed drying furnace feed rate limit from 600 to 750 tons per day and increase the amount of total coke material allowed to be processed. In addition, the project will allow the use of petroleum coke in lieu of or in addition to calcined coke and remove one existing emergency diesel-fueled internal combustion engine (ICE) and install two new emergency natural gas-fueled ICEs.</p>	<p>Quemetco</p>	<p>Environmental Impact Report (EIR)</p>	<p>A Notice of Preparation/Initial Study (NOP/IS) was released for a 56-day public review and comment period from August 31, 2018 to October 25, 2018, and 154 comment letters were received. Two CEQA scoping meetings were held on September 13, 2018 and October 11, 2018 in the community. South Coast AQMD staff received a preliminary Draft EIR on December 20, 2019 which is undergoing review.</p>	<p>Trinity Consultants</p>

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 13

REPORT: Rule and Control Measure Forecast

SYNOPSIS: This report highlights South Coast AQMD rulemaking activities and public hearings scheduled for 2020.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Executive Officer

PMF:SN:SR:AK:ZS

2020 MASTER CALENDAR

The 2020 Master Calendar provides a list of proposed or proposed amended rules for each month, with a brief description, and a notation in the third column indicating if the rulemaking is for the 2016 AQMP, Toxics, AB 617 BARCT, or Other. Rulemaking efforts that are noted for implementation of the 2016 AQMP, Toxics, and AB617 BARCT are either statutorily required and/or are needed to address a public health concern. Projected emission reductions will be determined during rulemaking.

As discussed in the May Rule Forecast Report, the South Coast AQMD staff is moving forward with rulemaking, recognizing stakeholders' resource limitations due to COVID-19. To maintain social distancing while integrating public participation in the rulemaking process, staff is connecting with stakeholders using tele- and videoconferencing. Also, staff has increased the review time of Working Group materials to allow stakeholders additional time to prepare for meetings. Lastly, Working Group Meetings have been restructured to be shorter in duration to better accommodate

the tele- and video-conferencing format. Critical and legally required rulemaking activities continue to move forward, without sacrificing full public participation. The following symbols next to the rule number indicate if the rulemaking will be a potentially significant hearing, will reduce criteria pollutants, or is part of the RECLAIM transition. 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.*

The following table 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.

442.1	Usage of Solvent
1107	Coating of Metal Parts and Products
1124	Aerospace Assembly and Component Manufacturing Operations
1136	Wood Products Coatings
1145	Plastic, Rubber, Leather, and Glass Coatings
1171	Solvent Cleaning Operations
Proposed Amended Rules 442.1, 1107, 1124, 1136, 1145, and 1171 are being moved from August to December to allow staff additional time to evaluate impacts on affected facilities.	

2020 MASTER CALENDAR

Month	Title and Description	Type of Rulemaking
August		
212	<p>Standards for Approving Permits and Issuing Public Notice Staff will be providing notices that Rule 212 will be submitted to U.S. EPA for SIP approval, with no proposed amendments. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
September		
1111	<p>Reduction of NOx Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces Amendments to Rule 1111 may be needed to address additional time to commercialize furnaces to meet an October 1, 2021 compliance date. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
October		
1179.1 ^{*+}	<p>NOx Emission Reductions from Combustion Equipment at Publicly Owned Treatment Work Facilities Proposed Rule 1179.1 will establish NOx emission limits for combustion equipment burning biofuels to reflect Best Available Retrofit Control Technology and include monitoring, reporting, and recordkeeping requirements at publicly owned treatment works. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT

* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 MASTER CALENDAR (Continued)

Month	Title and Description	Type of Rulemaking
November		
218*# 218.1 218.2 (Added) 218.3 (Added)	<p>Continuous Emission Monitoring</p> <p>Continuous Emission Monitoring Performance Specifications</p> <p>Enhanced Requirements for Continuous Emission Monitoring System</p> <p>Enhanced Requirements for Continuous Emission Monitoring System Performance Specifications</p> <p>Proposed Amended Rules 218 and 218.1 will include existing provisions for continuous emissions monitoring systems for non-RECLAIM facilities with minor revisions. The revised provisions that enhance requirements for Continuous Emissions Monitoring Systems (CEMS) will be included in separate rules, Proposed Rules 218.2 and 218.3, to streamline implementation. As a result, Proposed Rules 218.2 and 218.3 will incorporate the revised provisions for CEMS for non-RECLAIM and former RECLAIM facilities.</p> <p><i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
1407.1*	<p>Control of Toxic Air Contaminant Emissions from Chromium Alloy Melting Operations</p> <p>Proposed Rule 1407.1 will establish requirements to reduce point source and fugitive toxic air contaminant emissions from chromium alloy metal melting operations.</p> <p><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics/ AB 617 CERP

* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 MASTER CALENDAR (Continued)

Month	Title and Description	Type of Rulemaking
December		
442.1 1107 1124 1136 1145 1171	<p>Usage of Solvent Coating of Metal Parts and Products Aerospace Assembly and Component Manufacturing Operations Wood Products Coatings Plastic, Rubber, Leather, and Glass Coatings Solvent Cleaning Operations</p> Proposed Rule 442.1 will prohibit the sale, distribution, and application of materials that do not meet the VOC limits specified in Regulation XI rules. Proposed amendments may also be needed to prohibit circumvention of VOC limits in Rules 1107, 1124, 1136, 1145, and 1171. <small><i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></small>	Other
1147 ^{*+#} 1100 [#]	<p>NOx Reductions from Miscellaneous Sources Proposed Amended Rule 1147 will revise NOx emission limits to reflect Best Available Retrofit Control Technology for miscellaneous combustion sources and that will apply to RECLAIM and non-RECLAIM facilities.</p> <p>Implementation Schedule for NOx Facilities Proposed Amended Rule 1100 will establish the implementation schedule for Rule 1147 equipment at NOx RECLAIM and former NOx RECLAIM facilities. <small><i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></small></p>	AQMP/ AB 617 BARCT
2202*	<p>On-Road Motor Vehicle Mitigation Options Proposed Amended Rule 2202 will streamline implementation for regulated entities, as well as reduce review and administration time for South Coast AQMD staff. Concepts may include program components to facilitate achieving average vehicle ridership (AVR) targets. <small><i>Carol Gomez 909.396.3264; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></small></p>	Other

* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 To-Be-Determined

2020	Title and Description	Type of Rulemaking
209	<p>Transfer and Voiding of Permits Staff may propose amendments to clarify requirements for change of ownership and permits and the assessment of associated fees. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
219	<p>Equipment Not Requiring a Written Permit Pursuant to Regulation II Proposed Amended Rule 219 will add or revise equipment not requiring a written permit. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
222	<p>Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II Proposed Amended Rule 222 will add or revise equipment subject to filing requirements. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
223	<p>Emission Reduction Permits for Large Confined Animal Facilities Proposed Amended Rule 223 will seek additional ammonia emission reductions from large confined animal facilities by lowering the applicability threshold. Proposed amendments will implement BCM-04 in the 2016 AQMP. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
407 [#]	<p>Liquid and Gaseous Air Contaminants Proposed Amended Rule 407 will update SO_x emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT
425	<p>Odors from Cannabis Processing Proposed Rule 425 will establish requirements for control of odors from cannabis processing. <i>Tracy Goss 909.396.3106; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
431.1 [#]	<p>Sulfur Content of Gaseous Fuels Proposed Amended Rule 431.1 will assess exemptions, including RECLAIM, and update other provisions, if needed. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT/ AB 617 CERP
431.2 [#]	<p>Sulfur Content of Liquid Fuels Proposed Amended Rule 431.2 will assess exemptions, including RECLAIM, and update other provisions, if needed. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT/ AB 617 CERP

* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
431.3 [#]	<p>Sulfur Content of Fossil Fuels Proposed Amended Rule 431.3 will assess exemptions, including RECLAIM, and update other provisions, if needed. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT/ AB 617 CERP
461	<p>Gasoline Transfer and Dispensing Proposed Amended Rule 461 will reflect information from CARB, corrections, revisions, and additions to improve the effectiveness, enforceability, and clarity of the rule. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ Toxics
462	<p>Organic Liquid Loading Proposed Amended Rule 462 will incorporate the use of advanced techniques to detect fugitive emissions and Facility Vapor Leak. Other amendments may be needed to streamline implementation and add clarity. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
463	<p>Organic Liquid Storage Proposed Amended Rule 463 will address the current test method and improve the effectiveness, enforceability, and clarity of the rule. Proposed amendments may also be needed to ensure consistency with Rule 1178. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
468 [#]	<p>Sulfur Recovery Units Proposed Amended Rule 468 will update SO_x emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT
469 [#]	<p>Sulfuric Acid Units Proposed Amended Rule 469 will update SO_x emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT

* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1101 [#]	<p>Secondary Lead Smelters/Sulfur Oxides Proposed Amended Rule 1101 will update SOx emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements.</p> <p style="text-align: center;"><i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT
1105 [#]	<p>Fluid Catalytic Cracking Units SOx Proposed Amended Rule 1105 will update SOx emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements.</p> <p style="text-align: center;"><i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT/ AB 617 CERP
1109 ^{*+#} 1109.1 ^{*+#}	<p>Emissions of Oxides of Nitrogen from Boilers and Process Heaters in Petroleum Refineries Reduction of Emissions of Oxides of Nitrogen from Refinery Equipment Proposed Rule 1109.1 will establish NOx emission limits to reflect Best Available Retrofit Control Technology for NOx emitting equipment at petroleum refineries and related operations, and include monitoring, reporting, and recordkeeping requirements. Rule 1109 is proposed to be rescinded.</p> <p style="text-align: center;"><i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT/ AB 617 CERP
1110.2 ^{*+#}	<p>Emissions from Gaseous - and Liquid-Fueled Engines Proposed amendments may be needed for Rule 1110.2 to incorporate possible comments by U.S. EPA for approval in the SIP and/or to address use of emergency standby engines for Public Safety Power Shutoff programs.</p> <p style="text-align: center;"><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT
1113	<p>Architectural Coatings Amendments may be needed to clarify applicability of the rule with respect to distribution.</p> <p style="text-align: center;"><i>Dave DeBoer 909.396.2329; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
1118 [*]	<p>Control of Emissions from Refinery Flares Proposed Amended Rule 1118 will revise provisions to further reduce flaring. The AB 617 Community Emission Reduction Plan has an emission reduction target to reduce flaring by 50 percent if feasible.</p> <p style="text-align: center;"><i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 CERP

* Potentially significant hearing

+ Reduce criteria air contaminants and assist toward attainment of ambient air quality standards

Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1119 [#]	<p>Petroleum Coke Calcining Operations – Oxides of Sulfur Proposed Amended Rule 1119 will update SO_x emission limits to reflect Best Available Retrofit Control Technology, if needed, remove exemptions for RECLAIM facilities, and update monitoring, reporting, and recordkeeping requirements.</p> <p style="text-align: center;"><i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 BARCT/ AB 617 CERP
1121 [*]	<p>Control of Nitrogen Oxides from Residential Type, Natural-Gas-Fired Water Heaters Proposed amendments may be needed further reduce NO_x emissions from water heaters.</p> <p style="text-align: center;"><i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
1133.3	<p>Emission Reductions from Greenwaste Composting Operations Proposed Amended Rule 1133.3 will seek additional VOCs and ammonia emission reductions from greenwaste and foodwaste composting. Proposed amendments will implement BCM-10 in the 2016 AQMP.</p> <p style="text-align: center;"><i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
1134	<p>Emissions of Oxides of Nitrogen from Stationary Gas Turbines Proposed Amended Rule 1134 will revise monitoring, reporting, and recordkeeping provisions to reflect amendments to Proposed Amended Rules 218 and 218.1 and possibly other amendments to address comments from U.S. EPA and to streamline implementation.</p> <p style="text-align: center;"><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT
1135	<p>Emissions of Oxides of Nitrogen from Electricity Generating Facilities Proposed Amended Rule 1135 will revise monitoring, reporting, and recordkeeping provisions to reflect amendments to Proposed Amended Rules 218 and 218.1 and possibly other amendments to address comments from U.S. EPA.</p> <p style="text-align: center;"><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT
1138	<p>Control of Emissions from Restaurant Operations Proposed Amended Rule 1138 will further reduce emissions from char boilers.</p> <p style="text-align: center;"><i>Tracy Goss 909.396.3106; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP

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2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1142	<p>Marine Tank Vessel Operations Proposed Amended Rule 1142 will address VOC and hydrogen sulfide emissions from marine tank vessel operations and provide clarifications. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
1146 [#]	<p>Emissions of Oxides of Nitrogen from Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters Proposed amendments to Rule 1146 may be needed to clarify provisions for industry-specific categories and to incorporate comments from U.S. EPA. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
1146.1 [#]	<p>Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters Proposed amendments to Rule 1146.1 may be needed to clarify provisions for industry-specific categories and to incorporate comments from U.S. EPA. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
1146.2 [#]	<p>Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers and Process Heaters Proposed Amended Rule 1146.2 will be revised to lower the NO_x emission limit to reflect Best Available Retrofit Control Technology. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT
1147 ^{*+[#]} 1147.1 ^{*+[#]}	<p>NO_x Reductions from Miscellaneous Sources NO_x Reductions for Equipment at Aggregate Facilities Proposed Rule 1147.1 will establish NO_x emission limits to reflect Best Available Retrofit Control Technology for NO_x equipment at aggregate facilities and will apply to RECLAIM and non-RECLAIM facilities. Proposed Amended Rule 1147 will remove equipment that will be regulated under Proposed Rule 1147.1. <i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176 and Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT

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Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1147*+ 1147.2*+ 1100*#	<p>NOx Reductions from Miscellaneous Sources NOx Reductions from Metal Melting and Heating Furnaces Proposed Rule 1147.2 will establish NOx emission limits to reflect Best Available Retrofit Control Technology for metal melting and heating furnaces and will apply to RECLAIM and non-RECLAIM facilities. Proposed Amended Rule 1147 will remove equipment that will be regulated under Proposed Rule 1147.2.</p> <p>Implementation Schedule for NOx Facilities Proposed Amended Rule 1100 will establish the implementation schedule for Rule 1147 and 1147.2 equipment at NOx RECLAIM facilities that are transitioning to command-and-control. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT
1148.1*	<p>Oil and Gas Production Wells Proposed Amended Rule 1148.1 will evaluate exemptions under Rule 463 to harmonize implementation for low producers. Other proposed amendments may be needed to further reduce emissions from operations, implement early leak detection, odor minimization plans, and enhanced emissions and chemical reporting from oil and drilling sites consistent with the AB 617 Community Emission Reduction Plan. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other/ AB 617 CERP
1148.2	<p>Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers Proposed amendments to Rule 1148.2 may be needed to improve notifications of well working activities to the community. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other/ AB 617 CERP
1150.3*+	<p>NOx Emission Reductions from Combustion Equipment at Landfills Proposed Rule 1150.3 will establish NOx emission limits for combustion equipment burning biofuels to reflect Best Available Retrofit Control Technology and include monitoring, reporting, and recordkeeping requirements at landfills. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 BARCT

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Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1166	<p>Volatile Organic Compound Emissions from Decontamination of Soil Proposed Amended Rule 1166 will update requirements, specifically concerning notifications and usage of mitigation plans (site specific versus various locations). <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
1173	<p>Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants Proposed revisions to Rule 1173 are being considered based on recent U.S. EPA regulations and CARB oil and gas regulations and revisions to improve the effectiveness, enforceability, and clarity of the rule. Other proposed amendments may be needed to further reduce emissions from operations, implement early leak detection, odor minimization plans, and enhanced emissions and chemical reporting from oil and drilling sites consistent with the AB 617 Community Emission Reduction Plan. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other/ AB 617 CERP
1176	<p>VOC Emissions from Wastewater Systems Proposed Amended Rule 1176 will clarify the applicability of the rule to include bulk terminals under definition of "Industrial Facilities," and streamline and clarify provisions. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other/ AB 617 CERP
1178	<p>Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities Proposed Amended Rule 1178 will incorporate the use of more advanced detection methods for earlier leak detection and improve leak detection and repair programs for storage tanks to further reduce VOC emissions. Proposed amendments will implement one of the actions in the AB 617 Community Emission Reduction Plan. <i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AB 617 CERP

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2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1180	<p>Refinery Fenceline and Community Air Monitoring Revisions to Rule 1180 could be considered to clarify applicability including modification or removal of the threshold exemption for petroleum refineries from the requirements of the rule.</p> <p style="text-align: right;"><i>Michael Krause 909.396.2706; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
1403*	<p>Asbestos Emissions from Demolition/Renovation Activities Proposed Amended Rule 1403 will enhance implementation, improve rule enforceability, and align provisions with the applicable U.S. EPA National Emission Standard for Hazardous Air Pollutants (NESHAP) and other state and local requirements as necessary.</p> <p style="text-align: right;"><i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1415 1415.1	<p>Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems, and Reduction of Refrigerant Emissions from Stationary Refrigeration Systems Proposed Amended Rules 1415 and 1415.1 will align requirements with the proposed CARB Refrigerant Management Program and U.S. EPA's Significant New Alternatives Policy Rule provisions relative to prohibitions on specific hydrofluorocarbons.</p> <p style="text-align: right;"><i>David De Boer 909.396.2329; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other
1420	<p>Emissions Standard for Lead Proposed Amended Rule 1420 will update requirements to address arsenic emissions to close a regulatory gap between Rule 1420 and Rule 1407 - Control of Emissions of Arsenic, Cadmium, and Nickel from Non-Ferrous Metal Melting Operations.</p> <p style="text-align: right;"><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1420.2	<p>Emission Standards for Lead from Metal Melting Facilities Proposed Amended Rule 1420.2 will update requirements to address arsenic emissions to close a regulatory gap between Rule 1420 and Rule 1407 - Control of Emissions of Arsenic, Cadmium, and Nickel from Non-Ferrous Metal Melting Operations.</p> <p style="text-align: right;"><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics

* *Potentially significant hearing*

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Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1426*	<p>Reduction of Toxic Air Contaminants from Metal Finishing Operations</p> <p>Proposed amendments to Rule 1426 will establish requirements to reduce nickel, cadmium, hexavalent chromium, and other air toxics from plating and related operations. Proposed Amended Rule 1426 will establish requirements to control point source and fugitive toxic air contaminant emissions.</p> <p style="text-align: center;"><i>Jillian Wong 909.396.3176; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics/ AB 617 CERP
1435*	<p>Control of Emissions from Metal Heat Treating Processes</p> <p>Proposed Rule 1435 will establish requirements to reduce point source and fugitive toxic air contaminants including hexavalent chromium emissions from heat treating processes. Proposed Rule 1435 will also include monitoring, reporting, and recordkeeping requirements.</p> <p style="text-align: center;"><i>Jillian Wong 909.396.3176; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics/ AB 617 CERP
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 style="text-align: center;"><i>TBD; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1450*	<p>Control of Methylene Chloride Emissions</p> <p>Proposed Rule 1450 will reduce methylene chloride emissions from furniture stripping and establish monitoring, reporting, and recordkeeping requirements.</p> <p style="text-align: center;"><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; and Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1469*	<p>Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations</p> <p>Proposed amendments to Rule 1469 may be needed to address use of chemical fume suppressants or other implementation issues.</p> <p style="text-align: center;"><i>Jillian Wong 909.396.3176; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1469.1*	<p>Spraying Operations Using Coatings Containing Chromium</p> <p>Proposed Amended Rule 1469.1 will establish additional requirements to address hexavalent chromium emissions from spraying operations using chromium primers or coatings.</p> <p style="text-align: center;"><i>Jillian Wong 909.396.3176; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics/ AB 617 CERP

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Part of the transition of RECLAIM to a command-and-control regulatory structure

2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
1470	<p>Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines</p> <p>Proposed Amended Rule 1470 will establish additional provisions to reduce the exposure to diesel particulate from new and existing small (≤ 50 brake horsepower) diesel engines located near sensitive receptors. Proposed amendments may be needed to address use of engines during Public Safety Power Shutoffs.</p> <p style="text-align: right;"><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1472	<p>Requirements for Facilities with Multiple Stationary Emergency Standby Diesel-Fueled Internal Combustion Engines</p> <p>Proposed Amended Rule 1472 will remove provisions that are no longer applicable, update and streamline provisions, and assess the need for a Compliance Plans.</p> <p style="text-align: right;"><i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Toxics
1480	<p>Toxics Monitoring</p> <p>Proposed amendments to Rule 1480 may be needed to remove fee provisions if they are incorporated in Regulation III.</p> <p style="text-align: right;"><i>Jillian Wong 909.396.3176; CEQA: Jillian Wong 909.396.3176 and Socio: Ian MacMillan 909.396.3244</i></p>	Toxics/ AB 617 CERP
2305 ^{*+}	<p>Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (WAIRE) Program</p> <p>Proposed Rule 2305 will both reduce emissions and facilitate local and regional emission reductions associated with warehouses and the mobile sources attracted to warehouses.</p> <p style="text-align: right;"><i>Ian MacMillan 909.396.3244; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ AB 617 CERP
Reg. III	<p>Fees</p> <p>Staff recently proposed six minor amendments (including two that would raise fees) to Regulation III and Rule 1480. However, given the recent circumstances stemming from the COVID-19 pandemic, staff is no longer proposing the amendments to Regulation III or Rule 1480 this year. In addition, staff is proposing to credit back this year's automatic 2.8% CPI increase as a budget action so that facilities will not experience any new fee increases for this upcoming fiscal year (FY 2020-2021).</p> <p style="text-align: right;"><i>Ian MacMillan 909.396.3244; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	Other

* Potentially significant hearing

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2020 To-Be-Determined (Continued)

2020	Title and Description	Type of Rulemaking
Reg. XIII*#	<p>New Source Review Proposed Amended Regulation XIII will revise New Source Review provisions to address facilities that are transitioning from RECLAIM to a command-and-control regulatory structure. Staff may be proposing a new rule within Regulation XIII to address offsets for facilities that transition out of RECLAIM. <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
Reg. XX*#	<p>RECLAIM Proposed Amended Regulation XX will address the transition of RECLAIM facilities to a command and control regulatory structure <i>Michael Morris 909.396.3282; CEQA: Jillian Wong 909.396.3176; Socio: Ian MacMillan 909.396.3244</i></p>	AQMP
Reg. XXIII*+	<p>Facility-Based Mobile Sources Proposed rules within Regulation XXIII would reduce emissions from indirect sources (e.g., mobile sources that visit facilities). The rule or set of rules that would be brought for Board consideration would reduce emissions from railyards. <i>Ian MacMillan 909.396.3244; CEQA: Jillian Wong 909.396.3176 Socio: Ian MacMillan 909.396.3244</i></p>	AQMP/ Toxics/ AB 617 CERP
Reg. II, IV, XIV, XI, XIX, XXIII, XXIV, XXX and XXXV	<p>Various rule amendments may be needed to meet the requirements of state and federal laws, implement OEHHA’s 2015 revised risk assessment guidance, changes from OEHHA to new or revised toxic air contaminants or their risk values, address variance issues/technology-forcing limits, to abate a substantial endangerment to public health or additional reductions to meet SIP short-term measure commitments. The associated rule development or amendments include, but are not limited to, South Coast AQMD existing, or new rules to implement the 2012 or 2016 AQMP measures. This includes measures in the 2016 AQMP to reduce toxic air contaminants or reduce exposure to air toxics from stationary, mobile, and area sources. Rule adoption or 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 adoption or amendments may be needed to implement AB 617 including but not limited to BARCT rules, Community Emission Reduction Plans prepared pursuant to AB 617, or new or amended rules to abate a public health issue identified through ambient monitoring.</p>	Other/ AQMP/ Toxics/ AB 617 BARCT/ AB 617 CERP

* Potentially significant hearing

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Part of the transition of RECLAIM to a command-and-control regulatory structure

 [Back to Agenda](#)

BOARD MEETING DATE: June 5, 2020

AGENDA NO. 14

PROPOSAL: Report of RFQs Scheduled for Release in June

SYNOPSIS: This report summarizes the RFQs for budgeted services over \$100,000 scheduled to be released for advertisement for the month of June.

COMMITTEE: Administrative, May 8, 2020, Reviewed

RECOMMENDED ACTION:

Approve the release of RFQs for the month of June.

Wayne Nastri
Executive Officer

SJ:tm

Background

At its January 10, 2020 meeting, the Board approved a revised Procurement Policy and Procedure. Under the revised policy, RFQs for budgeted items over \$100,000, which follow the Procurement Policy and Procedure, no longer require individual Board approval. However, a monthly report of all RFQs over \$100,000 is included as part of the Board agenda package and the Board may, if desired, take individual action on any item. The report provides the title and synopsis of the RFQ, the budgeted funds available, and the name of the Deputy Executive Officer/Asst. Deputy Executive Officer responsible for that item. Further detail including closing dates, contact information, and detailed proposal criteria will be available online at <http://www.aqmd.gov/grants-bids> following Board approval on June 5, 2020.

Outreach

In accordance with South Coast AQMD's Procurement Policy and Procedure, a public notice advertising the RFQs and inviting bids will be published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's

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

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

Proposal Evaluation

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

Attachment

Report of RFQs Scheduled for Release in June 2020

ATTACHMENT

June 5, 2020 Board Meeting Report on RFQs Scheduled for Release on June 5, 2020

(For detailed information visit SCAQMD's website at <http://www.aqmd.gov/nav/grants-bids> following Board approval on June 5, 2020)

STANDARDIZED SERVICES

RFQ 2020-17 Issue Request for Quotations to Lease Mailing OLVERA/2309
Equipment

South Coast AQMD's current lease for high-volume United States Postal Service (USPS)-compliant postage and shipping equipment expires October 31, 2020. The lease also includes equipment that folds, inserts and addresses outgoing mail. South Coast AQMD's in-house Mail Center processes all daily incoming and outgoing mail. Staff also coordinates large South Coast AQMD mailings that require folding, inserting, sealing, removing duplicate addresses, addressing/labeling, and metering. The purpose of this RFQ is to solicit qualified vendors interested in leasing, installing, and maintaining high-production United States Postal Service (USPS)-compliant mailing, shipping, folding/inserting, and addressing systems as specified in this RFQ and in providing staff training in the use of leased equipment.

BOARD MEETING DATE: June 5, 2020

AGENDA NO. 15

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 South Coast AQMD operations. This action is to provide the monthly status report on major automation contracts and planned projects.

COMMITTEE: Administrative, May 8, 2020, Reviewed

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Executive Officer

RMM:MAH:XC:agg

Background

Information Management (IM) provides a wide range of information systems and services in support of all South Coast AQMD 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 and Board-approved amendments to the Budget specify projects planned during the fiscal year to develop, acquire, enhance, or maintain mission-critical information systems.

In light of COVID-19 and the related budget impact, we are evaluating all of our projects and delaying any non-critical projects as long as possible.

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
June 5, 2020 Board Meeting
Status Report on Major Ongoing and Upcoming Projects for Information Management

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
Office 365 Implementation	Acquire and implement Office 365 for South Coast AQMD staff	\$350,000	<ul style="list-style-type: none"> • Pre-assessment evaluation and planning completed • Board approved funding on October 5, 2018 • Developed implementation and migration plan • Acquired Office 365 licenses • Implemented Office 365 email (Exchange) and migrated all users • Trained staff in Office 365 Pro Plus desktop software • Implemented Office 365 Pro Plus, Office Web, and OneDrive for Business 	<ul style="list-style-type: none"> • Implement Office 365 internal website (SharePoint) and migrate existing content
Permitting System Automation Phase 1	New Web application to automate the filing of permit applications with immediate processing and issuance of permits for specific application types: Dry Cleaners, Gas Stations, and Automotive Spray Booths	\$694,705	<ul style="list-style-type: none"> • Automated 400A form filing, application processing, and online permit generation for Dry Cleaner, Automotive Spray Booth, and Gas Station Modules deployed to production • Enhanced processing of school locations with associated parcels • Deployed upgraded GIS Map integration and enhanced sensitive receptor identification and distance measurement work 	<ul style="list-style-type: none"> • Continue Phase 1.1 project outreach support • New version of On Line Application Filing (OLAF) that includes Rule 212(c)(1) Implementation Guidance

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
Permitting System Automation Phase 2	Enhanced Web application to automate filing of permit applications, Rule 222 equipment and registration for IC engines; implement electronic permit folder and workflow for internal South Coast AQMD users	\$525,000	<ul style="list-style-type: none"> • Board approved initial Phase 2 funding December 2017 • Phase 2 project startup and detail planning completed May 2018 • Business process model approved • Board approved remaining Phase 2 funding October 5, 2018 • Permitting Automation Workflow/Engineer shadowing/interviewing completed • Report outlining recommendations for automation of Permitting Workflow completed • Developed application submittals and form filing of the first nine of 32 400-E forms • Application submittals and form filing for 23 types of equipment under Rule 222 ready for User Testing completed • Deployed to production top three most frequently used R222 forms: Negative Air Machines, Small Boilers, and Charbroilers 	<ul style="list-style-type: none"> • Complete User Testing for first nine 400-E forms • Complete User Acceptance Testing (UAT) and Deployment to production of Emergency IC Engines Form (EICE-RE) • Complete User Acceptance Testing (UAT) and Deployment of remaining twenty-two R222 forms to production

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
Document Conversion Services	Document Conversion Services to convert paper documents stored at South Coast AQMD facilities to electronic storage in OnBase	\$83,000	<ul style="list-style-type: none"> • Released RFQ October 5, 2018 • Approved qualified vendors January 4, 2019 • Executed purchase orders for scanning services • Converted over 1,207,500 rule administrative record documents 	<ul style="list-style-type: none"> • Convert over 2,000,000 contract documents
Replace Your Ride (RZR)	New Web application to allow residents to apply for incentives to purchase newer, less polluting vehicles	\$301,820	<ul style="list-style-type: none"> • Phase 2 and 3 Fund Allocation, Administration, Management Reporting modules, VIN Number, Case Manager, Auto e-mail and document library updates deployed and in production • Implemented following modifications: Electric Vehicle Service Equipment, email templates, call center hours, additional incentive amounts, VIN Number scramble modifications and replacement option choices to allow admin to process application more efficient. 	<ul style="list-style-type: none"> • Implementation of RZR and PeopleSoft Financial integration module
South Coast AQMD Mobile Application Enhancements	Enhancement of Mobile application with addition of advance notification, alternative fuel station search, media integration, infrastructure for hourly migration, and performance improvements	\$100,000	<ul style="list-style-type: none"> • Project charter released • Task order issued, evaluated and awarded • Code development of Phase 1, alternative fuel, media integration, and performance improvements completed • User Acceptance Testing of Phase 1 completed • Completed deployment to both Apple and Google App stores 	<ul style="list-style-type: none"> • Develop vision and scope for next phase of enhancements

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
Legal Division New System Development	Develop new web-based case management system for Legal Division to replace existing system	\$500,000	<ul style="list-style-type: none"> • Task order issued, evaluated and awarded • Project charter finalized • Business Process Model completed • Sprint 1, 2 and 3 functional and system design completed • Testing of Sprints 1–3: NOVs, MSPAP, settlements, civil and small claims completed • Sprint 4 functional and design requirements: criminal, bankruptcy, non-NOV cases and check registers completed • Sprint 5 functional and design requirements–investigative assignments completed • Deployed IM servers and User Testing for Sprints 1-5 modules • OnBase and finance integrated • User Acceptance Testing completed • Sprint 6 development, reports, and data migration completed 	<ul style="list-style-type: none"> • Parallel testing • Deployment to production

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
Flare Event Notification – Rule 1118	Develop new web-based application to comply with Rule 1118 to improve current flare notifications to the public and staff	\$100,000	<ul style="list-style-type: none"> • Project charter released • Task order issued, evaluated and awarded • Requirement gathering and design for Sprint 1, 2, and 3 completed • Sprint 4 and Public Portal implementation completed • Major incident notification deployed • Refinery user training completed • Application demo completed • Deployed to production on December 12, 2019 including major incident reporting on public portal • Phase I Bug fixes deployed to production after initial deployment 	<ul style="list-style-type: none"> • Phase II development (administrative and reporting pages) • Phase II User Acceptance Testing
AQ-SPEC Cloud Platform	Develop a cloud-based platform to manage and visualize data collected by low-cost sensors	\$385,500	<ul style="list-style-type: none"> • Project charter released • Task order issued, evaluated, and awarded • Business requirements gathering completed • System architecture, data storage, and design data ingestion completed • Data transformations, calculations, and averaging completed • Dashboards, microsites, and data migration completed • Release 2 User Acceptance Testing completed 	<ul style="list-style-type: none"> • Deployment to production

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
PeopleSoft Electronic Requisition	South Coast AQMD is implementing an electronic requisition for PeopleSoft Financials. This will allow submittal of requisitions online, tracking multiple levels of approval, electronic archival, pre-encumbrance of budget, and streamlined workflow	\$75,800	<ul style="list-style-type: none"> • Project charter released • Task order issued, evaluated, and awarded • Requirement gathering and system design completed • System setup and code development and user testing for Information Management completed • System setup and code development and User Acceptance Testing completed for AHR (Administrative and Human Resources) 	<ul style="list-style-type: none"> • Deployment to IM and AHR divisions • Integrated User Testing for other divisions
Rule 1403 Enhancements	The Rule 1403 web application automates the Rule 1403 notification process. Enhancements to the system are now required to streamline the process and meet the new rule requirements	\$68,575	<ul style="list-style-type: none"> • Project charter released • Task order issued, evaluated and awarded • Business requirements gathering completed • Phase 1 Development completed • Phase 2 Development completed • System Integration Testing and User Acceptance Testing in Development Environment completed • Deployment for stage testing completed 	<ul style="list-style-type: none"> • Complete System Integration Testing and User Acceptance Testing in Stage Environment • System deployment to Production Environment
Renewal of OnBase Software Support	Authorize the sole source purchase of OnBase software subscription and support for one year	\$140,000	<ul style="list-style-type: none"> • Board approved May 1, 2020 	<ul style="list-style-type: none"> • Execute contract July 15, 2020

Project	Brief Description	Estimated Project Cost	Completed Actions	Upcoming Milestones
				<ul style="list-style-type: none"> •
Oracle PeopleSoft Software Support	Authorize sole source purchase of Oracle PeopleSoft software support and maintenance for the integrated Finance/HR system	\$254,760		<ul style="list-style-type: none"> • Request Board approval June 5, 2020 • Execute contract July 15, 2020
Cybersecurity Assessment	Perform a cybersecurity risk assessment, maturity assessment, and penetration testing	\$100,000 (not included in FY 2020-21 Budget)		<ul style="list-style-type: none"> • Release RFP December 4, 2020 • Award Contract February 5, 2021 • Complete Cybersecurity assessment May 31, 2021
VW Environmental Mitigation Action Plan Project	CARB has assigned South Coast AQMD to develop web applications for two projects: Zero-Emission Class 8 Freight and Port Drayage Truck Project and Combustion Freight and Marine Project. The agency is also responsible for maintaining a database that will be queried for reporting perspectives for CARB	\$355,000	<ul style="list-style-type: none"> • Draft Charter Document issued • Project Initiation completed • Task order issued • Deployed Phase I to production on Dec. 6, 2019 • Initial deployment of Phase II to production – Messaging, Evaluation, and Administration functionalities completed March 3, 2020 	<ul style="list-style-type: none"> • Development of evaluation module and calculation module • Development of Phase III - ZE Class 8 project, Contracting, and Inspection and Form creation for Class 8

Projects that have been completed within the last 12 months are shown below.

Completed Projects	
Project	Date Completed
Renewal of HP Server Maintenance & Support	April 30, 2020
Rule 1180 Fence Line Monitoring Web Site Enhancements	April 3, 2020
Volkswagen Environmental Mitigation Administration and Communication Module	March 3, 2020
Data Cable Infrastructure Installation	February 31, 2020
Prequalify Vendor List for PCs, Network Hardware, etc.	February 7, 2020
Mobile Application Enhancements Including Spanish Language	January 23, 2020
Annual Emissions Reporting System	December 31, 2019
Rule 1180 Fence Line Monitoring Website	December 31, 2019
Online filing of Rule 222 – Negative Air Machines, Small Boilers, and Charbroilers Modules	December 13, 2019
Flare Notification System	December 12, 2019
Volkswagen Environmental Mitigation Application Filing Portal	December 7, 2019
CLASS Database Software Licensing and Support	November 30, 2019
Office 365 Suite Implementation of File Storage (OneDrive for Business)	November 22, 2019
Ingres Database Migration to Version 11	August 23, 2019
Renewal of OnBase Software Support	July 15, 2019
Telecommunications Service	July 15, 2019
AB 617 – Community Monitoring Data Display Web Application	July 9, 2019
Online filing of Rule 1415 – Reduction of Refrigerant Emissions System	June 5, 2019

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 17

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee held a meeting on Friday, May 8, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Dr. William A. Burke, Chair
Administrative Committee

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Committee Members

Present: Dr. William A. Burke/Chair (videoconference)
Council Member Ben Benoit/Vice Chair (videoconference)
Council Member Judith Mitchell (videoconference)
Council Member Michael Cacciotti (videoconference)

Absent: None

Call to Order

Chair Burke called the meeting to order at 10:11 a.m.

DISCUSSION ITEMS:

1. **Board Members' Concerns:** None to report.
2. **Chairman's Report of Approved Travel:** None to report.
3. **Report of Approved Out-of-Country Travel:** None to report.
4. **Review June 5, 2020 Governing Board Agenda:** Nothing to report.

5. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):**
None to report.
6. **Monthly Update on Economic Forecast and Key Indicators:** Jill Whynot, Chief Operating Officer, provided an update on recent economic forecasts, revenue and expenditures, current vacancy rate and number of actual employees, permit applications received and permits not renewed, requests submitted to the Fee Review Committee, and CEQA documents received. Dr. Burke asked about the difference in revenue from March 2019 to March 2020. Council Member Cacciotti responded that the shelter-in-place began in March 2020 which explains the small increase. Ms. Whynot reported that the Alameda court hearing and potential future decision prompted some key staff to retire early. Dr. Burke asked how much money these staff departures represent. Ms. Whynot will research that and report back, but the estimated budget savings is \$900,000 annually. Dr. Burke asked about permit revenue. Ms. Whynot responded it varies by permit type and additional information will be added to future briefings. Council Member Cacciotti commented that the pandemic has impacted cities which is prompting furloughs. Dr. Burke commented that time will tell if the South Coast AQMD will be heavily impacted. Council Member Cacciotti asked when will the labor contracts expire. John Olvera, Deputy Executive Officer/Administrative-Human Resources, responded that the MOUs expire at the end of December 2020. Council Member Mitchell commented that the greatest uncertainty is revenue and that a decrease in permits should be expected. She noted that the vacancy rate will help. Mr. Nastri reported that everything possible is being done to maintain labor costs and we will continue to track permit and other revenue. Council Member Benoit asked about permits for new businesses and renewals. Mr. Nastri responded that more permit detail will be provided in subsequent reports.
7. **South Coast AQMD's FY 2019-20 Third Quarter ended March 31, 2020 Budget vs. Actual (Unaudited):** Sujata Jain, Chief Financial Officer/Finance provided a summary of the budget vs. actual for the third quarter, displayed comparisons for revenue and expenditures and a five-year projection. During this quarter, COVID-19 had not yet made an impact and the impact would most likely be seen in the fourth quarter.
8. **Report of RFQs Scheduled for Release in June:** Ms. Jain reported that this item is to release one RFQ, Issue Request for Quotations to Lease Mailing Equipment.
9. **Status Report on Major Ongoing and Upcoming Projects for Information Management:** Ron Moskowitz, Chief Information Officer/Information

Management reported that the public facing permit application dashboard was deployed last week. Also deployed was an enhancement to the Mobile application which now displays the hourly air quality forecast and provides direct Zoom links to South Coast AQMD public meetings. The phone system upgrade will be deferred. ESRI selected South Coast AQMD from over 1,000 organizations to receive a special award in recognition of outstanding GIS management. The committee members congratulated Mr. Moskowitz and his team for a job well-done.

ACTION ITEM:

10. **Authorize Purchase of Oracle PeopleSoft and Support:** Mr. Moskowitz reported that this request is to authorize the purchase of a three-year software maintenance support contract with Oracle for the integrated Financial and Human Resources system. The software package provides purchasing, accounting, asset management, financial management, project reporting, and payroll and human resources functionality for the District. Funds are available in the budget. Council Member Benoit asked if this is local server-based or iCloud-based. Mr. Moskowitz responded that it is local server-based.

Moved by Mitchell; seconded by Benoit, unanimously approved.

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

OTHER MATTERS:

11. **Other Business:** None.
12. **Public Comment:** Bill LaMarr, Small Business Alliance, requested a copy of the slides for item number 6, the Monthly Update on Economic Forecast and Key Indicators. Harvey Eder, Public Solar Power Coalition, commented on the pandemic as a climate issue in terms of costs and human casualties.
13. **Next Meeting Date:** The next regular Administrative Committee meeting is scheduled for June 12, 2020 at 10:00 a.m.

Adjournment

The meeting adjourned at 10:55 a.m.

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 18

REPORT: Investment Oversight Committee

SYNOPSIS: The Investment Oversight Committee held a meeting on Friday, May 15, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Michael A. Cacciotti, Chair
Investment Oversight Committee

SJ:tm

Committee Members

Present: Council Member Michael Cacciotti, Chair
Committee Member Richard Dixon
Committee Member Brent Mason
Committee Member Patrick Pearce

Absent: Dr. William A. Burke, Vice Chair
Senator Vanessa Delgado (Retired)

Call to Order

Council Member Michael Cacciotti called the meeting to order at 12:04 p.m.

DISCUSSION ITEMS:

1. *Quarterly Report of Investments:* The Committee reviewed the quarterly investment report that was provided to the Board. For the month of March 2020, the South Coast AQMD's weighted average yield on total investments of \$974,275,315 from all sources was 1.72%. The allocation by investment type was 94.0% in the Los Angeles County Pooled Surplus Investment Fund (PSI) and 6.0% in the State of California Local Agency Investment Fund (LAIF) and Special Purpose Investments

(SPI). The one-year Treasury Bill rate as of March 31, 2020 was 0.17%. Chair Cacciotti asked staff about the Negotiable CD from Toronto Dominion Bank in the amount of \$20,000,000 and their thoughts on how to reinvest the amount when it matures on June 29, 2020. Staff responded that after consultation with PFM Asset Management LLC they would most likely reinvest in LAIF or Los Angeles County as treasuries interest rates have dropped. Members of the committee agreed with that approach.

2. Cash Flow Forecast: Sujata Jain, Chief Financial Officer of Finance, reported on the cash flows for the current year and projected for the next three years. South Coast AQMD Investment Policy limits its Special Purpose Investments to 75% of the minimum amount of funds available for investment during the Cash Flow Horizon. That limit, which includes all funds (General, MSRC, Clean Fuels) is \$174.0 million. Current Special Purpose Investments are well below the maximum limit.
3. Financial Market Update: Richard Babbe from PFM Asset Management provided information on current investment markets, economic conditions, and the overall outlook. He presented market information which mainly focused on the impact of COVID-19 on the economy. Service sectors such as airlines, restaurants and movie theaters are more severely affected. Unemployment rose from historic low levels of 3.5% to a historic high of 14%. Although the stock market dropped by 34% in March, it has rebounded in April, to a certain degree. The Federal Reserve made significant cuts to interest rates which are yielding 0.21% and 0.59% for a 2-year and 10-year treasury, respectively. Economists expect a sudden downfall with a recovery that will most likely be U-shaped and which will gradually pick up over the next two years.

OTHER MATTERS:

4. Other Business

There was no other business.

5. Public Comment Period

There were no public comments.

6. Next Meeting Date

The next regular meeting of the Investment Oversight Committee is scheduled for August 21, 2020 at noon.

Adjournment

The meeting adjourned at 12:45 p.m.

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 19

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting on Friday, May 8, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Judith Mitchell, Chair
Legislative Committee

DJA:FW:LTO:PFC:sd:lm:ar

Committee Members

Present: Council Member Judith Mitchell/Chair
Dr. William A. Burke
Senator Vanessa Delgado (Ret.)
Supervisor V. Manuel Perez
Supervisor Janice Rutherford

Absent: Council Member Joe Buscaino/Vice Chair

Call to Order

Chair Judith Mitchell called the meeting to order at 9:10 a.m.

DISCUSSION ITEMS:

1. Update on Federal Legislative Issues

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

Ms. Amelia Jenkins of Cassidy & Associates informed the Committee that the Senate has returned to the Capitol, while the House is scheduled to return next week.

The House is actively compiling the next COVID-19 relief package including state and local grants and aid for non-profits. The House will vote on the bill at the end of May or possibly later depending on negotiations. She will inform South Coast AQMD of any updates as the bill crystallizes given our interest in grants to state and local governments. The Senate would like liability protection for businesses and clean energy related provisions.

Senator Vanessa Delgado asked if South Coast AQMD would be eligible to receive funding through the federal, state, and local grant programs.

Mr. Wayne Nastri, Executive Officer, responded that there are a lot of eligibility questions and we are working with Congressman Garamendi's office on these issues. There may be an error with how special districts are being classified as dependent versus independent. If we can work with Congressman Garamendi's office we may be able to address the issue in federal legislation to enable South Coast AQMD to receive federal grants related to COVID-19 recovery.

Mr. Mark Kadesh of Kadesh & Associates reported that South Coast AQMD is leading an effort with the Bay Area AQMD, San Joaquin Valley APCD, and Sacramento Metropolitan AQMD on key air quality issues. The House Transportation and Infrastructure (T&I) Committee is marking up their Surface Transportation bill and air agencies are working together in support of funding for alternative fuel infrastructure and Targeted Airshed Grants (TAG) as well as the Diesel Emissions Reduction (DERA) program. Mr. Kadesh added that they are currently setting up calls for South Coast AQMD's Executive Officer with T&I Members including Representatives Alan Lowenthal and Grace Napolitano who is the senior Californian on the Committee to garner support for these issues. With regard to the issue of special districts and eligibility for federal grants, we are working with Congressman Garamendi's office. Congressman Garamendi's intent is to resolve the issue so that agencies like South Coast AQMD would be eligible for federal grants.

Ms. Barbara Baird, Chief Deputy Counsel, reported that there is an association of independent special districts which requested eligibility for federal grants under the state and local government provisions of the CARE Act. There is a section of the California Government Code known as Cortese-Knox-Hertzberg that defines special districts. This section of the Government Code references another section which specifically excludes air districts from the definition of independent special districts. There is a list by the State Controller's office which identifies special districts including air pollution control districts as both independent and dependent, so there is a great deal of confusion. Ms. Baird indicated that the best solution would be for Congressman Garamendi's bill to establish clear eligibility for air pollution control districts thereby superceding the state law.

Mr. Nastri advised that another option would be to go to the State Controller's office and request to be reassigned as an independent special district, especially in light of other air districts' designations as independent. He stated further that if Congressman Garamendi's bill establishes clear eligibility, then South Coast AQMD would not need to seek reassignment, but that we are keeping all options open.

Mr. Hoitsma focused his report on the House Surface Transportation bill where there may be opportunities to pursue clean air priorities such as infrastructure, DERA and TAG. The Carmen Group has been reaching out to businesses and industry organizations that have met with South Coast AQMD on air quality issues. These groups are actively working on the next transportation bill and their efforts align with South Coast AQMD such as DERA, TAG and Clean Corridors. Mr. Hoistma suggested a virtual meeting with these stakeholders in the future to further coalesce around common issues.

Chair Mitchell commented that while we are going through this crisis it could present an opportunity to turn to greener, cleaner technologies as the economy recovers. She added that from Mr. Hoitsma's report it sounds like there are federal legislators that are thinking along the lines of clean technology and transportation.

Supervisor Rutherford requested a copy of a document entitled, "Impacts of COVID-19 on South Coast AQMD" that was distributed to staff on the Hill by Cassidy and Associates.

Public Comment: Mr. Harvey Eder from the Public Solar Power Coalition commented about COVID-19 and homelessness.

2. Update on State Legislative Issues

South Coast AQMD's state legislative consultants (California Advisors, LLC, Joe A. Gonsalves & Son, and Resolute) provided written reports on various key issues in Sacramento.

Mr. Ross Buckley of California Advisors, LLC informed the Committee that the State Assembly returned to Sacramento on May 4 and the State Senate will be returning on May 11. The first wave of policy committee meetings were scheduled for a condensed legislative session. Seven or eight committees held hearings while complying with social distancing requirements. There will be only one or two hearings per policy committee, and the number of bills being heard and hearings overall has been significantly reduced. The emphasis has been on moving forward primarily COVID-19 related or other priority legislation. Each committee heard about 5-10 bills in the first wave of hearings.

Dr. Burke asked whether bills that require money are being assigned different qualifications for consideration. Mr. Buckley responded that they are not, however both Chairs of the Senate and Assembly Appropriations Committees have made it clear that they are going to act as gatekeepers against new spending for the state because of the multi-billion dollar deficit that California is currently facing.

Supervisor Perez commented that it will be very difficult to move any bills this year that are going to affect state funding, unless the bills are related to COVID-19. This is similar to the situation that occurred as a result of the great recession in 2008 and the years that followed. In order to move anything this year, we will need to link it to COVID-19.

Supervisor Rutherford requested that staff forward a list of all legislation that South Coast AQMD has taken a position on in 2020 based on the South Coast AQMD Board platform, rather than by a vote of the Legislative Committee. Mr. Alatorre responded that staff will provide this information to the Committee members.

Dr. Burke referenced a conversation he had with a state legislator on budget funding requests, and a request from a local newspaper for him to write an op-ed letter. Dr. Burke expressed that he now believes the legislator probably really wanted to help, but was unable to because of the poor financial situation of the state. Dr. Burke recommended that the op-ed invitation be turned down. Chair Mitchell, Senator Delgado and Supervisor Perez agreed. Supervisor Perez suggested that a letter be written to the legislator acknowledging their good work in a tough situation and that hopefully later when the financial situation is better, air quality concerns can be better funded.

Chair Mitchell pointed out how those suffering from disproportionate air pollution exposure, especially in disadvantaged communities, are suffering worse health impacts from COVID-19, and that AB 617 is our primary pathway to help address this situation. Chair Mitchell suggested that this should be included in any letter to the Legislature.

Mr. Nastri suggested that the South Coast AQMD Board may want to consider reaching out to the Governor's Task Force on Business and Jobs Recovery. This presents an opportunity to make the link between COVID-19 and public health and the disproportionate impacts of air pollution. Further, it can be shown how clean technology can help drive the economy forward and why it is important to make those kinds of investments in programs like AB 617. Chair Mitchell asked if the Task Force was being chaired by Tom Steyer and Mr. Nastri responded in the affirmative and added that it is also being chaired by Ann O'Leary. Chair Mitchell, Supervisor Perez, and Senator Delgado expressed support for this approach.

Mr. Paul Gonsalves of Joe A. Gonsalves & Son mentioned that the over \$50 billion state budget deficit is a projection and we will not know actual numbers until the state income tax revenues are received in July. The legislative calendar is highly condensed and the Assembly, for example, is trying to hear its own bills in a matter of weeks. The Senate is a week behind the Assembly, and the Assembly is scheduled to go on summer recess from June 19 to July 13. The Senate is scheduled to go on summer recess from July 3 to July 13. Mr. Gonsalves explained that the State Budget deadline of June 15 and the adjournment date of August 31 are constitutional deadlines that cannot be changed without a constitutional amendment. However, budget trailer bills are expected to happen after the June 15 deadline. Also, the Governor has the power to call a special legislative session later in the year, and this is very possible.

Dr. Burke asked whether any of the South Coast AQMD's state legislative efforts will be approved this session. Mr. Gonsalves responded that it will be very difficult and that 70% of the bill load has essentially vanished. Dr. Burke inquired as to which of the South Coast legislative priorities are likely to pass. Mr. Gonsalves responded that South Coast AQMD will need to shift with the changing legislative environment to try and eliminate hurdles to our legislative goals.

Chair Mitchell asked about the prospects of AB 617 funding for this year. Mr. Gonsalves responded that he believes the prospects are still good, however South Coast AQMD should not ask for more money than it received last year.

Senator Delgado added that it is important to think of other strategies to achieve our goals.

Mr. David Quintana of Resolute informed the Committee that the U.S. Department of Labor reported that the U.S. lost 20.5 million jobs in April, which pushed the country's unemployment rate up to 14.7%. Also, on May 14, the Governor will be releasing his May Revised State Budget. He previewed that by revealing that there is going to be a \$54.3 billion deficit in the state budget. There have also been 4.3 million new unemployment claims filed since March 12th in California.

Mr. Quintana reported that his discussions with the Governor's Office indicated that the state plan will be based two-thirds on borrowing funding and one-third on budget cuts to try and get the state out of this deficit. There will also be tax modifications, including a tax on vaping and a possible elimination of some tax credits. It is expected that there will be an \$18 billion cut in guaranteed minimum K-12 funding.

Mr. Quintana reported that South Coast AQMD's draft budget request legislator sign-on letter was well received by Assemblymember Eduardo Garcia, who has been a strong champion for the South Coast on air quality issues. His staff is making

minor edits to the letter and Assemblymember Garcia would like to have Assemblymembers Timothy Grayson and Cristina Garcia serve as co-signers with him on the letter if possible.

Mr. Quintana commented that this situation requires creative strategies to achieve legislative priorities. Relationships are key to helping to move things forward. There will be budget trailer bills, including an economic stimulus trailer bill. As the state ultimately begins to open up, the financial picture will start to look better. This will create opportunities that we will need to be ready to take advantage of.

- 3. Update on Legislation Regarding Voting District Authorization for Clean Air**
Mr. Derrick Alatorre, Deputy Executive Officer of Legislative, Public Affairs & Media provided an update regarding South Coast AQMD-sponsored legislation relating to the authorization of a voting district within the South Coast region to allow for potential ballot funding measures within the District.

OTHER MATTERS:

- 4. Other Business**

There was no other business.

- 5. Public Comment Period**

Mr. Henry Fung provided public comment regarding the South Coast AQMD's Voting District Authorization bill and stated that there has not been enough community outreach done regarding the bill. He would like to see such outreach done. He also referenced new fees within the Regional Transportation Plan by the Southern California Association of Governments.

- 6. Next Meeting Date**

The next regular Legislative Committee meeting is scheduled for Friday, June 12, 2020 at 9:00 a.m.

Adjournment

The meeting adjourned at 10:06 a.m.

Attachments

1. Attendance Record
2. Update on Federal Legislative Issues – Written Reports
3. Update on State Legislative Issues – Written Reports

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING (VIA ZOOM) ATTENDANCE RECORD – May 8, 2020

Dr. William A. Burke.....	South Coast AQMD Board Member
Senator Vanessa Delgado (Ret.)	South Coast AQMD Board Member
Council Member Judith Mitchell	South Coast AQMD Board Member
Supervisor V. Manuel Perez	South Coast AQMD Board Member
Supervisor Janice Rutherford.....	South Coast AQMD Board Member
Teresa Acosta	Board Consultant (Delgado)
Thomas Gross	Board Consultant (Benoit)
Jacob Haik.....	Board Consultant (Buscaino)
Fred Minassian.....	Board Consultant (Mitchell)
Andrew Silva	Board Consultant (Rutherford)
Mark Taylor	Deputy Chief of Staff (Rutherford)
Ross Buckley	California Advisors, LLC
Jed Dearborn.....	Cassidy & Associates
Paul Gonsalves	Joe A. Gonsalves & Son
Gary Hoitsma	Carmen Group, Inc.
Amelia Jenkins.....	Cassidy & Associates
Mark Kadesh.....	Kadesh & Associates
David Quintana	Resolute
Dave Ramey.....	Kadesh & Associates
Mark Abramowitz	
Betsy Brien	
Curtis Coleman	Southern California Air Quality Alliance
Alex Davis	
Jeff Dunn	
Kris Flaig	
Henry Fung	
Frances Keeler	
Bill LaMarr	California Small Business Alliance
Eli Lipman	
Bridget McCann.....	Western States Petroleum Association
Erick Martell	
Margo Parks	
David Rothbart.....	Los Angeles County Sanitation Districts
Patty Senecal	
Brissa Sotelo-Vargas	
Peter Whittingham	Whittingham Public Affairs Advisors
Derrick Alatorre	South Coast AQMD Staff
Jason Aspell	South Coast AQMD Staff
Barbara Baird.....	South Coast AQMD Staff
Naveen Berry	South Coast AQMD Staff
Philip Crabbe	South Coast AQMD Staff
Stacy Day	South Coast AQMD Staff
Amir Dejbakhsh.....	South Coast AQMD Staff

Philip Fine.....South Coast AQMD Staff
Bayron Gilchrist.....South Coast AQMD Staff
Sheri Hanizavareh.....South Coast AQMD Staff
Kathryn Higgins.....South Coast AQMD Staff
Sujata Jain.....South Coast AQMD Staff
Matt Miyasato.....South Coast AQMD Staff
Ron Moskowitz.....South Coast AQMD Staff
Wayne Nastri.....South Coast AQMD Staff
Stephano Padilla.....South Coast AQMD Staff
Stacey Pruitt.....South Coast AQMD Staff
Sarah Rees.....South Coast AQMD Staff
Aisha Reyes.....South Coast AQMD Staff
Alicia Rodriguez.....South Coast AQMD Staff
Denny Shaw.....South Coast AQMD Staff
Jeanette Short.....South Coast AQMD Staff
Lisa Tanaka O'Malley.....South Coast AQMD Staff
Fabian Wesson.....South Coast AQMD Staff
Jill Whynot.....South Coast AQMD Staff
William Wong.....South Coast AQMD Staff
Paul Wright.....South Coast AQMD Staff

ATTACHMENT 2a



CASSIDY | ASSOCIATES

To: South Coast Air Quality Management District
From: Cassidy & Associates
Date: April 23, 2020
Re: April Report

HOUSE/SENATE

The House came back to session to hold an in-person vote on April 22nd and passed legislation to extend the Paycheck Protection Program. The top-line numbers of the current deal are: \$300 billion for the Paycheck Protection Program (PPP), \$75 billion for hospitals, \$25 billion for testing, \$60 billion for SBA disaster/small lenders.

The latest package was delayed over debates for funding STATE AND LOCAL governments. The CARES 3.5 legislation did NOT include additional funding for state and local governments. It is anticipated there will be another round of negotiations in the coming months. Of interest to South Coast AQMD is the allocation of funding for “subdivisions of the state” or a specific reference to air quality agencies that would enable South Coast AQMD to qualify for direct funding without a passthrough from the State.

Cassidy and Associates support in April:

- Drafted and distributed one-page summary of COVID impacts to South Coast AQMD to Hill offices.
- Streamed information to key Hill and leadership offices on South Coast AQMD funding needs not met by current funding programs.
- Strategized with South Coast AQMD staff on how to craft legislative language that would enable South Coast AQMD to compete for federal funding
- Collaborated with other consultants on solutions for funding
- Attended and participated in weekly consultant calls and ad hoc calls as requested.

Government funding, major programs up for renewal Sept. 30

- Government funding for fiscal year year2021 must be addressed to avoid shutdown
- Annual defense authorization, surface transportation also on deck

Other expirations include:

- Surveillance authorities that lapsed on March 15
- Federal health programs, which are now set to expire Nov. 30. Renewal has been targeted for action on surprise billing, drug pricing
- Pandemic response programs, many of which expire at the end of year
- Tax extenders, including for energy and alcohol, which expire Dec. 31

Important Legislative Dates

May

House National Defense Authorization Act (NDAA) floor action planned

Senate Armed Services Committee planned fiscal year 2021 NDAA markup

June

Senate NDAA measure could come to the floor

July

NDAA conference could start

Sept. 30

Fiscal year 2020 funding expires, as well as other major programs:

- National Defense Authorization Act (\$735.8 billion)
- Surface transportation authorization (FAST Act - \$64.1 billion)
- National Flood Insurance Program (\$30.4 billion)
- National Institutes of Health authorization (\$36.5 billion)
- Every Student Succeeds Act (\$26.1 billion, extends automatically for one year if Congress doesn't act)
- Workforce Innovation and Opportunity Act (\$10 billion)
- Child care and development block grants (\$2.7 billion)
- Federal Communications Commission authorization (\$339.6 million)
- America's Water Infrastructure Act sewer overflow and other grants (\$240 million)
- Runaway and homeless youth programs (\$127.4 million)
- VA authorities, including health care, homelessness (\$69 million)
- Immigration programs, including E-Verify and EB-5 investor visa

Nov. 30 – December 31

- Temporary Assistance for Needy Families
- Community health centers
- Medicare programs

Pandemic Response Programs and Authorities

End Date/Program

June 30, 2020

Paycheck Protection Program – \$349 billion in small business loans

July 31, 2020

Additional \$600 per week federal pandemic unemployment benefit

Sept. 30, 2020

Student loan repayment and interest accrual suspension

Dec. 31, 2020

Treasury Department business, state & local government loan authority

Various temporary tax breaks

Emergency sick and family leave programs

Pandemic unemployment assistance

Medicare sequestration suspension

Changes to banking and accounting rules (could expire sooner if epidemic ends)

March 27, 2025

Special Inspector General for Pandemic Recovery

Sept. 30, 2025

Pandemic Response Accountability Committee, Congressional Oversight Commission

Agency Resources

USA.gov is cataloging all U.S. government activities related to coronavirus. From actions on health and safety to travel, immigration, and transportation to education, find pertinent actions [here](#). Each Federal Agency has also established a dedicated coronavirus website, where you can find important information and guidance. They include: Health and Human Services ([HHS](#)), Centers of Medicare and Medicaid ([CMS](#)), Food and Drug Administration ([FDA](#)), Department of Education ([DoED](#)), Department of Agriculture ([USDA](#)), Small Business Administration ([SBA](#)), Department of Labor ([DOL](#)), Department of Homeland Security ([DHS](#)), Department of State ([DOS](#)), Department of Veterans Affairs ([VA](#)), Environmental Protection Agency ([EPA](#)), Department of the Interior ([DOI](#)), Department of Energy ([DOE](#)), Department of Commerce ([DOC](#)), Department of Justice ([DOJ](#)), Department of Housing and Urban Development ([HUD](#)), Department of the Treasury ([USDT](#)), Office of the Director of National Intelligence ([ODNI](#)), and U.S. Election Assistance Commission ([EAC](#)).

Helpful Agency Contact Information:

U.S. Department of Health and Human Services – Darcie Johnston (Office – 202-853-0582 / Cell – 202-690-1058 / Email – darcie.johnston@hhs.gov)

U.S. Department of Homeland Security – Cherie Short (Office – 202-441-3101 / Cell – 202-893-2941 / Email – cherie.short@hq.dhs.gov)

U.S. Department of State – Bill Killion (Office – 202-647-7595 / Cell – 202-294-2605 / Email – killionw@state.gov)

U.S. Department of Transportation – Sean Poole (Office – 202-597-5109 / Cell – 202-366-3132 / Email – sean.poole@dot.gov)

IMPORTANT DATES: ELECTIONS

2020 ELECTION CALENDAR

JANUARY

S	M	T	W	T	F	S
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FEBRUARY

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MARCH

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DECEMBER

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□ Democratic Caucus
 ○ Democratic Primary
 ★ Democratic Convention
 ★ VP Debate
□ Republican Caucus
 ○ Republican Primary
 ★ Republican Convention
★ Presidential Debate
☑ Election Day
politicopro.com

DATE	STATE	DEMOCRAT	REPUBLICAN
February 3	Iowa	Caucus	Caucus
February 11	New Hampshire	Primary	Primary
February 22	Nevada	Caucus	---
February 29	South Carolina	Primary	---
March 3	Alabama	Primary	Primary
	American Samoa	Primary	Primary
	Arkansas	Primary	Primary
	California	Primary	Primary
	Colorado	Primary	Primary
	Democrats Abroad	Primary	---
	Maine	Primary	Primary
	Massachusetts	Primary	Primary
	Minnesota	Primary	Primary
	North Carolina	Primary	Primary
	Oklahoma	Primary	Primary
	Tennessee	Primary	Primary
	Texas	Primary	Primary
	Utah	Primary	Primary
	Vermont	Primary	Primary
	Virginia	Primary	---
March 8	Puerto Rico	---	Primary
March 10	Hawaii	---	Caucus
	Idaho	Primary	Primary
	Michigan	Primary	Primary
	Mississippi	Primary	Primary
	Missouri	Primary	Primary
	North Dakota	Primary	---
	Washington	Primary	Primary
March 14	North Mariana	Caucus	---
March 17	Arizona	Primary	---
	Florida	Primary	Primary
	Illinois	Primary	Primary
	Ohio	Primary	Primary
March 24	Georgia	Primary	Primary
March 29	Puerto Rico	Primary	---
April 4th	Alaska	Primary	---
	Hawaii	Primary	---
	Louisiana	Primary	Primary
	Wyoming	Caucus	---
April 7	Wisconsin	Primary	Primary
April 28	Connecticut	Primary	Primary
	Delaware	Primary	Primary
	Maryland	Primary	Primary
	New York	Caucus	Primary
	Pennsylvania	Primary	Primary
	Rhode Island	Primary	Primary

DATE	STATE	DEMOCRAT	REPUBLICAN
May 2	Guam	Caucus	---
	Kansas	Primary	---
May 5	Indiana	Primary	Primary
May 12	Nebraska	Primary	Primary
	West Virginia	Primary	Primary
May 19	Kentucky	Primary	Primary
	Oregon	Primary	Primary
June 2	District of Columbia	Primary	---
	Montana	Primary	Primary
	New Jersey	Primary	Primary
	New Mexico	Primary	Primary
	South Dakota	Primary	Primary
June 6	Virgin Islands	Caucus	---
July 13 - 16	Democratic Convention (Milwaukee, WI)	---	---
August 24 - 27	Republican Convention (Charlotte, NC)	---	---
September 29	First Presidential Debate (South Bend, IN)	---	---
October 7	Vice Presidential Debate (Salt Lake City, UT)	---	---
October 15	Second Presidential Debate (Ann Arbor, MI)	---	---
October 22	Third Presidential Debate (Nashville, TN)	---	---
November 3	2020 Presidential Election	---	---

South Coast AQMD Report for the May 2020 Legislative Meeting covering April 2020
Kadesh & Associates

April:

April featured the House and Senate largely in recess, with the House in session on April 23rd to pass HR 266 (aka COVID 3.5) and the Senate doing so earlier by Unanimous Consent with very few Senators present.

In coordination with South Coast AQMD staff we are pursuing eligibility issues for the agency in regard to federal COVID funding and removing the prohibition on state and local units of government from using Tax Credits for repayment to employers (i.e. South Coast AQMD) for mandated paid Emergency Sick Leave and Emergency Family Leave. In coordination with South Coast AQMD staff we have secured a joint letter signed by multiple air pollution control districts within the state advocating for common goals being pursued in federal legislation. We continue to pursue robust funding levels for programs of interest to South Coast AQMD such as DERA and Targeted Airshed Grants.

We continue to pursue support in the delegation for the Clean Corridors legislation. On May 15, 2019 Congressman Mark DeSaulnier (CA-11) announced legislation to launch a major federal program to accelerate the transition to clean transportation technology. The Clean Corridors Act (H.R. 2616) would direct \$3 billion in federal dollars over the coming decade to construct and install infrastructure to support technologies like hydrogen fuel cell and electric battery-powered vehicles.

COVID 3.5

On April 24 President Trump signed HR 266 (Public Law 116-139), a \$484 billion interim spending package that includes:

- \$321.3 billion in additional appropriations to support the Paycheck Protection Program, which the bill would modify to set some funds aside to support loans issued by smaller lenders;
- \$60 billion for separate disaster loans to small businesses;
- \$75 billion for hospitals; and
- \$25 billion for virus testing.

The measure puts the total figure of stimulus spending since the crisis started to almost \$3 trillion, and the Congressional Budget Office in a new study said the nation's deficit could surpass \$3.7 trillion this year. Lawmakers are already talking about the next phase of coronavirus rescue legislation, with no further action expected until at least next month, with both Democrats and Republicans split over how much more relief to provide and where it should go. Congress is not scheduled to be in session until May 4. Debate over the next round of stimulus has stalled on whether states, cities and other units of local should use federal funds to replace lost revenue.

HR 266 is the fourth COVID spending measure since early March, totaling nearly \$3 trillion, an amount of federal aid that far surpasses the sums spent following the 2008 financial crisis.

Contacts:

Contacts included staff and House Members throughout the CA delegation, especially Leadership and Appropriators who were targeted for support on South Coast AQMD issues.

###



To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: April 23, 2020

Re: Federal Update -- Executive Branch

Coronavirus Legislative Push Continues: After enacting three major Coronavirus response initiatives and four bills -- including the \$2.2 trillion CARES Act in March with its \$484 billion add-on supplemental bill in April, Congress and the Administration are now poised to embark on a fourth major legislative push that promises to be even larger in scope and cost. According to the President, this new legislation may include 1) significant new funding for states and local governments to help with lost revenues; 2) up to \$2 trillion in infrastructure including roads, bridges, tunnels and broadband; 3) tax incentives for restaurants, entertainment and sports; and 4) payroll tax cuts to increase economic growth. And this is just a starting point for discussions that are already underway with a strong potential to be even broader in scope. For South Coast AQMD, special focus will be on advocacy for direct grant funding to address lost revenue from COVID-19 and increased funding for incentive programs such as DERA, Targeted Airshed Grants, and infrastructure for electric, hydrogen, and natural gas vehicles.

Trump Administration Posture: With regard to infrastructure especially, it is important to continually note the President's baseline endorsement of the bipartisan Barrasso-Carper surface transportation bill unanimously approved by the Senate Environment and Public Works Committee last year. This bill includes 1) a multi-year reauthorization of DERA with increased funding; 2) \$1 billion to build alternative fuel infrastructure for EVs, hydrogen and natural gas; and 3) \$3 billion for incentives for carbon emission reductions. This is a solid starting point for negotiations on our issues.

Business and Trucking Groups Aligned with SCAQMD: Through our continuing outreach, we detect this month greatly heightened activity, planning and preparation for strong advocacy efforts on the COVID 4 bill, many devoted to causes that align with SCAQMD priorities. These would include greater funding and incentives for faster truck fleet turnovers, broader use of electric and low- and zero-emission vehicles, more R&D for advanced vehicle technologies and fueling infrastructure, and support for DERA.

EPA Retains NAAQS Standards for Particulate Matter: The EPA announced in April that it is proposing to retain, without changes, the National Ambient Air Quality Standards (NAAQS) for particulate matter (PM), including both fine particles (PM2.5) and coarse particles (PM10). The proposal comes pursuant the statutory requirement of the Clean Air Act that calls for separate reviews of the standards as they apply to each of the six major criteria air pollutants, of which PM is one, within a five-year timeframe.

Proven Process. Proven Results.™

NHTSA/EPA Publish Final SAFE Rule: On March 31, the National Highway Traffic Safety Administration (NHTSA) and the Environmental Protection Agency (EPA) released the final SAFE rule setting corporate average fuel economy (CAFE) and CO2 emissions standards for cars and light trucks in model years 2021-2026, meeting a self-imposed April 1 deadline. The rule will increase the stringency of the standards by 1.5% each year through 2026 (compared to 5% each year under the standards set in 2012) and reach a 40.4 mpg projected overall industry average required fuel economy in 2026 (compared to a 46.7 mpg industry average under the 2012 standards).

EPA Announces Funds Available for Tribal DERA Grants: The EPA announced in April the availability of \$2 million in grant funding for tribal applicants to establish diesel emission reduction projects. Applicants may request up to \$800,000 in federal funding. Proposals from tribal applicants are due July 9, 2020.

EPA Extends Comment Period Affecting Science Transparency Proposed Rule: The EPA in April announced it was extending the comment period on the Supplement to the proposed rule “Strengthening Transparency in Regulatory Science.” EPA issued a supplemental notice on March 18, 2020, seeking additional comment on the proposed rule under a 30-day comment period that was scheduled to end on April 17. The extended comment period will now close on May 18, 2020.

DOE to Fund Research on Capturing CO2 from Ambient Air: The Department of Energy will provide up to \$22 million aimed at achieving breakthroughs in the effort to capture CO2 from air. Eligible applicants include universities, nonprofits, and industry, with a 20 percent cost share.

From Administration 50th Earth Day Messages (April 22):

President Trump: *“On the 50th anniversary of Earth Day, we pay tribute to our Nation’s long history of environmental stewardship and conservation...I am also pleased to report that the United States continues to be a world leader in clean air, including in reductions of energy-related carbon dioxide emissions, which have significantly declined in the last 15 years.”*

EPA Administrator Wheeler: *“Over the last 50 years... America continues to be a leader in clean air progress, by reducing the six main criteria air pollutants by 73 percent (and by) doubling to 86 percent the number of low income communities achieving attainment with EPA’s National Ambient Air Quality Standards since 2008.”*

Presidential Appointment of Note:

DOT: **Joel Szabat** of Maryland has been nominated to be **Under Secretary of Transportation for Policy**. He has served in the position in an Acting capacity since June of 2019. He first joined the Department in 2002 and is also currently the Assistant Secretary of Transportation for Aviation and International Affairs.

Outreach: Relevant contacts included the office of Sen. James Inhofe on infrastructure and representatives of Cummins, PACCAR, EMA and the U.S. Chamber of Commerce on DERA, infrastructure, tax incentives and pending COVID legislation.

###

ATTACHMENT 3a



CALIFORNIA ADVISORS, LLC

South Coast AQMD Report
California Advisors, LLC
May 8, 2020 Legislative Committee Hearing

General Update

On April 14, Governor Gavin Newsom laid out parameters and tools needed before California would modify its statewide stay-at-home order and other COVID-19 related restrictions. The Governor mentioned that the state is starting to move towards the next phase in dealing with this pandemic and that is the suppression stage.

His office has released the framework that will guide their decision-making process on when to reopen the state. The six specific indicators are listed below:

1. The ability to monitor and protect our communities through testing, contact tracing, isolating, and supporting those who are positive or exposed;
2. The ability to prevent infection in people who are at risk for more severe COVID-19;
3. The ability of the hospital and health systems to handle surges;
4. The ability to develop therapeutics to meet the demand;
5. The ability for businesses, schools, and child care facilities to support physical distancing; and
6. The ability to determine when to reinstitute certain measures, such as the stay-at-home orders, if necessary.

Newsom announced on April 22nd plans to allow hospitals and health systems to resume scheduling surgeries that had been delayed because of COVID-19. One of the key elements the State did to prepare for the surge in COVID-19 related hospitalizations was to delay certain types of preventative or non-urgent surgeries to clear bed space. The Governor did say they would be smart on how they increased this workload and they would monitor the data daily to ensure there are no flare ups in COVID-19 related cases. On multiple occasions, he referenced how this situation was like a light dimmer and not a light switch.

In terms of the Legislature, as of April 23rd, the Assembly remains committed to returning on May 4th and they are working on getting bills ready to be heard in policy committees. They are currently processing bill amendments and will be referring bills to policy committees. There is an effort to have bills only referred to only a single policy committee.

There remain no uniform guidelines on how either house will trim down the number of bills they hear during this shortened session. We have heard some committees will only hear COVID-19 related legislation, others will only hear bills the Chair deems "critical", or some committees are simply leaving it up to the author's discretion. We do know that regardless of what bills are heard in policy committees

one of the major hurdles will be in the Appropriations Committee. The fiscal committees will be cracking down on legislation that costs the state additional revenues during this time of economic crisis.

There are still several logistical concerns that both houses are working through for holding committee hearings. There are only a few rooms that could accommodate all of the committee members and that are big enough so they can observe physical distancing requirements. Due to these limitations, there is likely to only be one or two hearings per day. The same could be said for the floor sessions, they have discussed having half of the legislators vote at a time or moving floor session to an off-site auditorium.

Elected Officials Contacted on Behalf of South Coast AQMD:

California Advisors met with the following legislators or their offices on behalf of the South Coast Air Quality Management District:

Senate:

Toni Atkins (SB 1099, SB 1185, SB 802), Patricia Bates (SB 1099, SB 1185, SB 802), Brian Dahle (SB 1099, SB 1185, SB 802), Jerry Hill (SB 1099, SB 1185, SB 802), Ben Hueso (SB 1099, SB 1185, SB 802), Holly Mitchell (AB 617 Funding), Nancy Skinner (SB 1099, SB 1185, SB 802), Henry Stern (SB 1099, SB 1185, SB 802), Bob Wieckowski (SB 1099, SB 1185, SB 802)

Assembly:

Cristina Garcia (AB 617 Funding), Anthony Rendon (AB 617 Funding), Phil Ting (AB 617 Funding)



Joe A. Gonsalves & Son

Anthony D. Gonsalves

Jason A. Gonsalves

Paul A. Gonsalves

PROFESSIONAL LEGISLATIVE REPRESENTATION

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

916 441-0597 · FAX 916 441-5081

Email: gonsalves@gonsalvi.com

TO: South Coast Air Quality Management District

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – May 2020 Legislative Committee

DATE: Thursday, April 23, 2020

As you know, the Legislature has adjourned until May 4, 2020 due to Covid-19 impacts. The Capitol is closed to the public and the City of Sacramento has issued a stay-at-home order to prevent the spread of COVID-19. If the Legislature wants to resume their session on May 4, 2020, the Governor and the City of Sacramento must lift their Stay-At-Home orders.

The following will provide you with a summary of actions related to the District:

COVID-19 UPDATE

Earlier this month, President Trump publicly turned the re-opening of business, schools and gatherings over to the Governors of the states. This ends any speculation or debate over whether the President has the authority to force states to eliminate stay-at-home orders against their will or advice of public health officials.

As for re-opening the California economy, Governor Newsom outlined the six factors he will use in deciding when and how to modify the statewide state-at-home order and he placed no timeline on when modifications of his order would occur. Those six factors are: Expanded testing to enable track and trace of the illness, Protecting populations vulnerable to COVID-19 infection; addressing the needs of the hospital delivery system, developing protocols and therapeutics for recovery; redrawing floor plans to conduct business and schools with appropriate physical distancing; developing tools to know when to reinstate more vigorous controls (like shelter in place).

Protecting populations vulnerable to COVID-19 is one of the six factors listed above and the Governor has already enacted substantive Executive Orders in the employment context to protect Essential Critical Infrastructure workers who are vulnerable to COVID-19 infection. We expect additional Executive Orders to be forthcoming for these

workers in the coming weeks and it is reasonable to assume that similar orders will be considered applicable to the general workforce and all employers as a condition for relaxing stay-at-home orders and returning people to school, work, and public spaces.

Paid Sick Leave: On April 16, the Governor issued an Executive Order to ensure that employees from large employers in the food sector industry, which includes the whole food distribution chain from agriculture, packing and canning, delivery, and grocery stores are eligible for a two-week expanded State Supplemental Paid Sick Leave program. This specific state paid leave closes a gap left by the federal paid leave which exempted employers with more than 500 employees. At the same time, several local jurisdictions have adopted or are considering adopting similar paid leave programs for all COVID-19 impacted employees.

Worker Safety Guidelines and Protections: Since the beginning of the COVID-19 crisis, the California workplace safety agency, CalOSHA has actively issued guidance to all employers, with specific requirements on employers with employees subject to higher risk of infection. For example, Cal-OSHA has adopted requirements and procedures for specific industries, including grocery, child care, health care and there are specific new requirements for businesses already subject to airborne infectious disease regulations. At the same time, Cal-OSHA guidance for general business advises that employers actively discourage sick employees from coming to work, ensure availability of hand-washing stations, and routinely disinfect the workplace.

The new requirements agreed to by the grocery industry and its represented labor workforce could become a model for future requirements on many customer-facing industries.

Workers' Compensation: Not yet addressed in any Executive Order is the role of California's no-fault workers' compensation insurance program. Right now, care for those who become ill from COVID19 infection is paid for by Medi-Cal or private insurance. We expect that workers' compensation claims are being made by employees who are infected at work and that the existing claims process is underway. The California Labor Federation has expressed in a letter to the Governor that any COVID19 infection by a health care worker, firefighter, EMS, frontline law enforcement, and all employees deemed Essential Critical Infrastructure be conclusively presumed to have occurred at work. It is unclear whether and how the Governor will act on this request in an Executive Order. Absent an Executive Order, we expect this matter to surface in a bill when the Legislature returns. However, we believe greater clarity and rules governing how workers' compensation claims are considered and adjudicated will be part of the equation before the stay-at-home orders are lifted for non-essential businesses that are currently closed.

All these items are fast-moving and our firm will keep you apprised as the issues progress.

SPECIAL ELECTIONS:

In light of stay-at-home and physical distancing orders due to the COVID-19 pandemic, Governor Gavin Newsom signed an executive order to address upcoming local elections.

Three local special elections that have been scheduled for May and June will be held as all-mail ballot elections. Local election officials can also make in-person voting available, to ensure every voter has an opportunity to vote, but only in a manner consistent with public health and safety, including appropriate physical distancing.

The upcoming elections impacted are a May 19, 2020 special recall election in the City of Santa Ana; a June 2, 2020 special municipal election scheduled in the City of Commerce; and a special recall election in the El Rancho Unified School District, also scheduled for June 2, 2020.

BUDGET IMPACTS

The impact to the State's current fiscal status is unknown. Although the State has an \$18 billion rainy day fund, the Legislative Analyst's Office (LAO) says California is likely to blow through its record budget surplus and face deficits of more than twice as much because of the severe recession expected from the COVID-19 pandemic.

Unemployment claims show that as many as 15% of California workers have lost their jobs and those numbers suggest the state is already in a recession that could severely crimp tax revenue.

The LAO estimates a worst-case scenario of a budget deficit of as much as \$35 billion near term, swelling to \$85 billion in later years. Such a shortfall would deal a significant blow to California. Over the past decade, the state has raised taxes and resisted wide-scale spending increases after facing major deficits.

Governor Gavin Newsom in January proposed a \$153 billion general fund budget that swelled savings to roughly \$18 billion. Although California is better prepared than ever to experience an economic downturn, it likely won't insulate us from the economic harm due to COVID-19.

The federal stimulus package includes about \$15 billion for California and its local governments (50/50 split), which should offset some of the immediate costs of the crisis. Still, the Center on Budget and Policy Priorities said states may face budget deficits of \$500 billion combined over the next two years as the deep economic slowdown causes revenue to plunge.

California, which typically takes in the bulk of its tax revenue in April, has extended the deadline for individuals to pay income taxes until July. Newsom's finance department said that the state has about \$8.7 billion in cash and unused internal borrowable resources available through June 30, the end of the fiscal year.

2020 LEGISLATIVE CALENDAR:

Given the impacts of COVID-19 on the Legislative process, we expect many of the following deadlines to be amended or waived. The only 2 deadlines that are constitutionally protected are the June 15 budget deadline and the August 31 final recess. Additionally, the Governor has the ability to call a special session at any time.

April Deadlines

Apr. 2 Spring Recess begins upon adjournment (J.R. 51(b)(1)).

Apr. 13 Legislature reconvenes from Spring Recess (J.R. 51(b)(1)).

Apr. 24 Last day for **policy committees** to hear and report to fiscal committees **fiscal bills** introduced in their house (J.R. 61(b)(5)).

May Deadlines

May 1 Last day for **policy committees** to meet and report to the floor **nonfiscal** bills introduced in their house (J.R. 61(b)(6)).

May 8 Last day for **policy committees** to meet prior to June 1 (J.R. 61(b)(7)).

May 15 Last day for **fiscal committees** to hear and report to the **floor** bills introduced in their house (J.R. 61 (b)(8)). Last day for **fiscal committees** to meet prior to June 1 (J.R. 61 (b)(9)).

May 25 Memorial Day.

May 26-May 29 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 (J.R. 61(b)(10)).

May 29 Last day for each house to pass bills introduced in that house (J.R. 61(b)(11)).

June Deadlines

June 1 Committee meetings may resume (J.R. 61(b)(12)).

June 15 Budget Bill must be passed by midnight (Art. IV, Sec. 12(c)).

June 25 Last day for a legislative measure to qualify for the Nov. 3 General Election ballot (Elections Code Sec. 9040).

June 26 Last day for **policy committees** to hear and report fiscal bills to fiscal committees (J.R. 61(b)(13)).

July Deadlines

July 2 Last day for **policy committees** to meet and report bills (J.R. 61(b)(14)).

Summer Recess begins upon adjournment, provided Budget Bill has been passed (J.R. 51(b)(2)).

July 3 Independence Day observed.

August Deadlines

Aug. 3 Legislature reconvenes from **Summer Recess** (J.R. 51(b)(2)).

Aug. 14 Last day for **fiscal committees** to meet and report bills (J.R. 61(b)(15)).

Aug. 17-31 Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees (J.R. 61(b)(16)).

Aug. 21 Last day to **amend** bills on the floor (J.R. 61(b)(17)).

Aug. 31 Last day for each house to pass bills (Art. IV, Sec 10(c), J.R. 61(b)(18)). Final Recess begins upon adjournment (J.R. 51(b)(3)).

RESOLUTE^{*}

To: South Coast AQMD Board
From: David Quintana
Subject: Monthly Legislative Report
Date: 29 April, 2020

Meetings

During the last month RESOLUTE met (calls) with the following legislators on behalf of SCAQMD:

- Sen. Budget Chair, Holly Mitchell
- Asm. Water Parks and Wildlife Chair, Eduardo Garcia
- Asm. Christina Garcia

Pro Tem Atkins Announces Senate Return Calendar

Senate Pro Tem Toni Atkins has now created the Special Committee on Pandemic Emergency Response. They are scheduled to meet Wednesday, May 6, 2020 at 1:30 p.m.

- The committee is tasked with reviewing the state's response to the COVID-19 health crisis. The committee will also make findings and recommendations for future preparedness. The special committee is chaired by Senator Lena A. Gonzalez (D-Long Beach), vice-chaired by Senator Patricia C. Bates (R-Laguna Niguel), and will include the following Senators: Andreas Borgeas (R-Fresno), Anna M. Caballero (D-Salinas), Bill Dodd (D-Napa), Hannah-Beth Jackson (D-Santa Barbara), Brian W. Jones (R-Santee), Mike McGuire (D-Healdsburg), Richard Pan (D-Sacramento), Thomas J. Umberg (D-Santa Ana), and Scott D. Wiener (D-San Francisco).
- As with the Senate's April 16, 2020 budget hearing on COVID-19, some members of the committee are expected to participate remotely under the terms of Senate Resolution 86, which was adopted by the Senate to allow its work to continue during the COVID-19 crisis.
- Details on where to watch the hearing and how to submit public testimony will be provided in the file notice for the hearing. Due to increased demand following the April 16 hearing, the Senate has increased its viewing and participation capacity.

The Senate is now to return from recess on Monday, May 11, 2020.

- The Senate's final return date is subject to ongoing information and guidance from health officials and the Senate's priority remains returning in a way that does not endanger the health of the public, Senators, or staff. Details on physical distancing, remote participation, and other necessary public health precautions will be announced prior to the Senate's return.

The committee process in the Senate is still fluid. However, my discussions with the Chief of Staff to the Pro Tem have made it very clear that the Pro Tem intends to cut back committee hearings dramatically. For bills that are given the green light to move, it is unlikely that we will see multiple committee referrals. It is more likely that bills go to one policy committee then Appropriations if necessary then the Floor. This is simply due to the constitutional adjournment date of August 31st, there is just very little time to take care of Senate business.

Speaker Rendon Announces Assembly Return Calendar

Assembly Speaker Anthony Rendon has stood by his promise to have the Assembly return from recess on May 4th. While details as to how the entire legislative process will “work” are still not totally clear, we have learned this much from conversations with the Speaker’s Office:

- Assemblymembers will not participate remotely
- Assembly staff have been contemplating the configuration of each hearing room to accommodate as many people as possible while maintaining physical distancing.
- They indicated that Room 4202 will be the main hearing room and that there may be other rooms utilized as well, perhaps even the Assembly Chambers.
- It is possible that there could be more than one hearing held at a time – but right now that is unlikely
- The Assembly is contemplating in-person or remote testimony for sponsors and subject matter experts witnesses *only* and “telephone testimony” for “me-toos”
- The Assembly is using WebEx as its video platform and AT&T as the teleconferencing platform.
- According to staff, the spot bills currently in Rules Committee are going to be processed between now and the return of the Assembly and will be in print prior to May 4.
- Opposition witnesses would need to agree upon who provides lead opposition testimony and likewise notify the committee 48 hours prior. With regard to the telephone testimony, the chair would announce a telephone number at the open and close of each bill. People would need to initiate a call for each individual bill and be prepared to answer three to five predetermined questions from the facilitator to help speed the process along (e.g. name, org, bill no., position).

Constitutional Deadlines

Given their absence due to recess, the legislature has now moved past several key deadlines in the legislative process. Therefore, in order to conduct business, my sources tell me that they are likely to issue a huge number of rule waivers for both legislation so that it may continue to proceed forward, and for deadlines so they can be realigned to the calendar that is left. The only two deadlines that cannot be moved in any way are the following two which are in the state constitution:

- **June 15** Budget Bill must be passed by midnight (Art. IV, Sec. 12(c))
- **August 31** Last day for each house to pass bills (Art. IV, Sec 10(c), J.R. 61(b)(18)). Final Recess begins upon adjournment (J.R. 51(b)(3)).

The Budget

Normally, the month of April would have been consumed with budget sub-committee hearings in order to try and align the budget the governor proposed in January with the priorities of the legislature. Unfortunately, because of the recess, and because of the unknowns of the COVID economic hit to the state, this has not happened. This means that this year we will have a very **condensed** budget process. Instead of the months of hearings and process, we will now have the following: The May Revise will come out on May 15th and then there will be 30 days to get the budget done – that's it. Combined with the social distancing, this will make lobbying on budget items far more difficult than ever before.

One final item that will make this year's budget process way more complex than we have ever seen is that the CA tax returns and payments have been pushed out to July 15. This adds an additional major unknown to the budgeting process where they will not be able to factor in any numbers on personal income tax revenue into their accounting.

Intel on How the Budget Will Look in May

I have had a discussion with one of the consultants to the Governor. That person told me that the budget that we will see at the May Revise will be one of "shock and awe". Look for 20-40% cuts across the board. The person also said that "all oxes will be gored, including those items many think are untouchable - legislators will be extremely upset".

However, I have also learned that the Governor might try and do two more budgets, one in August, after tax returns are received and can be evaluated, and after the "reopening" has occurred and we can see how much the economy is lifted. I was told there also might be one more later if it looks like the economy is picking up at a greater pace that anyone has predicted.

CA, OR, WA, CO & NV Form Western States Pact on Reopening

On April 27th, Colorado Governor Jared Polis and Nevada Governor Steve Sisolak announced that they would be joining California Governor Gavin Newsom, Oregon Governor Kate Brown and Washington Governor Jay Inslee under a shared vision for gradually modifying their states' stay at home orders and fighting COVID-19. They listed three shared principles as foundational to the agreement:

- **Our residents' health comes first.** As home to nearly one in five Americans and gateway to the rest of the world, the West Coast has an outsized stake in controlling and ultimately defeating COVID-19.
- **Health outcomes and science – not politics – will guide these decisions.** Modifications to our states' stay at home orders must be made based off our understanding of the total health impacts of COVID-19, including: the direct impact of the disease on our communities; the health impact of measures introduced to control the spread in communities —particularly felt by those already experiencing social disadvantage prior to COVID-19; and our health care systems' ability to ensure care for those who may become sick with COVID-19 and other conditions. This effort will be guided by data. We

need to see a decline in the rate of spread of the virus before large-scale reopening, and we will be working in coordination to identify the best metrics to guide this

- **Our states will only be effective by working together.** Each state will work with its local leaders and communities within its borders to understand what's happening on the ground and adhere to our agreed upon approach.

CA Air Resources Board Increases Electronic Truck Sales Targets

On April 28th the CA Air Resources Board proposed to strengthen their first-in-the-nation sales mandate for electric trucks by doubling the number of vehicles that manufacturers must sell by 2035, by revising the Advanced Clean Trucks rule that would result in roughly 300,000 electric trucks on the road by 2035 — rather than the 150,000 previously. The rule accelerates zero-emission sales targets for all classes of trucks, particularly pickup trucks, which make up about two-thirds of medium-duty vehicles. Pickup manufacturers would be subject to sales targets starting in 2024, rather than 2027. CARB also extended the targets through 2035, rather than stopping them in 2030, for higher ultimate levels of zero-emissions vehicle penetration. The rule is open for public comment through May 28 and is expected to come up for a vote at CARB's June board meeting.

BOARD MEETING DATE: June 5, 2020

AGENDA NO. 20

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee held a meeting on Friday, May 15, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Ben Benoit, Chair
Stationary Source Committee

AD:cr

Committee Members

Present: Council Member Ben Benoit (Chair)
Senator Vanessa Delgado (Ret)
Board Member Gideon Kracov
Council Member Judith Mitchell
Supervisor V. Manuel Perez
Supervisor Janice Rutherford

Call to Order

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

INFORMATIONAL ITEMS:

- 1. Reasonably Available Control Technology (RACT) Demonstration and Emissions Statement Certification for 2015 8-Hour Ozone Standard**
Zorik Pirveysian, Planning and Rules Manager, provided a presentation on the Reasonably Available Control Technology Demonstration (RACT) and the Emissions Statement Certification for the 2015 8-hour Ozone Standard.

Supervisor Rutherford asked about the types of businesses in the automobile assembly line operations. Mr. Pirveysian responded that there are less than 10 facilities in the South Coast Air Basin which are involved in the automobile assembly line coating operations.

Supervisor Perez inquired about the number and type of major stationary sources in Coachella Valley and about the emissions reporting timeline for these facilities. Mr. Pirveysian responded that there are three major source facilities in Coachella Valley - Sentinel Power, Wildflower Energy, and Imperial Irrigation District which report their emissions on an annual basis to South Coast AQMD under the Annual Emissions Reporting (AER) program. There are no additional requirements for these facilities based on the RACT demonstration.

Council Member Benoit asked if there is a way to push the envelope for the Ultraviolet/Electron Beam/Light-Emitting Diode (UV/EB/LED) technology and discussed the applications and basics of the UV/EB technology. Mr. Pirveysian responded that the purpose of RACT demonstration was to evaluate whether South Coast AQMD's existing rules met the U.S. EPA's RACT requirements based on an evaluation of the U.S. EPA's Control Technique Guidelines (CTG) and rules adopted by other agencies representing controls achieved in practice. Staff will conduct a more comprehensive evaluation of all feasible technologies including the UV/EB/LED technology in terms of technical feasibility and cost-effectiveness for various coating categories and applications as part of the 2022 AQMP development process. Dr. Philip Fine, Deputy Executive Officer/Planning, Rule Development and Area Sources, also clarified that RACT is a baseline level of control that the U.S. EPA requires air districts to meet. Dr. Fine also emphasized that detailed evaluation will be conducted during the 2022 AQMP development.

Rita Loof, RadTech, expressed concerns that many of the U.S. EPA's coatings CTGs have not been updated for decades and do not reflect the current state of VOC control technologies. She requested that staff consider the UV/EB/LED technology as a compliance option for the RACT level of control. Dr. Fine responded that staff is committed to evaluate this UV/EB/LED technology in the 2022 AQMP as part of the control measure development and clarified that RACT is not an analysis of new control technologies, but an analysis of CTGs and other agencies rules.

Council Member Benoit asked staff to contact the U.S. EPA requesting them to update their outdated CTGs. Executive Officer Wayne Nastri responded affirmatively.

2. Overview of New Source Review for the RECLAIM Transition

Susan Nakamura, Assistant Deputy Executive Officer/Planning, Rule Development, and Area Sources, provided an overview of Regulation XIII – New Source Review and Rule 2005 – RECLAIM New Source Review to highlight key issues for the transition of RECLAIM facilities to command and control related to New Source Review (NSR).

Supervisor Rutherford queried who were the five largest holders of Emission Reduction Credits (ERCs). Ms. Nakamura said that she will need to look up that information and will provide it later.

Council Member Mitchell asked why facilities would not want to generate ERCs and if it is because the fee for ERCs is high. Ms. Nakamura replied that fees could be part of the reason and added that if the facilities received ERCs from the internal bank, they would have to return those before they could generate new ERCs. Ms. Nakamura continued saying that ERCs are also discounted to Best Available Control Technology (BACT) levels, which is quite steep. She added that in addition to the cost and the time, many facilities when shutting down don't want to spend the effort to claim the ERCs. Council Member Mitchell followed up by asking why there is a twelve month wait to claim orphan shutdown credits. Ms. Nakamura answered that the delay could be even longer. South Coast AQMD allows a facility to submit applications for ERCs within 180 days after the permits are inactivated which could be twelve or more months after the shutdown. Chief Deputy Counsel Barbara Baird added that most orphan shutdowns are a result of letting the permit expire. Under South Coast AQMD rules, she continued, the facility has a year to reinstate their permits and the delay avoids claiming the offsets when the facility may still require them if they reinstate their permits. Council Member Mitchell declared her preference to shorten that timeframe. Ms. Nakamura reported that in the working group meeting yesterday staff discussed creating a bank to ensure offsets are available because staff has found that operators tend to hold on to ERCs for their possible business growth in the future.

Senator Delgado expressed her support for additional workshops to better understand NSR issues. She said she understood how small businesses might not want to go through the process of acquiring ERCs and added that she understood why a facility would hold onto ERCs rather than sell them in the open market. Senator Delgado stated that she didn't see how the Open Market would ever truly function and there needed to be a change to the current system. She asked why we would want to transition out of a system that is working into a system that is not working. Ms. Nakamura replied that staff is exploring how to keep facilities in RECLAIM as long as possible to utilize RECLAIM NSR while seeding a Large Source Bank with new reductions. She stated that U.S. Environmental Protection Agency has said that facilities may not transition out of RECLAIM unless all regulatory elements are approved, which provide until the 2023 timeframe to seed a Large Source Bank. Ms. Nakamura added that some industry stakeholders have commented that this is a disparate impact as facilities would have to comply with both the Best Available Retrofit Control Technology (BARCT) and the RECLAIM allocation shave. However, those facilities have access to RECLAIM NSR where there is more flexibility.

Board Member Kracov thanked Ms. Nakamura for the presentation. He asked why the Governing Board decided to scrap the RECLAIM program. Ms. Nakamura explained that came after the 2015 amendment and was a measure in the 2016 AQMP. She continued that while there are gains that have been made through the program, the concern is that 60 percent of the equipment is not at BARCT levels. She explained that some may say that facilities meet BARCT in aggregate when looking at total allocations and there are success stories, however, the overwhelming majority of facilities do not have BARCT controls; some of the reductions are associated with shutdowns such as those that occurred in 2008 and even more recently with Cal Portland. Mr. Kracov followed up by asking how the bank is seeded and conveyed his concern about over-allocating at the start of this program. Ms. Nakamura acknowledged criticism about the initial allocations made to the RECLAIM program that was based on their actual emissions; some felt that the facilities were over-allocated. She continued that there have been programmatic checks and that is why there have been adjustments and shaves. Mr. Kracov stated that the over-allocation may have been the reason why facilities did not install pollution controls. He expressed his hopefulness that we have learned some of the lessons which caused RECLAIM to be scrapped and apply those lessons to the new NSR program. Executive Officer Wayne Nastri stated that there was a lot of controversy over RECLAIM decades ago when it was first started and concerns about the trading because a facility may not have to install controls. Mr. Nastri said that some may say that RECLAIM did what it was intended to do, but there was tremendous controversy during the first shave and the second shave. Each successive shave will become much more difficult. He continued that when you look at cap-and-trade and command-and-control, at some point you will reach the same emission level. Mr. Nastri added that this transition back to command-and-control is highlighting the challenges that we see from NSR, BACT, and BARCT. Mr. Nastri said that once we get to a level of control from command-and-control, he does not see us going back because we have made so much progress. Mr. Kracov asked if we would adhere to the timelines established in AB 617. Mr. Nastri said that we will meet the requirements of the legislation.

Mr. Chris Chavez, Coalition for Clean Air, stressed the need for actual emission reductions for communities. He stated that one of the major criticisms is the declining effectiveness of RECLAIM and we need to take new and innovative approaches in regulation and enforcement to further reduce emissions. Regarding AB 617, Mr. Chavez said he understands that South Coast AQMD has its rule schedule and is adhering to that schedule but expressed his hope that control technology would be deployed in a real setting as expeditiously as possible to bring real emission reductions to our communities.

Mr. Michael Carroll, Regulatory Flexibility Group, noted that the RECLAIM program has achieved emission reductions that the Board and staff have

acknowledged is equivalent to BARCT and the rate of reduction from RECLAIM facilities was materially higher than the rate from non-RECLAIM facilities under command-and-control over the same period of time. He stated his main point was to address Council Member Mitchell's question about why ERC's are not pursued. He said the reason is the methodology applied when calculating ERCs. The methodology used to determine ERCs is dramatically different than that used to calculate offsets going into the Internal Bank. He continued that what could be helpful is to take a case study and compare the quantity of ERCs generated to the quantity that would go into the Internal Bank. When facilities looked at the methodology for determining ERCs, Mr. Carroll said facilities realize that they are not going to get anything and that is why most facilities do not submit ERC applications. Mr. Carroll suggested that to increase the supply of offsets, we evaluate the criteria to generate ERCs. He continued that if the offsets generated for the Internal Bank meets federal requirements for a valid offset, then there is no reason why an ERC should not use the same methodology. Mr. Carroll recommended that while we are evaluating the criteria for the Internal Bank, we should be evaluating the criteria for ERCs. He stated there is no reason why the criteria should be any different; it is either a valid NSR offset that meets all the federal requirements or it is not.

WRITTEN REPORTS:

3. Notice of Violation Penalty Summary

The report was acknowledged by the Committee.

4. Monthly Update of Staff's Work with U.S. EPA on New Source Review Issues for the Transition of RECLAIM Facilities to a Command and Control Regulatory Program

The report was acknowledged by the Committee.

OTHER MATTERS:

5. Other Business

There was no other business.

6. Public Comment Period

There were no public comments.

7. Next Meeting Date

The next regular Stationary Source Committee meeting is scheduled for Friday, June 19, 2020.

Adjournment

The meeting was adjourned at 11:48 a.m.

Attachments

1. Attendance Record
2. Draft Notice of Violation Penalty Summary
3. Monthly Update of Staff's Work with U.S. EPA on New Source Review Issues for the RECLAIM Transition

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT STATIONARY SOURCE COMMITTEE

Attendance –May 15, 2020

All participants attended the meeting remotely pursuant to Executive Orders N-25-20 and N-29-20

Council Member Ben Benoit	South Coast AQMD Governing Board
Senator Vanessa Delgado (Ret.)	South Coast AQMD Governing Board
Board Member Gideon Kracov	South Coast AQMD Governing Board
Council Member Judith Mitchell	South Coast AQMD Governing Board
Supervisor V. Manuel Perez.....	South Coast AQMD Governing Board
Supervisor Janice Rutherford	South Coast AQMD Governing Board
Fred Minassian	Board Consultant (Mitchell)
Mark Taylor.....	Board Consultant (Rutherford)
Michael Carroll.....	Regulatory Flexibility Group
Chris Chavez	Coalition of Clean Air
Curtis Coleman.....	Southern California Air Quality Alliance
Bridget McCann	Western States Petroleum Association
Bill LaMarr.....	California Small Business Alliance
Rita Loof.....	RadTech
Dan McGivney	Southern California Gas Company
David Rothbart	SCAP
Patty Senecal	Western States Petroleum Association
Peter Whittingham.....	Whittingham Public Affairs Advisors
Derrick Alatorre.....	South Coast AQMD staff
Jason Aspell.....	South Coast AQMD staff
Barbara Baird.....	South Coast AQMD staff
Amir Dejbakhsh.....	South Coast AQMD staff
Philip Fine	South Coast AQMD staff
Bayron Gilchrist	South Coast AQMD staff
Sheri Hanizavareh	South Coast AQMD staff
Mark Henninger.....	South Coast AQMD staff
Christian Hynes	South Coast AQMD staff
Jong Hoon Lee.....	South Coast AQMD staff
Terrence Mann.....	South Coast AQMD staff
Matt Miyasato.....	South Coast AQMD staff
Michael Morris	South Coast AQMD staff
Ron Moskowitz	South Coast AQMD staff

ATTACHMENT 1

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

Attendance –May 15, 2020

**All participants attended the meeting remotely pursuant to Executive Orders N-25-20 and
N-29-20**

Susan Nakamura.....	South Coast AQMD staff
Wayne Nastri	South Coast AQMD staff
Zorik Pirveysian	South Coast AQMD staff
Sarah Rees	South Coast AQMD staff
Kathryn Roberts.....	South Coast AQMD staff
Anthony Tang.....	South Coast AQMD staff
William Thompson.....	South Coast AQMD staff
Jill Whynot	South Coast AQMD staff
William Wong	South Coast AQMD staff
Paul Wright.....	South Coast AQMD staff
Victor Yip.....	South Coast AQMD staff

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
General Counsel's Office
DRAFT
April 2020 Settlement Penalty Report

Total Penalties

Civil Settlements: \$90,145.00
MSPAP Settlements: \$800.00
Hearing Board Settlements: \$77,000.00

Total Cash Settlements: \$167,945.00
Total SEP Value: \$0.00

Fiscal Year through 4 / 2020 Cash Total: \$11,910,555.36
Fiscal Year through 4 / 2020 SEP Value Only Total: \$0.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
Civil Settlements						
3417	AIR PROD & CHEM INC	3002(c)(1)	4/10/2020	NSF	P68955 P68956 P68957 P68958	\$56,900.00
39133	COOPER & BRAIN, B & B LEASE	1148.1 1173	4/22/2020	KCM	P63263 P63264	\$9,250.00
346	FRITO-LAY, INC.	2004 2012	4/10/2020	TRB	P66209	\$1,500.00
9163	INLAND EMPIRE UTL AGEN, A MUN WATER DIS	203 1146 3002	4/10/2020	WBW	P65032 P65033	\$10,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
45746	PABCO BLDG PRODUCTS LLC,PABCO PAPER, DBA	2004 2012	4/22/2020	TRB	P66101 P68307	\$2,500.00
37603	SGL TECHNIC INC, POLYCARBON DIVISION	2004	4/10/2020	TRB	P65582 P66220 P68253	\$1,500.00
160437	SOUTHERN CALIFORNIA EDISON	2004 3002	4/17/2020	TRB	P64383 P64420	\$7,500.00
1634	STEELCASE INC, WESTERN DIV	2004(f)(1)	4/16/2020	SH	P65367	\$995.00

Total Civil Settlements: \$90,145.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
MSPAP Settlements						
148163	NELSON'S CLEANERS	1421	4/17/2020	TF	P68754	\$375.00
46138	PARIS CLEANERS	1421	4/17/2020	TF	P69301	\$50.00
135682	VASQUEZ MAINTENANCE	461	4/17/2020	TF	P66379	\$375.00
Total MSPAP Settlements: \$800.00						

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
Hearing Board Settlements						
104234	MISSION FOODS CORPORATION	202 203(b) 1153.1 1303	4/16/2020	KCM	5400-4	\$50,000.00
181758	RUDOLPH FOODS WEST, INC.	202	4/17/2020	KCM	6168-1	\$2,000.00
175187	VENICE BAKING, TORRANCE FACILITY	202(a) 203(a)	4/10/2020	KCM	6144-1	\$25,000.00

Total Hearing Board Settlements: \$77,000.00

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX
FOR APRIL 2020 PENALTY REPORT**

REGULATION II - PERMITS

- Rule 202 Temporary Permit to Operate
- Rule 203 Permit to Operate

REGULATION IV - PROHIBITIONS

- Rule 461 Gasoline Transfer and Dispensing

REGULATION XI - SOURCE SPECIFIC STANDARDS

- Rule 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters
- Rule 1148.1 Oil and Gas Production Wells
- 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 1421 Control of Perchloroethylene Emissions from Dry Cleaning Operations

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 (NOx) Emissions

REGULATION XXX - TITLE V PERMITS

- Rule 3002 Requirements for Title V Permits

May 2020 Update on Work with U.S. EPA on New Source Review Issues for the RECLAIM Transition

At the October 5, 2018 Board meeting, the Board directed staff to provide the Stationary Source Committee with a monthly update of staff’s work with U.S. EPA regarding resolving NSR issues for the transition of facilities from RECLAIM to a command and control regulatory structure. The table below summarizes key activities over the past month.

Item	Discussion
Teleconference with U.S. EPA – April 30, 2020	<ul style="list-style-type: none"> • Discussed with U.S. EPA concepts for a new Large Source Bank
Teleconference with U.S. EPA – May 7, 2020	<ul style="list-style-type: none"> • Continued discussions with U.S. EPA regarding concepts for the Large Source Bank • Reviewed material for the May RECLAIM and Regulation XIII working group meetings
RECLAIM and Regulation XIII (New Source Review) Working Group Meeting – May 14, 2020	<ul style="list-style-type: none"> • Provided updates on rulemakings for the RECLAIM transition • Presented a summary of the March 5, 2020 video conference with U.S. EPA • Discussed concepts to establish a new Large Source Bank <ul style="list-style-type: none"> ○ Provided a general overview about offset generation and Federal integrity criteria for offsets ○ Discussed initial discounting concepts to ensure offsets for the Large Source Bank are surplus

[↑ Back to Agenda](#)

BOARD MEETING DATE: May 15, 2020

AGENDA NO. 21

REPORT: Technology Committee

SYNOPSIS: The Technology Committee held a meeting on Friday, May 15, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Joe Buscaino, Chair
Technology Committee

MMM:av

Committee Members

Present: Council Member Joe Buscaino/Chair
Supervisor Lisa Bartlett
Board Member Gideon Kracov
Council Member Judith Mitchell
Council Member Carlos Rodriguez

Absent: None

Call to Order

Chair Buscaino called the meeting to order at 12:03 p.m.

ACTION ITEMS:

1. Recognize Revenue and Reimburse General Fund for Administrative Costs for Enhanced Fleet Modernization Program

Since 2015, the South Coast AQMD has been implementing an Enhanced Fleet Modernization Program (EFMP), branded as Replace Your Ride. For FY 2018-19, CARB has allocated an additional \$14 million in Low Carbon Transportation funds to the South Coast AQMD for the continued implementation of the EFMP Plus-Up Program and to update the alternative mobility options for consistency

with SB 400 and assist with development of CARB's One-Stop-Shop Pilot Project. For FY 2019-20, CARB has also allocated \$1.4 million in AB 118 funds to the South Coast AQMD for the continued implementation of the EFMP Base Program. These actions are to: 1) recognize \$15.4 million from CARB for the EFMP Plus-Up and Base Programs; 2) approve vouchers or other alternative mobility options, including those consistent with SB 400, until all available funds are exhausted and support development of CARB's One-Stop-Shop Pilot Project; and 3) reimburse the General Fund for administrative costs necessary to implement the EFMP.

Council Member Mitchell commented that she does not have a financial interest or conflict of interest, and is required to identify for the record that she is a Board Member of CARB which is involved in this item.

Council Member Rodriguez asked about the outreach efforts and if there is a breakdown by county for the vouchers issued. Staff explained the outreach efforts have largely been focused on disadvantaged and low-income communities since the majority of funds are specifically allocated for these communities. Outreach efforts have included presenting information at AB 617 community meetings, outreach events, webcasts, and through our case management team of three consultants. Staff also maintains a call center to assist potential applicants in multiple languages. In addition, staff shared the voucher distribution by county for 2019. Council Member Rodriguez further inquired about the e-bike program and suggested focus on community college and university areas. Staff informed the committee that CARB is still developing the criteria for e-bike/bike share incentives and will work with CARB and the Bay Area AQMD on developing and implementing the program. Lastly, Council Member Rodriguez asked how disadvantaged communities are identified and suggested that social media platforms be used to enhance outreach, including video testimonials from past voucher recipients. Staff explained the program relies on legislative requirements, including SB 535 and AB 1550, to define these communities, which are designated by the CalEnviroScreen tool and staff will explore opportunities for social media outreach.

Council Member Mitchell asked if the program is oversubscribed. Staff affirmed that the program is oversubscribed, leading to frequent disbursement requests and use of local funds as a loan when funding from CARB is delayed.

Board Member Kracov inquired if the program is still providing vouchers for vehicles with internal combustion engines and suggested eventual phase out. Staff responded that only the highest MPG gasoline vehicles are allowed, and they are primarily super ultra-low emission vehicles that have a similar emissions profile as hybrids.

Council Member Mitchell explained that the program initially began with the BASE program with high MPG gasoline vehicles, and the Plus-Up program was added later to introduce advanced technology. Council Member Mitchell was pleased to see that the highest number of vouchers were issued to advanced technology vehicles.

Council Member Buscaino suggested development of a Heat Map of issued vouchers and further supported the concept of e-bikes and other alternative mobility options.

Moved by Bartlett; seconded by Mitchell; unanimously approved.

Ayes: Bartlett, Buscaino, Kracov, Mitchell, Rodriguez

Noes: None

Absent: None

2. Execute Contract for Commercial Experience Demonstration of Heavy-Duty Electric Trucks

In July 2018, the Board approved more than \$13 million in funding with \$2.5 million in cost-share from U.S. EPA and the San Pedro Bay Ports for Daimler Trucks North America LLC (DTNA) to develop and demonstrate 20 heavy-duty electric trucks and fast charge infrastructure with two fleets in the South Coast region. In July 2019, the Board recognized \$4.177 million in U.S. EPA Targeted Airshed Grant funds and approved a \$4.01 million contract with DTNA for a second project to build and deploy 35 commercial-ready heavy-duty battery electric trucks and fast charge infrastructure for delivery fleets in the South Coast region. Currently, DTNA proposes to develop a Commercial Experience project to demonstrate heavy-duty battery electric trucks with 12-18 fleets to accelerate customer orders for commercial products. This action is to execute a contract with DTNA to demonstrate up to 8 heavy-duty battery electric trucks and transportable fast-charging infrastructure in an amount not to exceed \$1,000,000 from the Clean Fuels Program Fund (31).

Council Member Mitchell inquired about the CARB certification status of the trucks and who will be the buyers of the commercialized trucks. Staff informed the committee that the current demonstration trucks, that will feed into the design of final commercial products, are certified by CARB. The commercialized trucks in 2021 will also be CARB certified and current Daimler customers, such as NFI, Penske, U.S. Foods, Schneider, Ryder, and J.B. Hunt will likely be the early adopters. Fleets that are part of the Customer Experience project include Pepsi, FedEx, Sysco Foods, Kroeger, Knight-Swift and may also be early adopters based on the current trials. Council Member Mitchell also inquired about the transportable DC Fast Chargers. Staff explained that the transportable DC Fast Chargers are grid-connected, skid mounted, and will be sent to each fleet demonstrator.

Council Member Buscaino supported the innovative approach of transportable fast chargers.

Supervisor Bartlett inquired about the physical dimensions of the fast charger. Staff responded that the size of the transportable DC Fast Charger is comparable to a large refrigerator.

Council Member Rodriguez asked for clarification on the number of fleets participating and how they will transition from demonstration to commercial trucks. Staff explained that current Daimler customers will be the main participants and the demonstration trucks will more than likely be dismantled and evaluated for potential design changes to the final commercial products.

Ranji George, a member of the public, supported the project, but requested the committee consider equitable funding for hydrogen and fuel cell technologies.

Moved by Mitchell; seconded by Rodriguez; unanimously approved.

Ayes: Bartlett, Buscaino, Kracov, Mitchell, Rodriguez

Noes: None

Absent: None

3. Amend Contract for Kore Infrastructure Project

In January 2020, the Board approved a contract amendment for Kore Infrastructure LLC (Kore) for a Renewable Natural Gas Commercial Field Test project, including construction of a pyrolysis system on SoCalGas property in Los Angeles. The project is to test various biomass feedstocks for commercial production of renewable natural gas. This action is to amend the contract with Kore to extend the deadline to complete construction, commissioning and testing efforts to December 31, 2020.

Board Member Mitchell inquired as to the availability of the SoCalGas site. Staff informed the committee that SoCalGas is continuing to provide site access to Kore for the duration of the proposed extension. Board Member Kracov supported the concept of recycling waste products, but also informed the committee to maintain a balance with other environmental impacts from technologies, especially pyrolysis.

Moved by Mitchell; seconded by Bartlett; unanimously approved.

Ayes: Bartlett, Buscaino, Kracov, Mitchell, Rodriguez

Noes: None

Absent: None

OTHER MATTERS:

4. Other Business

There was no other business.

5. Public Comment Period

There were no public comments.

6. Next Meeting Date

The next regular Technology Committee meeting is scheduled for Friday, June 19, 2020 at noon.

Adjournment

The meeting adjourned at 12:59 p.m.

Attachment

Attendance Record

ATTACHMENT

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
TECHNOLOGY COMMITTEE MEETING**

Attendance Record – May 15, 2020

**All participants attended the meeting remotely pursuant to Executive Orders N-25-20 and
N-29-20**

Supervisor Lisa Bartlett.....	SCAQMD Board Member
Council Member Joe Buscaino	SCAQMD Board Member
Board Member Gideon Kracov	SCAQMD Board Member
Council Member Judith Mitchell	SCAQMD Board Member
Council Member Carlos Rodriguez.....	SCAQMD Board Member
James Dinwiddie	Board Consultant (Bartlett)
Jacob Haik	Board Consultant (Buscaino)
Matt Holder	Board Consultant (Rodriguez)
Fred Minassian	Board Consultant (Mitchell)
Mark Abramowitz	Public Member
Barbara Brentano.....	Public Member
Ranji George.....	Public Member
Dave Husen	Public Member
Dan McGivney	SoCalGas
David Rothbart	L.A. County Sanitation District
Andy Silva.....	San Bernardino County
Rick Sikes.....	Consultant
Ross Zelen	Public Member
Derrick Alatorre	SCAQMD Staff
Phil Barroca.....	SCAQMD Staff
Naveen Berry.....	SCAQMD Staff
Mark Henninger	SCAQMD Staff
Joseph Impullitti.....	SCAQMD Staff
Tom Lee	SCAQMD Staff
Matt Miyasato.....	SCAQMD Staff
Ron Moskowitz	SCAQMD Staff
Wayne Nastri.....	SCAQMD Staff
Anthony Tang.....	SCAQMD Staff
Veera Tyagi	SCAQMD Staff
Alejandra Vega.....	SCAQMD Staff
Vicki White	SCAQMD Staff
Jill Whynot	SCAQMD Staff
Paul Wright.....	SCAQMD Staff

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BOARD MEETING DATE: June 5, 2020

AGENDA NO. 22

REPORT: Mobile Source Air Pollution Reduction Review Committee

SYNOPSIS: The Mobile Source Air Pollution Reduction Review Committee held a meeting May 21, 2020. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Naveen Berry
South Coast AQMD Liaison to MSRC

MMM:NB:CR:psc

MSRC Chair Appointed and MSRC Vice-Chair Appointed

Annually the MSRC elects its Chair and Vice-Chair. At its May 21, 2020 meeting, the MSRC unanimously appointed Larry McCallon as its Chair for a one-year term. Mr. McCallon is Mayor for the City of Highland and represents San Bernardino County Transportation Authority on the MSRC. The MSRC also unanimously elected Brian Berkson as its MSRC Vice-Chair for a one-year term. Mr. Berkson serves as a Council Member for Council District 3 Jurupa Valley and represents the Riverside County Transportation Commission on the MSRC.

R.F. Dickson Co.

Contracts with private entities under the MSRC's FYs 2016-18 Natural Gas Infrastructure Program include a retention of 10% pending submittal and MSRC approval of a final report. R.F. Dickson has completed the CNG station expansion portion of their work under this contract, but they are currently unable to complete the mechanic training due to the COVID-19 situation. R.F. Dickson requests that the MSRC release the retention for the station element only, in the amount of \$25,000. The MSRC considered and approved R.F. Dickson's request.

Los Angeles County Metropolitan Transportation Authority

In March 2018, the MSRC approved an award to Los Angeles County Metropolitan Transportation Authority (Metro) to implement special transit service to Dodger Stadium for 2018. Contract #MS18025 was executed to effectuate the award. While awaiting additional documentation in support of the \$255,011 final invoice, the contract was closed prematurely. The necessary supporting documentation was subsequently obtained. In order to pay the outstanding invoice, an appropriation of \$255,011 was recommended to re-open the contract. The MSRC considered and approved the recommended appropriation.

FYs 2018-2021 Work Program

FYs 2018-21 Last Mile Component of Regional Goods Movement Program

One element of goods movement is the final delivery of goods to retail outlets and individual consumers, sometimes referred to as “last mile” delivery. Addressing this category is a key strategy of the Regional Goods Movement Program the MSRC has been developing as part of its FYs 2018-21 Work Program. At the April 16, 2020 MSRC meeting, the Southern California Association of Governments (SCAG) recommended that the MSRC consider awarding SCAG a sole source contract to implement the “Last Mile” component of the Regional Goods Movement Program. The MSRC authorized SCAG to submit a proposal to implement this component. SCAG submitted a proposal for a program to be implemented in two phases. Phase 1, for which SCAG requested \$10,000,000, would focus upon the procurement and deployment of zero emission and near-zero emission on-road and off-road vehicles used in last mile freight operations, and the design and installation of charging/fueling infrastructure to support such vehicles. Phase 2, for which SCAG requested \$5,000,000, would focus upon broader concepts, such as cargo bike delivery, low/zero emission zones, and delivery consolidation. For both phases SCAG would provide co-funding in the form of an in-kind match associated with the development, administration, and analytical support of the program, but the expectation is that the primary source of match would be from private partner project proponents. Based on recommendations from the MSRC-TAC and given uncertainties in future motor vehicle registration fee revenues as a result of COVID-19 fiscal impacts, consideration of Phase 2 is deferred until MSRC revenue amounts are more fully known. The MSRC directed staff to develop a proposed contract and bring it back for MSRC consideration.

Contract Modification Requests

The MSRC considered seven contract modification requests and took the following actions:

1. For the County of Los Angeles, Contract #ML14030, which provided \$425,000 for Bicycle Racks, Outreach and Education, a seven-month term extension;

2. For the City of Claremont, Contract #ML16053, which provided \$498,750 to implement a “Complete Streets” Pedestrian Access Project, a four-month term extension;
3. For the San Bernardino County Transportation Authority (SBCTA), Contract #MS16096, which provided \$450,000 for EV Charging Infrastructure, a one-year term extension;
4. For the City of Brea, Contract #ML18100 (proposed), which will provide \$56,500 to install EV Charging Infrastructure, an increase in stations from thirteen to twenty-four;
5. For the City of Calimesa, Contract #ML18139, which provided \$50,000 to install a Bicycle Lane, a sixteen-month term extension;
6. For the City of Fontana, Contract #ML18144, which provided \$269,090 to install EV Charging Infrastructure, a modified statement of work; and
7. For the City of Alhambra, Contract #ML18169, which provided \$111,980 to install EV Charging Infrastructure, a modified statement of work.

Received and Approved Final Reports

The MSRC received and unanimously approved seven final report summaries this month as follows:

1. Omnitrans, #MS16117, which provided \$175,000 for the expansion of existing CNG infrastructure.
2. Omnitrans, #MS16118, which provided \$175,000 for the expansion of existing CNG infrastructure.
3. Anaheim Transportation Network, #MS18006, which provided \$219,564 to implement an Anaheim Circulator Service.
4. Orange County Transportation Authority, #MS18102, which provided \$1,146,000 for the OC Flex Micro-Transit Pilot Project.
5. Orange County Transportation Authority, #MS18103, which provided \$642,000 to install a Hydrogen Detection System.
6. Regents of the University of California, #MS18014, which provided \$254,795 for planning for EV Charging Infrastructure Investments.
7. Los Angeles County MTA, #MS21001, which provided \$1,148,742 to implement Special Transit Service to Dodger Stadium.

Contracts Administrator’s Report

The MSRC’s AB 2766 Contracts Administrator provides a written status report on all open contracts from FY 2004-05 through the present. The Contracts Administrator’s Report for April 9 through April 29, 2020 is attached (Attachment 1) for your information.

Attachment

Attachment 1 – April 9 through April 29, 2020 Contracts Administrator’s Report

MSRC Agenda Item No. 2

DATE: May 21, 2020

FROM: Cynthia Ravenstein

SUBJECT: AB 2766 Contracts Administrator's Report

SYNOPSIS: This report covers key issues addressed by MSRC staff, status of open contracts, and administrative scope changes from April 9 to April 29, 2020.

RECOMMENDATION: Receive and file report

WORK PROGRAM IMPACT: None

Contract Execution Status

2016-18 Work Program

On July 8, 2016, the SCAQMD Governing Board approved an award under the Event Center Transportation Program. This contract is executed.

On October 7, 2016, the SCAQMD Governing Board approved three awards under the Event Center Transportation Program and one award for a Regional Active Transportation Partnership Program. These contracts are executed.

On January 6, 2017, the SCAQMD Governing Board approved an award for development, hosting and maintenance of a new MSRC website. This contract is executed.

On April 7, 2017, the SCAQMD Governing Board approved an award under the Event Center Transportation Program. This contract is executed.

On June 2, 2017, the SCAQMD Governing Board approved an award under the Event Center Transportation Program. This contract is executed.

On July 7, 2017, the SCAQMD Governing Board approved an award under the Event Center Transportation Program. This contract is executed.

On September 1, 2017, the SCAQMD Governing Board approved one award under the Event Center Transportation Program and one award under the Natural Gas Infrastructure Program. These contracts are executed.

On October 6, 2017, the SCAQMD Governing Board approved two awards under the Event Center Transportation Program and one award under the Natural Gas Infrastructure Program. These contracts are executed.

On December 1, 2017, the SCAQMD Governing Board approved sole source awards for a Hydrogen Infrastructure Partnership Program, for a Southern California Future Communities Partnership Program, and for electric vehicle charging infrastructure planning analysis. These contracts are executed. The MSRC has replaced the award to the California Energy Commission with a Program Opportunity Notice for the Hydrogen Infrastructure Partnership Program.

On February 2, 2018, the SCAQMD Governing Board approved one award under the Event Center Transportation Program, two awards under the Natural Gas Infrastructure Program, four awards under the Local Government Partnership Program, and two awards under the County Transportation Commission Partnership Program. These contracts are executed.

On March 2, 2018, the SCAQMD Governing Board approved one award under the Major Event Center Transportation Program, two awards under the Natural Gas Infrastructure Program, and one award under the Local Government Partnership Program. These contracts are executed.

On April 6, 2018, the SCAQMD Governing Board approved one award under the Natural Gas Infrastructure Program and eight awards under the Local Government Partnership Program. These contracts are executed.

On May 4, 2018, the SCAQMD Governing Board approved twenty-seven awards under the Local Government Partnership Program and one award under the County Transportation Commission Partnership Program. These contracts are executed.

On June 1, 2018, the SCAQMD Governing Board approved six awards under the Local Government Partnership Program, one award under the Natural Gas Infrastructure Program, and one award under the County Transportation Commission Partnership Program. These contracts are executed.

On July 6, 2018, the SCAQMD Governing Board approved nine awards under the Local Government Partnership Program. These contracts are executed.

On September 7, 2018, the SCAQMD Governing Board approved nineteen awards under the Local Government Partnership Program, three awards under the County Transportation Commission Partnership Program, one award under the Major Event Center Transportation Program, and twenty awards under the Natural Gas Infrastructure Program. These contracts are with the prospective contractor for signature or executed.

On October 5, 2018, the SCAQMD Governing Board approved forty-eight awards under the Local Government Partnership Program and one award under the Hydrogen Infrastructure Program. These contracts are with the prospective contractor for signature or executed.

On November 2, 2018, the SCAQMD Governing Board approved two awards under the Local Government Partnership Program. These contracts are executed.

2018-21 Work Program

On April 5, 2019, the SCAQMD Governing Board approved an award under the Major Event Center Transportation Program. This contract is executed.

On September 5, 2019, the SCAQMD Governing Board approved an award under the Major Event Center Transportation Program. This contract is with the prospective contractor for signature.

On December 6, 2019, the SCAQMD Governing Board approved an award under the Major Event Center Transportation Program. This contract is undergoing internal review.

Work Program Status

Contract Status Reports for work program years with open and/or pending contracts are attached.

FY 2010-11 Work Program Contracts

One contract from this work program year is open; and 12 are in “Open/Complete” status. 3 contracts closed during this period: City of Newport Beach, Contract #MS11045 – Purchase One Natural Gas Heavy-Duty Vehicle; USA Waste of California, Contract #MS11008 – Expansion of Existing L/CNG Station in Corona; USA Waste of California, Contract #MS11009 – Expansion of Existing L/CNG Station in Baldwin Park.

FY 2010-11 Invoices Paid

No invoices were paid during this period.

FY 2011-12 Work Program Contracts

6 contracts from this work program year are open, and 14 are in “Open/Complete” status. Three contracts closed during this period: City of Los Angeles, Department of General Services, Contract #ML12020 – Purchase 15 Heavy-Duty Natural Gas Vehicles; Sysco Food Services of Los Angeles, Contract #MS12009 – Install New Public Access LNG Station; and Custom Alloy Light Metals, Install New Limited Access CNG Station.

FY 2011-12 Invoices Paid

No invoices were paid during this period.

FYs 2012-14 Work Program Contracts

17 contracts from this work program year are open, and 32 are in “Open/Complete” status. One contract passed into “Open/Complete” status during this period: Rialto Unified School District, Contract #MS14076 – Install New Public Access CNG Station.

FYs 2012-14 Invoices Paid

No invoices were paid during this period.

FYs 2014-16 Work Program Contracts

43 contracts from this work program year are open, and 30 are in “Open/Complete” status. Two contracts closed during this period: City of Murrieta, Contract #ML16061 – Install EV Charging Infrastructure; and City of Yucaipa, Contract #ML16069 – Purchase Electric Lawnmower.

FYs 2014-16 Invoices Paid

No invoices were paid during this period.

FYs 2016-18 Work Program Contracts

128 contracts from this work program year are open, and 21 are in “Open/Complete” status. 4 contracts passed into “Open/Complete” status during this period: City of Westminster, Contract #ML18037 – Install EV Charging Infrastructure, Procure up to Three Light-Duty ZEVs & One Medium- or Heavy-Duty ZEV; City of Downey, Contract #ML18049 – Install EV Charging Infrastructure; City of Irwindale, Contract #ML18160 – Procure Two Light-Duty ZEVs; and City of Hermosa Beach, Contract #MS18012 – Install New Limited Access CNG Station.

3 invoices totaling \$79,285.00 were paid during this period.

FYs 2018-21 Work Program Contracts

2 contracts from this work program year are open.

No invoices were paid during this period.

Administrative Scope Changes

4 administrative scope changes were initiated during the period of April 9 to 29, 2020:

- City of Glendora, Contract #ML18089 (Procure One Medium-Duty Zero Emission Vehicle) – One-year term extension
- City of Claremont, Contract #ML16053 (Implement “Complete Streets” Project) – Three-month term extension
- City of Santa Ana, Contract #ML12014 (Procure Nine CNG and LNG Heavy-Duty Vehicles, Expand CNG Station and Install EV Charging Stations) – Substitute four CNG for LNG vehicles, eliminate tasks and funding associated with CNG station expansion, and one-year term extension
- City of Big Bear Lake, Contract #ML18088 (Install Bicycle Path) – One-year term extension

Attachments

- FY 2007-08 through FYs 2018-21 (except FY 2009-10) Contract Status Reports



AB2766 Discretionary Fund Program Invoices

April 9 to April 29, 2020

Contract Admin.	MSRC Chair	MSRC Liaison	Finance	Contract #	Contractor	Invoice #	Amount
<i>2016-2018 Work Program</i>							
4/29/2020	4/29/2020	5/1/2020	5/1/2020	ML18028	City of Artesia	1-Final	\$50,000.00
4/28/2020	4/29/2020	5/1/2020	5/1/2020	ML18156	City of Covina	2	\$22,713.00
4/28/2020	4/29/2020	5/1/2020	5/1/2020	ML18019	City of Hidden Hills	3-FINAL	\$6,572.00

Total: \$79,285.00

Total This Period: \$79,285.00



FYs 2007-08 Through 2018-21 AB2766 Contract Status Report

5/15/2020

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
<i>FY 2007-2008 Contracts</i>									
<i>Declined/Cancelled Contracts</i>									
ML08032	City of Irvine	5/1/2009	8/31/2010		\$9,000.00	\$0.00	36 Vehicles (Diagnostic)	\$9,000.00	No
ML08041	City of Los Angeles, Dept of Transpo	8/6/2010	7/5/2011	12/5/2011	\$8,800.00	\$0.00	73 Vehicles (Diagnostic)	\$8,800.00	No
ML08049	City of Cerritos	3/20/2009	1/19/2015	2/19/2017	\$25,000.00	\$0.00	1 CNG Heavy-Duty Vehicle	\$25,000.00	No
ML08051	City of Colton				\$75,000.00	\$0.00	3 CNG Heavy-Duty Vehicles	\$75,000.00	No
ML08080	City of Irvine	5/1/2009	5/31/2015		\$50,000.00	\$0.00	Two Heavy-Duty Nat. Gas Vehicles	\$50,000.00	No
MS08002	Orange County Transportation Autho				\$1,500,000.00	\$0.00	Big Rig Freeway Service Patrol	\$1,500,000.00	No
MS08008	Diversified Truck Rental & Leasing				\$300,000.00	\$0.00	10 H.D. Nat. Gas Vehicles	\$300,000.00	No
MS08010	Orange County Transportation Autho				\$10,000.00	\$0.00	20 H.D. Nat. Gas Vehicles	\$10,000.00	No
MS08011	Green Fleet Systems, LLC				\$10,000.00	\$0.00	30 H.D. Nat. Gas Vehicles	\$10,000.00	No
MS08052	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014	11/23/2015	\$100,000.00	\$0.00	New CNG Station - Fontana	\$100,000.00	No
MS08054	Clean Energy Fuels Corp.				\$400,000.00	\$0.00	New LNG Station - Fontana	\$400,000.00	No
MS08055	Clean Energy Fuels Corp.	11/26/2009	3/25/2016	3/25/2017	\$400,000.00	\$0.00	New LNG Station - Long Beach-Pier S	\$400,000.00	No
MS08059	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014		\$100,000.00	\$0.00	New CNG Station - San Bernardino	\$100,000.00	No
MS08060	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014		\$100,000.00	\$0.00	New CNG Station - Azusa	\$100,000.00	No
MS08062	Go Natural Gas	9/25/2009	1/24/2016	1/24/2017	\$400,000.00	\$0.00	New CNG Station - Rialto	\$400,000.00	No
MS08074	Fontana Unified School District	11/14/2008	12/13/2014		\$200,000.00	\$0.00	Expansion of Existing CNG station	\$200,000.00	No
MS08077	Hythane Company, LLC				\$144,000.00	\$0.00	Upgrade Station to Hythane	\$144,000.00	No
Total: 17									
<i>Closed Contracts</i>									
ML08023	City of Villa Park	11/7/2008	10/6/2012		\$6,500.00	\$5,102.50	Upgrade of Existing Refueling Facility	\$1,397.50	Yes
ML08024	City of Anaheim	7/9/2010	7/8/2017	1/8/2018	\$425,000.00	\$425,000.00	9 LPG Buses and 8 CNG Buses	\$0.00	Yes
ML08026	Los Angeles County Department of P	7/20/2009	7/19/2016		\$250,000.00	\$250,000.00	10 LPG Heavy-Duty Vehicles	\$0.00	Yes
ML08027	Los Angeles County Department of P	7/20/2009	1/19/2011	1/19/2012	\$6,901.00	\$5,124.00	34 Vehicles (Diagnostic)	\$1,777.00	Yes
ML08028	City of Santa Monica	9/11/2009	9/10/2016	5/10/2019	\$600,000.00	\$200,000.00	24 CNG Heavy-Duty Vehicles	\$400,000.00	Yes
ML08029	City of Gardena	3/19/2009	1/18/2015		\$25,000.00	\$25,000.00	1 Propane Heavy-Duty Vehicle	\$0.00	Yes
ML08030	City of Azusa	5/14/2010	3/13/2016		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	No
ML08031	City of Claremont	3/27/2009	3/26/2013	3/26/2015	\$97,500.00	\$97,500.00	Upgrade of Existing CNG Station, Purchase	\$0.00	Yes
ML08033	County of San Bernardino Public Wor	4/3/2009	2/2/2010		\$14,875.00	\$14,875.00	70 Vehicles (Diagnostic)	\$0.00	Yes
ML08034	County of San Bernardino Public Wor	3/27/2009	7/26/2015		\$150,000.00	\$150,000.00	8 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08035	City of La Verne	3/6/2009	11/5/2009		\$11,925.00	\$11,925.00	53 Vehicles (Diagnostic)	\$0.00	Yes
ML08036	City of South Pasadena	5/12/2009	7/11/2013		\$169,421.00	\$169,421.00	New CNG Station	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML08037	City of Glendale	5/20/2009	5/19/2015		\$325,000.00	\$325,000.00	13 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08038	Los Angeles Department of Water an	7/16/2010	7/15/2017		\$1,050,000.00	\$1,050,000.00	42 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08039	City of Rancho Palos Verdes	6/5/2009	8/4/2015		\$50,000.00	\$50,000.00	2 LPG Transit Buses	\$0.00	Yes
ML08040	City of Riverside	9/11/2009	9/10/2016	3/10/2019	\$455,500.00	\$455,500.00	16 CNG Vehicles, Expand CNG Station & M	\$0.00	Yes
ML08042	City of Ontario, Housing & Municipal	5/1/2009	1/31/2016		\$175,000.00	\$175,000.00	7 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08044	City of Chino	3/19/2009	3/18/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08045	City of Santa Clarita	2/20/2009	6/19/2010		\$3,213.00	\$3,150.00	14 Vehicles (Diagnostic)	\$63.00	Yes
ML08046	City of Paramount	2/20/2009	2/19/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08047	City of Culver City Transportation De	5/12/2009	8/11/2015		\$150,000.00	\$150,000.00	6 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08048	City of Santa Clarita	2/20/2009	6/19/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08050	City of Laguna Beach Public Works	8/12/2009	4/11/2016	10/11/2016	\$75,000.00	\$75,000.00	3 LPG Trolleys	\$0.00	Yes
MS08001	Los Angeles County MTA	12/10/2010	6/9/2014		\$1,500,000.00	\$1,499,999.66	Big Rig Freeway Service Patrol	\$0.34	Yes
MS08003	A-Z Bus Sales, Inc.	5/2/2008	12/31/2008	2/28/2009	\$1,480,000.00	\$1,400,000.00	Alternative Fuel School Bus Incentive Progra	\$80,000.00	Yes
MS08004	BusWest	5/2/2008	12/31/2008		\$1,440,000.00	\$1,440,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS08005	Burrtec Waste Industries, Inc.	10/23/2008	11/22/2014	10/22/2015	\$450,000.00	\$450,000.00	15 H.D. Nat. Gas Vehicles - Azusa	\$0.00	Yes
MS08006	Burrtec Waste Industries, Inc.	10/23/2008	11/22/2014	10/22/2015	\$450,000.00	\$450,000.00	15 H.D. Nat. Gas Vehicles - Saugus	\$0.00	Yes
MS08007	United Parcel Service West Region	12/10/2008	10/9/2014	4/9/2019	\$300,000.00	\$270,000.00	10 H.D. Nat. Gas Vehicles	\$30,000.00	Yes
MS08009	Los Angeles World Airports	12/24/2008	12/23/2014		\$870,000.00	\$870,000.00	29 H.D. Nat. Gas Vehicles	\$0.00	Yes
MS08012	California Cartage Company, LLC	12/21/2009	10/20/2015	4/20/2016	\$480,000.00	\$480,000.00	12 H.D. Nat. Gas Yard Tractors	\$0.00	Yes
MS08013	United Parcel Service West Region	12/10/2008	10/9/2014	3/9/2019	\$480,000.00	\$432,000.00	12 H.D. Nat. Gas Yard Tractors	\$48,000.00	No
MS08014	City of San Bernardino	12/5/2008	6/4/2015		\$390,000.00	\$360,000.00	13 H.D. Nat. Gas Vehicles	\$30,000.00	Yes
MS08015	Yosemite Waters	5/12/2009	5/11/2015		\$180,000.00	\$117,813.60	11 H.D. Propane Vehicles	\$62,186.40	Yes
MS08016	TransVironmental Solutions, Inc.	1/23/2009	12/31/2010	9/30/2011	\$227,198.00	\$80,351.34	Rideshare 2 School Program	\$146,846.66	Yes
MS08017	Omnitrans	12/13/2008	12/12/2015	12/12/2016	\$900,000.00	\$900,000.00	30 CNG Buses	\$0.00	Yes
MS08018	Los Angeles County Department of P	8/7/2009	10/6/2016	4/6/2018	\$60,000.00	\$60,000.00	2 CNG Vehicles	\$0.00	Yes
MS08019	Enterprise Rent-A-Car Company of L	2/12/2010	7/11/2016		\$300,000.00	\$300,000.00	10 CNG Vehicles	\$0.00	Yes
MS08020	Ware Disposal Company, Inc.	11/25/2008	2/24/2016		\$900,000.00	\$900,000.00	30 CNG Vehicles	\$0.00	Yes
MS08021	CalMet Services, Inc.	1/9/2009	1/8/2016	7/8/2016	\$900,000.00	\$900,000.00	30 CNG Vehicles	\$0.00	Yes
MS08022	SunLine Transit Agency	12/18/2008	3/17/2015		\$311,625.00	\$311,625.00	15 CNG Buses	\$0.00	Yes
MS08053	City of Los Angeles, Bureau of Sanit	2/18/2009	12/17/2015		\$400,000.00	\$400,000.00	New LNG/CNG Station	\$0.00	Yes
MS08056	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$400,000.00	New LNG Station - POLB-Anah. & I	\$0.00	Yes
MS08057	Orange County Transportation Autho	5/14/2009	7/13/2015		\$400,000.00	\$400,000.00	New CNG Station - Garden Grove	\$0.00	Yes
MS08058	Clean Energy Fuels Corp.	11/26/2009	3/25/2016	3/25/2017	\$400,000.00	\$400,000.00	New CNG Station - Ontario Airport	\$0.00	Yes
MS08061	Clean Energy Fuels Corp.	12/4/2009	3/3/2015		\$400,000.00	\$400,000.00	New CNG Station - L.A.-La Cienega	\$0.00	Yes
MS08063	Go Natural Gas	9/25/2009	1/24/2016	1/24/2017	\$400,000.00	\$400,000.00	New CNG Station - Moreno Valley	\$0.00	Yes
MS08064	Hemet Unified School District	1/9/2009	3/8/2015		\$75,000.00	\$75,000.00	Expansion of Existing Infrastructure	\$0.00	Yes
MS08065	Pupil Transportation Cooperative	11/20/2008	7/19/2014		\$10,500.00	\$10,500.00	Existing CNG Station Modifications	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS08066	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$400,000.00	New CNG Station - Palm Spring Airport	\$0.00	Yes
MS08067	Trillium CNG	3/19/2009	6/18/2015	6/18/2016	\$311,600.00	\$254,330.00	New CNG Station	\$57,270.00	Yes
MS08069	Perris Union High School District	6/5/2009	8/4/2015	8/4/2016	\$225,000.00	\$225,000.00	New CNG Station	\$0.00	Yes
MS08070	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$400,000.00	New CNG Station - Paramount	\$0.00	Yes
MS08071	ABC Unified School District	1/16/2009	1/15/2015		\$63,000.00	\$63,000.00	New CNG Station	\$0.00	Yes
MS08072	Clean Energy Fuels Corp.	12/4/2009	3/3/2015		\$400,000.00	\$354,243.38	New CNG Station - Burbank	\$45,756.62	Yes
MS08073	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$400,000.00	New CNG Station - Norwalk	\$0.00	Yes
MS08075	Disneyland Resort	12/10/2008	2/1/2015		\$200,000.00	\$200,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS08076	Azusa Unified School District	10/17/2008	11/16/2014	1/31/2017	\$172,500.00	\$172,500.00	New CNG station and maint. Fac. Modificatio	\$0.00	Yes
MS08078	SunLine Transit Agency	12/10/2008	6/9/2015	2/9/2016	\$189,000.00	\$189,000.00	CNG Station Upgrade	\$0.00	Yes

Total: 59

Closed/Incomplete Contracts

ML08025	Los Angeles County Department of P	10/30/2009	3/29/2011		\$75,000.00	\$0.00	150 Vehicles (Diagnostic)	\$75,000.00	No
MS08068	Regents of the University of Californi	11/5/2010	11/4/2017	11/4/2019	\$400,000.00	\$0.00	Hydrogen Station	\$400,000.00	No
MS08079	ABC Unified School District	1/16/2009	12/15/2009	12/15/2010	\$50,000.00	\$0.00	Maintenance Facility Modifications	\$50,000.00	No

Total: 3

Open/Complete Contracts

ML08043	City of Desert Hot Springs	9/25/2009	3/24/2016	3/24/2021	\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
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Total: 1

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2008-2009 Contracts

Declined/Cancelled Contracts

ML09017	County of San Bernardino Public Wor	1/28/2010	7/27/2016		\$200,000.00	\$0.00	8 Nat. Gas Heavy-Duty Vehicles	\$200,000.00	No
ML09018	Los Angeles Department of Water an	7/16/2010	9/15/2012		\$850,000.00	\$0.00	Retrofit 85 Off-Road Vehicles w/DECS	\$850,000.00	No
ML09019	City of San Juan Capistrano Public	12/4/2009	11/3/2010		\$10,125.00	\$0.00	Remote Vehicle Diagnostics/45 Vehicles	\$10,125.00	No
ML09022	Los Angeles County Department of P				\$8,250.00	\$0.00	Remote Vehicle Diagnostics/15 Vehicles	\$8,250.00	No
ML09025	Los Angeles County Department of P	10/15/2010	12/14/2012	6/14/2013	\$50,000.00	\$0.00	Remote Vehicle Diagnostics/85 Vehicles	\$50,000.00	No
ML09028	Riverside County Waste Managemen				\$140,000.00	\$0.00	Retrofit 7 Off-Road Vehicles w/DECS	\$140,000.00	No
ML09039	City of Inglewood				\$310,000.00	\$0.00	Purchase 12 H.D. CNG Vehicles and Remot	\$310,000.00	No
ML09040	City of Cathedral City				\$83,125.00	\$0.00	Purchase 3 H.D. CNG Vehicles and Remote	\$83,125.00	No
ML09044	City of San Dimas				\$425,000.00	\$0.00	Install CNG Station and Purchase 1 CNG Sw	\$425,000.00	No
ML09045	City of Orange				\$125,000.00	\$0.00	Purchase 5 CNG Sweepers	\$125,000.00	No

Total: 10

Closed Contracts

ML09007	City of Rancho Cucamonga	2/26/2010	4/25/2012		\$117,500.00	\$62,452.57	Maintenance Facility Modification	\$55,047.43	Yes
ML09008	City of Culver City Transportation De	1/19/2010	7/18/2016	7/18/2017	\$175,000.00	\$175,000.00	8 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09009	City of South Pasadena	11/5/2010	12/4/2016	3/4/2019	\$125,930.00	\$125,930.00	CNG Station Expansion	\$0.00	Yes
ML09010	City of Palm Springs	1/8/2010	2/7/2016		\$25,000.00	\$25,000.00	1 Nat. Gas Heavy-Duty Vehicle	\$0.00	Yes
ML09011	City of San Bernardino	2/19/2010	5/18/2016		\$250,000.00	\$250,000.00	10 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09012	City of Gardena	3/12/2010	11/11/2015		\$25,000.00	\$25,000.00	1 Nat. Gas Heavy-Duty Vehicle	\$0.00	Yes
ML09013	City of Riverside Public Works	9/10/2010	12/9/2011	7/31/2013	\$144,470.00	\$128,116.75	Traffic Signal Synchr./Moreno Valley	\$16,353.25	Yes
ML09014	City of Riverside Public Works	9/10/2010	12/9/2011	7/31/2013	\$113,030.00	\$108,495.94	Traffic Signal Synchr./Corona	\$4,534.06	Yes
ML09015	City of Riverside Public Works	9/10/2010	12/9/2011	7/31/2013	\$80,060.00	\$79,778.52	Traffic Signal Synchr./Co. of Riverside	\$281.48	Yes
ML09016	County of San Bernardino Public Wor	1/28/2010	3/27/2014		\$50,000.00	\$50,000.00	Install New CNG Station	\$0.00	Yes
ML09020	County of San Bernardino	8/16/2010	2/15/2012		\$49,770.00	\$49,770.00	Remote Vehicle Diagnostics/252 Vehicles	\$0.00	Yes
ML09021	City of Palm Desert	7/9/2010	3/8/2012		\$39,450.00	\$38,248.87	Traffic Signal Synchr./Rancho Mirage	\$1,201.13	Yes
ML09023	Los Angeles County Department of P	12/10/2010	12/9/2017		\$50,000.00	\$50,000.00	2 Heavy-Duty Alternative Fuel Transit Vehicl	\$0.00	Yes
ML09024	Los Angeles County Department of P	10/15/2010	12/14/2012	6/14/2013	\$400,000.00	\$0.00	Maintenance Facility Modifications	\$400,000.00	No
ML09026	Los Angeles County Department of P	10/15/2010	10/14/2017	4/14/2019	\$150,000.00	\$80,411.18	3 Off-Road Vehicles Repowers	\$69,588.82	Yes
ML09027	Los Angeles County Department of P	7/23/2010	3/22/2012	6/22/2012	\$150,000.00	\$150,000.00	Freeway Detector Map Interface	\$0.00	Yes
ML09029	City of Whittier	11/6/2009	4/5/2016		\$25,000.00	\$25,000.00	1 Nat. Gas Heavy-Duty Vehicle	\$0.00	Yes
ML09030	City of Los Angeles GSD/Fleet Servic	6/18/2010	6/17/2011		\$22,310.00	\$22,310.00	Remote Vehicle Diagnostics/107 Vehicles	\$0.00	Yes
ML09031	City of Los Angeles Dept of General	10/29/2010	10/28/2017		\$825,000.00	\$825,000.00	33 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09032	Los Angeles World Airports	4/8/2011	4/7/2018		\$175,000.00	\$175,000.00	7 Nat. Gas Heavy-Duty Vehicles	\$0.00	Yes
ML09033	City of Beverly Hills	3/4/2011	5/3/2017	1/3/2019	\$550,000.00	\$550,000.00	10 Nat. Gas Heavy-Duty Vehicles & CNG St	\$0.00	Yes
ML09034	City of La Palma	11/25/2009	6/24/2015		\$25,000.00	\$25,000.00	1 LPG Heavy-Duty Vehicle	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML09035	City of Fullerton	6/17/2010	6/16/2017	6/16/2018	\$450,000.00	\$450,000.00	2 Heavy-Duty CNG Vehicles & Install CNG	\$0.00	Yes
ML09037	City of Redondo Beach	6/18/2010	6/17/2016		\$50,000.00	\$50,000.00	Purchase Two CNG Sweepers	\$0.00	Yes
ML09038	City of Chino	9/27/2010	5/26/2017		\$250,000.00	\$250,000.00	Upgrade Existing CNG Station	\$0.00	Yes
ML09041	City of Los Angeles, Bureau of Sanit	10/1/2010	9/30/2017		\$875,000.00	\$875,000.00	Purchase 35 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML09042	Los Angeles Department of Water an	12/10/2010	12/9/2017		\$1,400,000.00	\$1,400,000.00	Purchase 56 Dump Trucks	\$0.00	Yes
ML09043	City of Covina	10/8/2010	4/7/2017	10/7/2018	\$179,591.00	\$179,591.00	Upgrade Existing CNG Station	\$0.00	Yes
ML09046	City of Newport Beach	5/20/2010	5/19/2016		\$162,500.00	\$162,500.00	Upgrade Existing CNG Station, Maintenance	\$0.00	Yes
ML09047	Los Angeles County Department of P	8/13/2014	8/12/2015	11/12/2015	\$400,000.00	\$272,924.53	Maintenance Facility Modifications	\$127,075.47	No

Total: 30

Open/Complete Contracts

ML09036	City of Long Beach Fleet Services Bu	5/7/2010	5/6/2017	11/6/2022	\$875,000.00	\$875,000.00	Purchase 35 Natural Gas Refuse Trucks	\$0.00	Yes
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Total: 1

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
FY 2010-2011 Contracts									
Open Contracts									
ML11029	City of Santa Ana	9/7/2012	3/6/2020	3/6/2023	\$262,500.00	\$75,000.00	Expansion of Existing CNG Station, Install N	\$187,500.00	No
Total: 1									
Declined/Cancelled Contracts									
ML11038	City of Santa Monica	5/18/2012	7/17/2018		\$400,000.00	\$0.00	Maintenance Facility Modifications	\$400,000.00	No
MS11013	Go Natural Gas, Inc.				\$150,000.00	\$0.00	New CNG Station - Huntington Beach	\$150,000.00	No
MS11014	Go Natural Gas, Inc.				\$150,000.00	\$0.00	New CNG Station - Santa Ana	\$150,000.00	No
MS11015	Go Natural Gas, Inc.				\$150,000.00	\$0.00	New CNG Station - Inglewood	\$150,000.00	No
MS11046	Luis Castro				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11047	Ivan Borjas				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11048	Phase II Transportation				\$1,080,000.00	\$0.00	Repower 27 Heavy-Duty Vehicles	\$1,080,000.00	No
MS11049	Ruben Caceras				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11050	Carlos Arrue				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11051	Francisco Vargas				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11053	Jose Ivan Soltero				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11054	Albino Meza				\$40,000.00	\$0.00	Repower One Heavy-Duty Vehicle	\$40,000.00	No
MS11059	Go Natural Gas				\$150,000.00	\$0.00	New Public Access CNG Station - Paramoun	\$150,000.00	No
MS11063	Standard Concrete Products				\$310,825.00	\$0.00	Retrofit Two Off-Road Vehicles under Showc	\$310,825.00	No
MS11070	American Honda Motor Company				\$100,000.00	\$0.00	Expansion of Existing CNG Station	\$100,000.00	No
MS11072	Trillium USA Company DBA Californi				\$150,000.00	\$0.00	New Public Access CNG Station	\$150,000.00	No
MS11077	DCL America Inc.				\$263,107.00	\$0.00	Retrofit of 13 Off-Road Diesel Vehicles with	\$263,107.00	No
MS11083	Cattrac Construction, Inc.				\$500,000.00	\$0.00	Install DECS on Eight Off-Road Vehicles	\$500,000.00	No
MS11084	Ivanhoe Energy Services and Develo				\$66,750.00	\$0.00	Retrofit One H.D. Off-Road Vehicle Under S	\$66,750.00	No
MS11088	Diesel Emission Technologies				\$32,750.00	\$0.00	Retrofit Three H.D. Off-Road Vehicles Under	\$32,750.00	No
MS11089	Diesel Emission Technologies				\$9,750.00	\$0.00	Retrofit One H.D. Off-Road Vehicle Under S	\$9,750.00	No
MS11090	Diesel Emission Technologies				\$14,750.00	\$0.00	Retrofit One H.D. Off-Road Vehicle Under S	\$14,750.00	No
Total: 22									
Closed Contracts									
ML11007	Coachella Valley Association of Gove	7/29/2011	7/28/2012		\$250,000.00	\$249,999.96	Regional PM10 Street Sweeping Program	\$0.04	Yes
ML11021	City of Whittier	1/27/2012	9/26/2018	6/26/2019	\$210,000.00	\$210,000.00	Purchase 7 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11022	City of Anaheim	3/16/2012	7/15/2018		\$150,000.00	\$150,000.00	Purchase of 5 H.D. Vehicles	\$0.00	Yes
ML11026	City of Redlands	3/2/2012	10/1/2018		\$90,000.00	\$90,000.00	Purchase 3 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11027	City of Los Angeles, Dept. of General	5/4/2012	7/3/2015	1/3/2016	\$300,000.00	\$300,000.00	Maintenance Facility Modifications	\$0.00	Yes
ML11028	City of Glendale	1/13/2012	5/12/2018		\$300,000.00	\$300,000.00	Purchase 10 H.D. CNG Vehicles	\$0.00	Yes
ML11030	City of Fullerton	2/3/2012	3/2/2018		\$109,200.00	\$109,200.00	Purchase 2 Nat. Gas H.D. Vehicles, Retrofit	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML11031	City of Culver City Transportation De	12/2/2011	12/1/2018		\$300,000.00	\$300,000.00	Purchase 10 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML11033	City of Los Angeles, Bureau of Sanit	3/16/2012	1/15/2019		\$1,080,000.00	\$1,080,000.00	Purchase 36 LNG H.D. Vehicles	\$0.00	Yes
ML11034	City of Los Angeles Dept of General	5/4/2012	1/3/2019		\$630,000.00	\$630,000.00	Purchase 21 H.D. CNG Vehicles	\$0.00	Yes
ML11035	City of La Quinta	11/18/2011	11/17/2012		\$25,368.00	\$25,368.00	Retrofit 3 On-Road Vehicles w/DECS	\$0.00	Yes
ML11037	City of Anaheim	12/22/2012	12/21/2019		\$300,000.00	\$300,000.00	Purchase 12 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11039	City of Ontario, Housing & Municipal	1/27/2012	9/26/2018		\$180,000.00	\$180,000.00	Purchase 6 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11042	City of Chino	2/17/2012	4/16/2018		\$30,000.00	\$30,000.00	Purchase 1 Nat. Gas H.D. Vehicle, Repower	\$0.00	Yes
ML11043	City of Hemet Public Works	2/3/2012	2/2/2019		\$60,000.00	\$60,000.00	Purchase 2 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML11044	City of Ontario, Housing & Municipal	1/27/2012	6/26/2019		\$400,000.00	\$400,000.00	Expand Existing CNG Station	\$0.00	Yes
MS11001	Mineral LLC	4/22/2011	4/30/2013	4/30/2015	\$111,827.00	\$103,136.83	Design, Develop, Host and Maintain MSRC	\$8,690.17	Yes
MS11002	A-Z Bus Sales, Inc.	7/15/2011	12/31/2011	6/30/2013	\$1,705,000.00	\$1,705,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS11003	BusWest	7/26/2011	12/31/2011	12/31/2012	\$1,305,000.00	\$1,305,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS11004	Los Angeles County MTA	9/9/2011	2/29/2012		\$450,000.00	\$299,743.34	Clean Fuel Transit Service to Dodger Stadiu	\$150,256.66	Yes
MS11006	Orange County Transportation Autho	10/7/2011	2/29/2012	8/31/2012	\$268,207.00	\$160,713.00	Metrolink Service to Angel Stadium	\$107,494.00	Yes
MS11008	USA Waste of California, Inc.	10/24/2013	4/23/2020		\$125,000.00	\$125,000.00	Expansion of Existing LCNG Station	\$0.00	Yes
MS11009	USA Waste of California, Inc.	10/24/2013	4/23/2020		\$125,000.00	\$125,000.00	Expansion of Existing LCNG Station	\$0.00	Yes
MS11011	EDCO Disposal Corporation	12/30/2011	4/29/2019		\$100,000.00	\$100,000.00	New CNG Station - Signal Hill	\$0.00	Yes
MS11012	EDCO Disposal Corporation	12/30/2011	4/29/2019		\$100,000.00	\$100,000.00	New CNG Station - Buena Park	\$0.00	Yes
MS11016	CR&R Incorporated	4/12/2013	10/11/2019		\$100,000.00	\$100,000.00	New CNG Station - Perris	\$0.00	Yes
MS11017	CR&R, Inc.	3/2/2012	2/1/2018		\$100,000.00	\$100,000.00	Expansion of existing station - Garden Grove	\$0.00	Yes
MS11018	Orange County Transportation Autho	10/14/2011	1/31/2012		\$211,360.00	\$211,360.00	Express Bus Service to Orange County Fair	\$0.00	Yes
MS11052	Krisda Inc	9/27/2012	6/26/2013		\$120,000.00	\$120,000.00	Repower Three Heavy-Duty Vehicles	\$0.00	Yes
MS11055	KEC Engineering	2/3/2012	8/2/2018	8/2/2019	\$200,000.00	\$200,000.00	Repower 5 H.D. Off-Road Vehicles	\$0.00	Yes
MS11056	Better World Group Advisors	12/30/2011	12/29/2013	12/29/2015	\$206,836.00	\$186,953.46	Programmatic Outreach Services	\$19,882.54	Yes
MS11057	Riverside County Transportation Co	7/28/2012	3/27/2013		\$100,000.00	\$89,159.40	Develop and Implement 511 "Smart Phone"	\$10,840.60	Yes
MS11058	L A Service Authority for Freeway E	5/31/2013	4/30/2014		\$123,395.00	\$123,395.00	Implement 511 "Smart Phone" Application	\$0.00	Yes
MS11060	Rowland Unified School District	8/17/2012	1/16/2019	1/16/2020	\$175,000.00	\$175,000.00	New Limited Access CNG Station	\$0.00	Yes
MS11061	Eastern Municipal Water District	3/29/2012	5/28/2015		\$11,659.00	\$1,450.00	Retrofit One Off-Road Vehicle under Showca	\$10,209.00	Yes
MS11062	Load Center	9/7/2012	1/6/2016	12/6/2016	\$175,384.00	\$169,883.00	Retrofit Six Off-Road Vehicles under Showca	\$5,501.00	Yes
MS11065	Temecula Valley Unified School Distr	8/11/2012	1/10/2019		\$50,000.00	\$48,539.62	Expansion of Existing CNG Station	\$1,460.38	Yes
MS11066	Torrance Unified School District	11/19/2012	9/18/2018		\$42,296.00	\$42,296.00	Expansion of Existing CNG Station	\$0.00	Yes
MS11067	City of Redlands	5/24/2012	11/23/2018	11/23/2019	\$85,000.00	\$85,000.00	Expansion of Existing CNG Station	\$0.00	Yes
MS11068	Ryder System Inc.	7/28/2012	10/27/2018		\$175,000.00	\$175,000.00	New Public Access L/CNG Station (Fontana)	\$0.00	Yes
MS11069	Ryder System Inc.	7/28/2012	8/27/2018		\$175,000.00	\$175,000.00	New Public Access L/CNG Station (Orange)	\$0.00	Yes
MS11071	City of Torrance Transit Department	12/22/2012	1/21/2019	1/21/2020	\$175,000.00	\$175,000.00	New Limited Access CNG Station	\$0.00	Yes
MS11074	SunLine Transit Agency	5/11/2012	7/31/2012		\$41,849.00	\$22,391.00	Transit Service for Coachella Valley Festival	\$19,458.00	Yes
MS11079	Bear Valley Unified School District	2/5/2013	10/4/2019		\$175,000.00	\$175,000.00	New Limited Access CNG Station	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS11080	Southern California Regional Rail Aut	4/6/2012	7/31/2012		\$26,000.00	\$26,000.00	Metrolink Service to Auto Club Speedway	\$0.00	Yes
MS11086	DCL America Inc.	6/7/2013	10/6/2016		\$500,000.00	\$359,076.96	Retrofit Eight H.D. Off-Road Vehicles Under	\$140,923.04	Yes
MS11087	Cemex Construction Material Pacific,	10/16/2012	2/15/2016		\$448,766.00	\$448,760.80	Retrofit 13 H.D. Off-Road Vehicles Under Sh	\$5.20	Yes
MS11091	California Cartage Company, LLC	4/5/2013	8/4/2016	2/4/2018	\$55,000.00	\$0.00	Retrofit Two H.D. Off-Road Vehicles Under	\$55,000.00	No
MS11092	Griffith Company	2/15/2013	6/14/2016	12/14/2017	\$390,521.00	\$78,750.00	Retrofit 17 H.D. Off-Road Vehicles Under Sh	\$311,771.00	No

Total: 49

Closed/Incomplete Contracts

MS11064	City of Hawthorne	7/28/2012	8/27/2018	8/27/2019	\$175,000.00	\$0.00	New Limited Access CNG Station	\$175,000.00	No
MS11076	SA Recycling, LLC	5/24/2012	9/23/2015		\$424,801.00	\$0.00	Retrofit of 13 Off-Road Diesel Vehicles with	\$424,801.00	No
MS11081	Metropolitan Stevedore Company	9/7/2012	1/6/2016		\$45,416.00	\$0.00	Install DECS on Two Off-Road Vehicles	\$45,416.00	No
MS11082	Baumot North America, LLC	8/2/2012	12/1/2015		\$65,958.00	\$4,350.00	Install DECS on Four Off-Road Vehicles	\$61,608.00	Yes
MS11085	City of Long Beach Fleet Services Bu	8/23/2013	12/22/2016		\$159,012.00	\$0.00	Retrofit Seven H.D. Off-Road Vehicles Unde	\$159,012.00	No

Total: 5

Open/Complete Contracts

ML11020	City of Indio	2/1/2013	3/31/2019	9/30/2020	\$15,000.00	\$9,749.50	Retrofit one H.D. Vehicles w/DECS, repower	\$5,250.50	Yes
ML11023	City of Rancho Cucamonga	4/20/2012	12/19/2018	9/19/2020	\$260,000.00	\$260,000.00	Expand Existing CNG Station, 2 H.D. Vehicl	\$0.00	Yes
ML11024	County of Los Angeles, Dept of Publi	12/5/2014	6/4/2022		\$90,000.00	\$90,000.00	Purchase 3 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11025	County of Los Angeles Department o	3/14/2014	9/13/2021		\$150,000.00	\$150,000.00	Purchase 5 Nat. Gas H.D. Vehicles	\$0.00	Yes
ML11032	City of Gardena	3/2/2012	9/1/2018	10/1/2020	\$102,500.00	\$102,500.00	Purchase Heavy-Duty CNG Vehicle, Install S	\$0.00	Yes
ML11036	City of Riverside	1/27/2012	1/26/2019	3/26/2021	\$670,000.00	\$670,000.00	Install New CNG Station, Purchase 9 H.D. N	\$0.00	Yes
ML11040	City of South Pasadena	5/4/2012	1/3/2019	1/3/2022	\$30,000.00	\$30,000.00	Purchase 1 Nat. Gas H.D. Vehicle	\$0.00	Yes
ML11041	City of Santa Ana	9/7/2012	11/6/2018	1/6/2021	\$265,000.00	\$244,651.86	Purchase 7 LPG H.D. Vehicles, Retrofit 6 H.	\$20,348.14	Yes
ML11045	City of Newport Beach	2/3/2012	8/2/2018	3/2/2021	\$30,000.00	\$30,000.00	Purchase 1 Nat. Gas H.D. Vehicle	\$0.00	Yes
MS11010	Border Valley Trading	8/26/2011	10/25/2017	4/25/2020	\$150,000.00	\$150,000.00	New LNG Station	\$0.00	Yes
MS11019	City of Corona	11/29/2012	4/28/2020		\$225,000.00	\$225,000.00	Expansion of Existing CNG Station	\$0.00	Yes
MS11073	Los Angeles Unified School District	9/11/2015	2/10/2022		\$175,000.00	\$175,000.00	Expansion of Existing CNG Station	\$0.00	Yes

Total: 12

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2011-2012 Contracts

Open Contracts

ML12014	City of Santa Ana	11/8/2013	8/7/2020		\$384,000.00	\$4,709.00	9 H.D. Nat. Gas & LPG Trucks, EV Charging	\$379,291.00	No
ML12043	City of Hemet	6/24/2013	9/23/2019	11/23/2021	\$30,000.00	\$0.00	One Heavy-Duty Nat. Gas Vehicles	\$30,000.00	No
ML12045	City of Baldwin Park DPW	2/14/2014	12/13/2020	6/13/2025	\$400,000.00	\$0.00	Install New CNG Station	\$400,000.00	No
ML12057	City of Coachella	8/28/2013	8/27/2019	1/27/2022	\$57,456.00	\$57,456.00	Purchase One Nat. Gas H.D. Vehicle/Street	\$0.00	No
ML12090	City of Palm Springs	10/9/2015	10/8/2021	9/8/2025	\$21,163.00	\$0.00	EV Charging Infrastructure	\$21,163.00	No
ML12091	City of Bellflower	10/5/2018	10/4/2019	6/30/2020	\$100,000.00	\$0.00	EV Charging Infrastructure	\$100,000.00	No

Total: 6

Declined/Cancelled Contracts

ML12016	City of Cathedral City	1/4/2013	10/3/2019		\$60,000.00	\$0.00	CNG Vehicle & Electric Vehicle Infrastructur	\$60,000.00	No
ML12038	City of Long Beach Public Works				\$26,000.00	\$0.00	Electric Vehicle Charging Infrastructure	\$26,000.00	No
ML12040	City of Duarte				\$30,000.00	\$0.00	One Heavy-Duty Nat. Gas Vehicle	\$30,000.00	No
ML12044	County of San Bernardino Public Wor				\$250,000.00	\$0.00	Install New CNG Station	\$250,000.00	No
ML12048	City of La Palma	1/4/2013	11/3/2018		\$20,000.00	\$0.00	Two Medium-Duty LPG Vehicles	\$20,000.00	No
ML12052	City of Whittier	3/14/2013	7/13/2019		\$165,000.00	\$0.00	Expansion of Existing CNG Station	\$165,000.00	No
ML12053	City of Mission Viejo				\$60,000.00	\$0.00	EV Charging Infrastructure	\$60,000.00	No
MS12007	WestAir Gases & Equipment				\$100,000.00	\$0.00	Construct New Limited-Acess CNG Station	\$100,000.00	No
MS12027	C.V. Ice Company, Inc.	5/17/2013	11/16/2019		\$75,000.00	\$0.00	Purchase 3 Medium-Heavy Duty Vehicles	\$75,000.00	No
MS12030	Complete Landscape Care, Inc.				\$150,000.00	\$0.00	Purchase 6 Medium-Heavy Duty Vehicles	\$150,000.00	No
MS12067	Leatherwood Construction, Inc.	11/8/2013	3/7/2017		\$122,719.00	\$0.00	Retrofit Six Vehicles w/DECS - Showcase III	\$122,719.00	No
MS12070	Valley Music Travel/CID Entertainme				\$99,000.00	\$0.00	Implement Shuttle Service to Coachella Musi	\$99,000.00	No

Total: 12

Closed Contracts

ML12013	City of Pasadena	10/19/2012	3/18/2015	9/18/2015	\$200,000.00	\$65,065.00	Electric Vehicle Charging Infrastructure	\$134,935.00	Yes
ML12019	City of Palm Springs	9/6/2013	7/5/2015		\$38,000.00	\$16,837.00	EV Charging Infrastructure	\$21,163.00	Yes
ML12020	City of Los Angeles Dept of General	9/27/2012	3/26/2019	3/26/2020	\$450,000.00	\$450,000.00	15 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML12021	City of Rancho Cucamonga	9/14/2012	1/13/2020		\$40,000.00	\$40,000.00	Four Medium-Duty Nat. Gas Vehicles	\$0.00	Yes
ML12023	County of Los Angeles Internal Servi	8/1/2013	2/28/2015		\$250,000.00	\$192,333.00	EV Charging Infrastructure	\$57,667.00	Yes
ML12037	Coachella Valley Association of Gove	3/14/2013	3/13/2014		\$250,000.00	\$250,000.00	Street Sweeping Operations	\$0.00	Yes
ML12039	City of Redlands	2/8/2013	10/7/2019		\$90,000.00	\$90,000.00	Three Heavy-Duty Nat. Gas Vehicles	\$0.00	Yes
ML12041	City of Anaheim Public Utilities Depar	4/4/2014	11/3/2015	11/3/2017	\$68,977.00	\$38,742.16	EV Charging Infrastructure	\$30,234.84	Yes
ML12042	City of Chino Hills	1/18/2013	3/17/2017		\$87,500.00	\$87,500.00	Expansion of Existing CNG Station	\$0.00	Yes
ML12047	City of Orange	2/1/2013	1/31/2019		\$30,000.00	\$30,000.00	One Heavy-Duty Nat. Gas Vehicle	\$0.00	Yes
ML12049	City of Rialto Public Works	7/14/2014	9/13/2015		\$30,432.00	\$3,265.29	EV Charging Infrastructure	\$27,166.71	Yes
ML12050	City of Baldwin Park	4/25/2013	4/24/2014	10/24/2014	\$402,400.00	\$385,363.00	EV Charging Infrastructure	\$17,037.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML12054	City of Palm Desert	9/30/2013	2/28/2015		\$77,385.00	\$77,385.00	EV Charging Infrastructure	\$0.00	Yes
ML12055	City of Manhattan Beach	3/1/2013	12/31/2018		\$10,000.00	\$10,000.00	One Medium-Duty Nat. Gas Vehicle	\$0.00	Yes
ML12056	City of Cathedral City	3/26/2013	5/25/2014		\$25,000.00	\$25,000.00	Regional Street Sweeping Program	\$0.00	Yes
ML12066	City of Manhattan Beach	1/7/2014	4/6/2015		\$5,900.00	\$5,900.00	Electric Vehicle Charging Infrastructure	\$0.00	Yes
MS12001	Los Angeles County MTA	7/1/2012	4/30/2013		\$300,000.00	\$211,170.00	Clean Fuel Transit Service to Dodger Stadium	\$88,830.00	Yes
MS12002	Orange County Transportation Autho	9/7/2012	4/30/2013		\$342,340.00	\$333,185.13	Express Bus Service to Orange County Fair	\$9,154.87	Yes
MS12003	Orange County Transportation Autho	7/20/2012	2/28/2013		\$234,669.00	\$167,665.12	Implement Metrolink Service to Angel Stadium	\$67,003.88	Yes
MS12004	USA Waste of California, Inc.	10/24/2013	11/23/2019		\$175,000.00	\$175,000.00	Construct New Limited-Access CNG Station	\$0.00	Yes
MS12005	USA Waste of California, Inc.	10/19/2012	8/18/2013		\$75,000.00	\$75,000.00	Vehicle Maintenance Facility Modifications	\$0.00	Yes
MS12006	Waste Management Collection & Re	10/19/2012	8/18/2013		\$75,000.00	\$75,000.00	Vehicle Maintenance Facility Modifications	\$0.00	Yes
MS12009	Sysco Food Services of Los Angeles	1/7/2014	4/6/2020		\$150,000.00	\$150,000.00	Construct New Public-Access LNG Station	\$0.00	Yes
MS12010	Murrieta Valley Unified School Distric	4/5/2013	9/4/2019		\$242,786.00	\$242,786.00	Construct New Limited-Access CNG Station	\$0.00	Yes
MS12012	Rim of the World Unified School Distr	12/20/2012	5/19/2014		\$75,000.00	\$75,000.00	Vehicle Maintenance Facility Modifications	\$0.00	Yes
MS12025	Silverado Stages, Inc.	11/2/2012	7/1/2018		\$150,000.00	\$150,000.00	Purchase Six Medium-Heavy Duty Vehicles	\$0.00	Yes
MS12026	U-Haul Company of California	3/14/2013	3/13/2019		\$500,000.00	\$353,048.26	Purchase 23 Medium-Heavy Duty Vehicles	\$146,951.74	Yes
MS12028	Dy-Dee Service of Pasadena, Inc.	12/22/2012	1/21/2019		\$45,000.00	\$40,000.00	Purchase 2 Medium-Duty and 1 Medium-He	\$5,000.00	Yes
MS12029	Community Action Partnership of Ora	11/2/2012	11/1/2018		\$25,000.00	\$14,850.00	Purchase 1 Medium-Heavy Duty Vehicle	\$10,150.00	Yes
MS12031	Final Assembly, Inc.	11/2/2012	11/1/2018		\$50,000.00	\$32,446.00	Purchase 2 Medium-Heavy Duty Vehicles	\$17,554.00	Yes
MS12032	Fox Transportation	12/14/2012	12/13/2018		\$500,000.00	\$500,000.00	Purchase 20 Medium-Heavy Duty Vehicles	\$0.00	Yes
MS12035	Disneyland Resort	1/4/2013	7/3/2019		\$25,000.00	\$18,900.00	Purchase 1 Medium-Heavy Duty Vehicle	\$6,100.00	Yes
MS12036	Jim & Doug Carter's Automotive/VSP	1/4/2013	11/3/2018		\$50,000.00	\$50,000.00	Purchase 2 Medium-Heavy Duty Vehicles	\$0.00	Yes
MS12058	Krisda Inc	4/24/2013	1/23/2019		\$25,000.00	\$25,000.00	Repower One Heavy-Duty Off-Road Vehicle	\$0.00	Yes
MS12059	Orange County Transportation Autho	2/28/2013	12/27/2014		\$75,000.00	\$75,000.00	Maintenance Facilities Modifications	\$0.00	Yes
MS12060	City of Santa Monica	4/4/2014	8/3/2017	8/3/2019	\$500,000.00	\$434,202.57	Implement Westside Bikeshare Program	\$65,797.43	No
MS12061	Orange County Transportation Autho	3/14/2014	3/13/2017		\$224,000.00	\$114,240.00	Transit-Oriented Bicycle Sharing Program	\$109,760.00	Yes
MS12062	Fraser Communications	12/7/2012	5/31/2014		\$998,669.00	\$989,218.49	Develop & Implement "Rideshare Thursday"	\$9,450.51	Yes
MS12063	Custom Alloy Light Metals, Inc.	8/16/2013	2/15/2020		\$100,000.00	\$100,000.00	Install New Limited Access CNG Station	\$0.00	Yes
MS12064	Anaheim Transportation Network	3/26/2013	12/31/2014		\$127,296.00	\$56,443.92	Implement Anaheim Circulator Service	\$70,852.08	Yes
MS12065	Orange County Transportation Autho	7/27/2013	11/30/2013		\$43,933.00	\$14,832.93	Ducks Express Service to Honda Center	\$29,100.07	Yes
MS12068	Southern California Regional Rail Aut	3/1/2013	9/30/2013		\$57,363.00	\$47,587.10	Implement Metrolink Service to Autoclub Sp	\$9,775.90	Yes
MS12069	City of Irvine	8/11/2013	2/28/2014		\$45,000.00	\$26,649.41	Implement Special Transit Service to Solar D	\$18,350.59	Yes
MS12071	Transit Systems Unlimited, Inc.	5/17/2013	12/16/2018		\$21,250.00	\$21,250.00	Expansion of Existing CNG Station	\$0.00	Yes
MS12072	99 Cents Only Stores	4/5/2013	9/4/2019		\$100,000.00	\$100,000.00	Construct New CNG Station	\$0.00	Yes
MS12073	FirstCNG, LLC	7/27/2013	12/26/2019		\$150,000.00	\$150,000.00	Construct New CNG Station	\$0.00	Yes
MS12074	Arcadia Unified School District	7/5/2013	9/4/2019		\$175,000.00	\$175,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS12076	City of Ontario, Housing & Municipal	3/8/2013	4/7/2015		\$75,000.00	\$75,000.00	Maintenance Facilities Modification	\$0.00	Yes
MS12078	Penske Truck Leasing Co., L.P.	1/7/2014	1/6/2016		\$75,000.00	\$73,107.00	Maintenance Facility Modifications - Vernon	\$1,893.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS12081	Penske Truck Leasing Co., L.P.	1/7/2014	1/6/2016		\$75,000.00	\$75,000.00	Maintenance Facility Modifications - Santa A	\$0.00	Yes
MS12085	Bear Valley Unified School District	4/25/2013	6/24/2014		\$75,000.00	\$75,000.00	Maintenance Facility Modifications	\$0.00	Yes
MS12086	SuperShuttle International, Inc.	3/26/2013	3/25/2019		\$225,000.00	\$225,000.00	Purchase 23 Medium-Heavy Duty Vehicles	\$0.00	Yes
MS12087	Los Angeles County MTA	8/29/2013	11/28/2015		\$125,000.00	\$125,000.00	Implement Rideshare Incentives Program	\$0.00	Yes
MS12088	Orange County Transportation Autho	12/6/2013	3/5/2016		\$125,000.00	\$18,496.50	Implement Rideshare Incentives Program	\$106,503.50	Yes
MS12089	Riverside County Transportation Co	10/18/2013	9/17/2015		\$249,136.00	\$105,747.48	Implement Rideshare Incentives Program	\$143,388.52	No
MS12Hom	Mansfield Gas Equipment Systems				\$296,000.00	\$0.00	Home Refueling Apparatus Incentive Progra	\$296,000.00	No

Total: 56

Closed/Incomplete Contracts

ML12051	City of Bellflower	2/7/2014	2/6/2016	5/6/2018	\$100,000.00	\$0.00	EV Charging Infrastructure	\$100,000.00	No
MS12077	City of Coachella	6/14/2013	6/13/2020		\$225,000.00	\$0.00	Construct New CNG Station	\$225,000.00	No
MS12079	Penske Truck Leasing Co., L.P.	1/7/2014	1/6/2016		\$75,000.00	\$0.00	Maintenance Facility Modifications - Boyle H	\$75,000.00	No
MS12084	Airport Mobil Inc.	12/6/2013	5/5/2020		\$150,000.00	\$0.00	Install New CNG Infrastructure	\$150,000.00	No

Total: 4

Open/Complete Contracts

ML12015	City of Fullerton	4/25/2013	11/24/2020	11/24/2021	\$40,000.00	\$40,000.00	HD CNG Vehicle, Expand CNG Station	\$0.00	Yes
ML12017	City of Los Angeles, Bureau of Sanit	6/26/2013	5/25/2020	11/25/2021	\$950,000.00	\$950,000.00	32 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML12018	City of West Covina	10/18/2013	10/17/2020	8/17/2023	\$300,000.00	\$300,000.00	Expansion of Existing CNG Station	\$0.00	Yes
ML12022	City of La Puente	12/6/2013	6/5/2020		\$110,000.00	\$110,000.00	2 Medium-Duty and Three Heavy-Duty CNG	\$0.00	Yes
ML12046	City of Irvine	8/11/2013	3/10/2021		\$30,000.00	\$30,000.00	One Heavy-Duty Nat. Gas Vehicle	\$0.00	Yes
MS12008	Bonita Unified School District	7/12/2013	12/11/2019	4/11/2021	\$175,000.00	\$175,000.00	Construct New Limited-Access CNG Station	\$0.00	Yes
MS12011	Southern California Gas Company	6/14/2013	6/13/2019	5/28/2021	\$150,000.00	\$150,000.00	Construct New Public-Access CNG Station -	\$0.00	Yes
MS12024	Southern California Gas Company	6/13/2013	12/12/2019	11/12/2020	\$150,000.00	\$150,000.00	Construct New Public-Access CNG Station -	\$0.00	Yes
MS12033	Mike Diamond/Phace Management S	12/22/2012	12/21/2018	6/21/2021	\$148,900.00	\$148,900.00	Purchase 20 Medium-Heavy Duty Vehicles	\$0.00	No
MS12034	Ware Disposal Company, Inc.	11/2/2012	11/1/2018	5/1/2022	\$133,070.00	\$133,070.00	Purchase 8 Medium-Heavy Duty Vehicles	\$0.00	No
MS12075	CR&R Incorporated	7/27/2013	1/26/2021	1/26/2022	\$100,000.00	\$100,000.00	Expansion of Existing CNG Infrastructure	\$0.00	No
MS12080	City of Pasadena	11/8/2013	8/7/2020	2/7/2022	\$225,000.00	\$225,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS12082	City of Los Angeles, Bureau of Sanit	11/20/2013	2/19/2021	2/19/2023	\$175,000.00	\$175,000.00	Install New CNG Infrastructure	\$0.00	Yes
MS12083	Brea Olinda Unified School District	7/30/2015	2/29/2024		\$59,454.00	\$59,454.00	Install New CNG Infrastructure	\$0.00	Yes

Total: 14

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2012-2014 Contracts

Open Contracts

ML14012	City of Santa Ana	2/13/2015	10/12/2021		\$244,000.00	\$0.00	EV Charging and 7 H.D. LPG Vehicles	\$244,000.00	No
ML14018	City of Los Angeles Dept of General	3/6/2015	9/5/2021	5/5/2025	\$810,000.00	\$720,000.00	Purchase 27 H.D. Nat. Gas Vehicles	\$90,000.00	No
ML14021	Riverside County Regional Park and	7/24/2014	12/23/2016	9/30/2020	\$250,000.00	\$0.00	Bicycle Trail Improvements	\$250,000.00	No
ML14023	County of Los Angeles Department o	10/2/2015	9/1/2017	9/1/2020	\$230,000.00	\$0.00	Maintenance Fac. Modifications-Westcheste	\$230,000.00	No
ML14024	County of Los Angeles Department o	10/2/2015	9/1/2017	9/1/2020	\$230,000.00	\$0.00	Maintenance Fac. Modifications-Baldwin Par	\$230,000.00	No
ML14027	County of Los Angeles Dept of Public	10/2/2015	5/1/2023	12/1/2025	\$500,000.00	\$0.00	Construct New CNG Station in Canyon Coun	\$500,000.00	No
ML14030	County of Los Angeles Internal Servi	1/9/2015	3/8/2018	6/8/2020	\$425,000.00	\$25,000.00	Bicycle Racks, Outreach & Education	\$400,000.00	No
ML14069	City of Beaumont	3/3/2017	3/2/2025		\$200,000.00	\$0.00	Construct New CNG Infrastructure	\$200,000.00	No
ML14072	City of Cathedral City	8/13/2014	1/12/2021	7/12/2022	\$66,000.00	\$35,089.03	Install EV Charging, Bike Racks & Education	\$30,910.97	No
ML14096	County of Los Angeles Dept of Pub	5/3/2019	12/2/2019	3/2/2020	\$150,000.00	\$0.00	San Gabriel BikeTrail Underpass Improveme	\$150,000.00	No
ML14097	County of Los Angeles Internal Servi	9/6/2019	9/5/2020		\$104,400.00	\$0.00	Electric Vehicle Charging Infrastructure	\$104,400.00	No
MS14037	Penske Truck Leasing Co., L.P.	4/7/2017	6/6/2020		\$75,000.00	\$0.00	Vehicle Maint. Fac. Modifications - Carson	\$75,000.00	No
MS14057	Los Angeles County MTA	11/7/2014	10/6/2019	10/6/2023	\$1,250,000.00	\$0.00	Implement Various Signal Synchronization P	\$1,250,000.00	No
MS14059	Riverside County Transportation Co	9/5/2014	3/4/2018	4/4/2020	\$1,250,000.00	\$0.00	Implement Various Signal Synchronization P	\$1,250,000.00	No
MS14072	San Bernardino County Transportatio	3/27/2015	3/26/2018	3/26/2022	\$1,250,000.00	\$887,566.17	Implement Various Signal Synchronization P	\$362,433.83	No
MS14079	Waste Resources, Inc.	9/14/2016	8/13/2022	2/13/2024	\$100,000.00	\$0.00	New Limited Access CNG Station	\$100,000.00	No
MS14083	Hacienda La Puente Unified School	7/10/2015	3/9/2022		\$175,000.00	\$0.00	New Limited Access CNG Station	\$175,000.00	No

Total: 17

Declined/Cancelled Contracts

ML14063	City of Hawthorne				\$32,000.00	\$0.00	Expansion of Existng CNG Infrastructure	\$32,000.00	No
ML14068	City of South Pasadena	9/12/2014	10/11/2015	1/11/2020	\$10,183.00	\$0.00	Electric Vehicle Charging Infrastructure	\$10,183.00	No
MS14035	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Vehicle Maint. Fac. Modifications - Sun Valle	\$75,000.00	No
MS14036	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Vehicle Maint. Fac. Modifications - La Mirada	\$75,000.00	No
MS14038	Penske Truck Leasing Co., L.P.				\$75,000.00	\$0.00	Vehicle Maint. Fac. Modifications - Fontana	\$75,000.00	No
MS14043	City of Anaheim				\$175,000.00	\$0.00	Expansion of Existing CNG Station	\$175,000.00	No
MS14078	American Honda Motor Co., Inc.	9/4/2015	8/3/2022		\$150,000.00	\$0.00	New Public Access CNG Station	\$150,000.00	No
MS14085	Prologis, L.P.				\$100,000.00	\$0.00	New Limited Access CNG Station	\$100,000.00	No
MS14086	San Gabriel Valley Towing I				\$150,000.00	\$0.00	New Public Access CNG Station	\$150,000.00	No
MS14091	Serv-Wel Disposal				\$100,000.00	\$0.00	New Limited-Access CNG Infrastructure	\$100,000.00	No

Total: 10

Closed Contracts

ML14010	City of Cathedral City	8/13/2014	10/12/2015		\$25,000.00	\$25,000.00	Street Sweeping Operations	\$0.00	Yes
ML14011	City of Palm Springs	6/13/2014	1/12/2016		\$79,000.00	\$78,627.00	Bicycle Racks, Bicycle Outreach & Educatio	\$373.00	Yes
ML14014	City of Torrance	9/5/2014	12/4/2019		\$56,000.00	\$56,000.00	EV Charging Infrastructure	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML14015	Coachella Valley Association of Gove	6/6/2014	9/5/2015		\$250,000.00	\$250,000.00	Street Sweeping Operations	\$0.00	Yes
ML14020	County of Los Angeles Dept of Pub	8/13/2014	1/12/2018		\$150,000.00	\$0.00	San Gabriel BikeTrail Underpass Improveme	\$150,000.00	No
ML14029	City of Irvine	7/11/2014	6/10/2017		\$90,500.00	\$71,056.78	Bicycle Trail Improvements	\$19,443.22	Yes
ML14051	City of Brea	9/5/2014	1/4/2017	7/4/2018	\$450,000.00	\$450,000.00	Installation of Bicycle Trail	\$0.00	Yes
ML14054	City of Torrance	11/14/2014	4/13/2017	7/13/2017	\$350,000.00	\$319,908.80	Upgrade Maintenance Facility	\$30,091.20	Yes
ML14055	City of Highland	10/10/2014	3/9/2018	3/9/2019	\$500,000.00	\$489,385.24	Bicycle Lanes and Outreach	\$10,614.76	Yes
ML14056	City of Redlands	9/5/2014	5/4/2016	5/4/2018	\$125,000.00	\$125,000.00	Bicycle Lanes	\$0.00	Yes
ML14065	City of Orange	9/5/2014	8/4/2015		\$10,000.00	\$10,000.00	Electric Vehicle Charging Infrastructure	\$0.00	Yes
ML14070	City of Rancho Cucamonga	9/3/2016	12/2/2018		\$365,245.00	\$326,922.25	Bicycle Trail Improvements	\$38,322.75	Yes
ML14071	City of Manhattan Beach	1/9/2015	11/8/2018		\$22,485.00	\$22,485.00	Electric Vehicle Charging Infrastructure	\$0.00	Yes
ML14094	City of Yucaipa	6/9/2017	6/8/2018		\$84,795.00	\$84,795.00	Installation of Bicycle Lanes	\$0.00	Yes
ML14095	City of South Pasadena	1/10/2019	7/9/2019		\$142,096.00	\$134,182.09	Bicycle Trail Improvements	\$7,913.91	Yes
MS14001	Los Angeles County MTA	3/6/2015	4/30/2015		\$1,216,637.00	\$1,199,512.68	Clean Fuel Transit Service to Dodger Stadiu	\$17,124.32	Yes
MS14002	Orange County Transportation Autho	9/6/2013	4/30/2014		\$576,833.00	\$576,833.00	Clean Fuel Transit Service to Orange County	\$0.00	Yes
MS14003	Orange County Transportation Autho	8/1/2013	4/30/2014	10/30/2014	\$194,235.00	\$184,523.00	Implement Metrolink Service to Angel Stadiu	\$9,712.00	Yes
MS14004	Orange County Transportation Autho	9/24/2013	4/30/2014		\$36,800.00	\$35,485.23	Implement Express Bus Service to Solar De	\$1,314.77	Yes
MS14005	Transit Systems Unlimited, Inc.	4/11/2014	2/28/2016		\$515,200.00	\$511,520.00	Provide Expanded Shuttle Service to Hollyw	\$3,680.00	Yes
MS14007	Orange County Transportation Autho	6/6/2014	4/30/2015		\$208,520.00	\$189,622.94	Implement Special Metrolink Service to Ange	\$18,897.06	Yes
MS14008	Orange County Transportation Autho	8/13/2014	5/31/2015		\$601,187.00	\$601,187.00	Implement Clean Fuel Bus Service to Orang	\$0.00	Yes
MS14009	A-Z Bus Sales, Inc.	1/17/2014	12/31/2014	3/31/2015	\$388,000.00	\$388,000.00	Alternative Fuel School Bus Incentive Progra	\$0.00	Yes
MS14039	Waste Management Collection and R	7/10/2015	4/9/2016		\$75,000.00	\$75,000.00	Vehicle Maint. Fac. Modifications - Irvine	\$0.00	Yes
MS14040	Waste Management Collection and R	7/10/2015	4/9/2016		\$75,000.00	\$75,000.00	Vehicle Maint. Fac. Modifications - Santa An	\$0.00	Yes
MS14047	Southern California Regional Rail Aut	3/7/2014	9/30/2014		\$49,203.00	\$32,067.04	Special Metrolink Service to Autoclub Speed	\$17,135.96	Yes
MS14048	BusWest	3/14/2014	12/31/2014	5/31/2015	\$940,850.00	\$847,850.00	Alternative Fuel School Bus Incentive Progra	\$93,000.00	Yes
MS14058	Orange County Transportation Autho	11/7/2014	4/6/2016	4/6/2017	\$1,250,000.00	\$1,250,000.00	Implement Various Signal Synchronization P	\$0.00	Yes
MS14073	Anaheim Transportation Network	1/9/2015	4/30/2017		\$221,312.00	\$221,312.00	Anaheim Resort Circulator Service	\$0.00	Yes
MS14087	Orange County Transportation Autho	8/14/2015	4/30/2016		\$239,645.00	\$195,377.88	Implement Special Metrolink Service to Ange	\$44,267.12	Yes
MS14088	Southern California Regional Rail Aut	5/7/2015	9/30/2015		\$79,660.00	\$66,351.44	Special Metrolink Service to Autoclub Speed	\$13,308.56	Yes
MS14089	Top Shelf Consulting, LLC	1/18/2017	8/4/2016	3/31/2017	\$200,000.00	\$200,000.00	Enhanced Fleet Modernization Program	\$0.00	Yes

Total: 32

Closed/Incomplete Contracts

ML14050	City of Yucaipa	7/11/2014	9/10/2015	7/1/2016	\$84,795.00	\$0.00	Installation of Bicycle Lanes	\$84,795.00	No
ML14060	County of Los Angeles Internal Servi	10/6/2017	1/5/2019		\$104,400.00	\$0.00	Electric Vehicle Charging Infrastructure	\$104,400.00	No
ML14066	City of South Pasadena	9/12/2014	7/11/2016	2/11/2018	\$142,096.00	\$0.00	Bicycle Trail Improvements	\$142,096.00	No
ML14093	County of Los Angeles Dept of Pub	8/14/2015	1/13/2019		\$150,000.00	\$0.00	San Gabriel BikeTrail Underpass Improveme	\$150,000.00	No
MS14092	West Covina Unified School District	9/3/2016	12/2/2022		\$124,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$124,000.00	No

Total: 5

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open/Complete Contracts									
ML14013	City of Los Angeles, Bureau of Sanit	10/7/2016	2/6/2025		\$400,000.00	\$400,000.00	Purchase 14 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML14016	City of Anaheim	4/3/2015	9/2/2021		\$380,000.00	\$380,000.00	Purchase 2 H.D. Vehicles, Expansion of Exis	\$0.00	Yes
ML14019	City of Corona Public Works	12/5/2014	6/4/2020	3/6/2023	\$111,518.00	\$111,517.18	EV Charging, Bicycle Racks, Bicycle Locker	\$0.82	Yes
ML14022	County of Los Angeles Department o	10/2/2015	5/1/2022		\$270,000.00	\$270,000.00	Purchase 9 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML14025	County of Los Angeles Dept of Public	10/2/2015	7/1/2018	7/1/2024	\$300,000.00	\$300,000.00	Construct New CNG Station in Malibu	\$0.00	Yes
ML14026	County of Los Angeles Dept of Public	10/2/2015	5/1/2023	5/1/2024	\$300,000.00	\$300,000.00	Construct New CNG Station in Castaic	\$0.00	Yes
ML14028	City of Fullerton	9/5/2014	1/4/2022		\$126,950.00	\$126,950.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
ML14031	Riverside County Waste Managemen	6/13/2014	12/12/2020		\$90,000.00	\$90,000.00	Purchase 3 H.D. CNG Vehicles	\$0.00	Yes
ML14032	City of Rancho Cucamonga	1/9/2015	1/8/2022		\$113,990.00	\$104,350.63	Expansion of Existing CNG Infras., Bicycle L	\$9,639.37	Yes
ML14033	City of Irvine	7/11/2014	2/10/2021	2/10/2022	\$60,000.00	\$60,000.00	Purchase 2 H.D. CNG Vehicles	\$0.00	Yes
ML14034	City of Lake Elsinore	9/5/2014	5/4/2021		\$56,700.00	\$56,700.00	EV Charging Stations	\$0.00	Yes
ML14049	City of Moreno Valley	7/11/2014	3/10/2021		\$105,000.00	\$101,976.09	One HD Nat Gas Vehicle, EV Charging, Bicy	\$3,023.91	Yes
ML14061	City of La Habra	3/11/2016	3/10/2022		\$41,600.00	\$41,270.49	Purchase Two Heavy-Duty Nat. Gas Vehicle	\$329.51	Yes
ML14062	City of San Fernando	3/27/2015	5/26/2021	10/31/2023	\$325,679.00	\$325,679.00	Expand Existing CNG Fueling Station	\$0.00	Yes
ML14064	City of Claremont	7/11/2014	7/10/2020	1/10/2021	\$60,000.00	\$60,000.00	Purchase Two Heavy-Duty Nat. Gas Vehicle	\$0.00	Yes
ML14067	City of Duarte	12/4/2015	1/3/2023	6/3/2024	\$60,000.00	\$60,000.00	Purchase Two Electric Buses	\$0.00	Yes
MS14041	USA Waste of California, Inc.	9/4/2015	10/3/2021		\$175,000.00	\$175,000.00	Limited-Access CNG Station, Vehicle Maint.	\$0.00	Yes
MS14042	Grand Central Recycling & Transfer	6/6/2014	9/5/2021		\$150,000.00	\$150,000.00	Expansion of Existing CNG Station	\$0.00	Yes
MS14044	TIMCO CNG Fund I, LLC	5/2/2014	11/1/2020		\$150,000.00	\$150,000.00	New Public-Access CNG Station in Santa An	\$0.00	Yes
MS14045	TIMCO CNG Fund I, LLC	6/6/2014	12/5/2020		\$150,000.00	\$150,000.00	New Public-Access CNG Station in Inglewoo	\$0.00	Yes
MS14046	Ontario CNG Station Inc.	5/15/2014	5/14/2020	11/14/2021	\$150,000.00	\$150,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS14052	Arcadia Unified School District	6/13/2014	10/12/2020		\$78,000.00	\$78,000.00	Expansion of an Existing CNG Fueling Statio	\$0.00	Yes
MS14053	Upland Unified School District	1/9/2015	7/8/2021		\$175,000.00	\$175,000.00	Expansion of Existing CNG Infrastructure	\$0.00	No
MS14074	Midway City Sanitary District	1/9/2015	3/8/2021		\$250,000.00	\$250,000.00	Limited-Access CNG Station & Facility Modif	\$0.00	Yes
MS14075	Fullerton Joint Union High School Dis	7/22/2016	11/21/2023		\$300,000.00	\$293,442.00	Expansion of Existing CNG Infrastructure/Ma	\$6,558.00	Yes
MS14076	Rialto Unified School District	6/17/2015	2/16/2022	6/25/2023	\$225,000.00	\$225,000.00	New Public Access CNG Station	\$0.00	Yes
MS14077	County Sanitation Districts of L.A. Co	3/6/2015	5/5/2021		\$175,000.00	\$175,000.00	New Limited Access CNG Station	\$0.00	Yes
MS14080	CR&R Incorporated	6/1/2015	8/31/2021	8/31/2022	\$200,000.00	\$200,000.00	Expansion of Existing CNG Infrastructure/Ma	\$0.00	No
MS14081	CR&R Incorporated	6/1/2015	5/30/2021		\$175,000.00	\$100,000.00	Expansion of Existing CNG Infrastructure/Ma	\$75,000.00	No
MS14082	Grand Central Recycling & Transfer	12/4/2015	3/3/2023	3/3/2024	\$150,000.00	\$150,000.00	Construct New Public Access CNG Station	\$0.00	Yes
MS14084	US Air Conditioning Distributors	5/7/2015	9/6/2021		\$100,000.00	\$100,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS14090	City of Monterey Park	5/7/2015	5/6/2021		\$225,000.00	\$225,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes

Total: 32

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2014-2016 Contracts

Open Contracts

ML16006	City of Cathedral City	4/27/2016	4/26/2022		\$25,000.00	\$0.00	Purchase 1 H.D. Nat. Gas Vehicle, Bicycle O	\$25,000.00	No
ML16007	City of Culver City Transportation De	10/6/2015	4/5/2023		\$246,000.00	\$210,000.00	Purchase 7 H.D. Nat. Gas Vehicles, EV Cha	\$36,000.00	No
ML16008	City of Pomona	9/20/2016	11/19/2022	5/19/2025	\$60,000.00	\$0.00	Purchase 3 Medium-Duty and 1 Heavy-Duty	\$60,000.00	No
ML16010	City of Fullerton	10/7/2016	4/6/2023	4/6/2024	\$78,222.00	\$27,896.71	Expand Existing CNG Station, EV Charging I	\$50,325.29	No
ML16017	City of Long Beach	2/5/2016	8/4/2023	1/4/2026	\$1,445,400.00	\$1,131,400.00	Purchase 50 Medium-Duty, 17 H.D. Nat. Ga	\$314,000.00	No
ML16018	City of Hermosa Beach	10/7/2016	1/6/2023		\$29,520.00	\$23,768.44	Purchase 2 M.D. Nat. Gas Vehicles, Bicycle	\$5,751.56	No
ML16022	Los Angeles Department of Water an	5/5/2017	3/4/2024	9/4/2025	\$360,000.00	\$0.00	Purchase 12 H.D. Nat. Gas Vehicles	\$360,000.00	No
ML16025	City of South Pasadena	6/22/2016	4/21/2023	10/21/2024	\$160,000.00	\$0.00	Purchase H.D. Nat. Gas Vehicle, Expand Exi	\$160,000.00	No
ML16032	City of Azusa	9/9/2016	4/8/2019	7/8/2020	\$474,925.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$474,925.00	No
ML16034	City of Riverside	3/11/2016	10/10/2018	7/10/2020	\$500,000.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$500,000.00	No
ML16038	City of Palm Springs	4/1/2016	7/31/2022		\$230,000.00	\$0.00	Install Bicycle Lanes & Purchase 4 Heavy-D	\$230,000.00	No
ML16039	City of Torrance Transit Department	1/6/2017	9/5/2022	9/5/2023	\$32,000.00	\$0.00	Install EV Charging Infrastructure	\$32,000.00	No
ML16040	City of Eastvale	1/6/2017	7/5/2022	7/5/2026	\$110,000.00	\$0.00	Install EV Charging Infrastructure	\$110,000.00	No
ML16041	City of Moreno Valley	9/3/2016	1/2/2021	7/2/2023	\$20,000.00	\$0.00	Install EV Charging Infrastructure	\$20,000.00	No
ML16042	City of San Dimas	4/1/2016	12/31/2019	12/31/2021	\$55,000.00	\$0.00	Install EV Charging Infrastructure	\$55,000.00	No
ML16046	City of El Monte	4/1/2016	5/31/2021	5/31/2023	\$20,160.00	\$0.00	Install EV Charging Infrastructure	\$20,160.00	No
ML16047	City of Fontana	1/6/2017	8/5/2019	8/5/2021	\$500,000.00	\$0.00	Enhance an Existing Class 1 Bikeway	\$500,000.00	No
ML16048	City of Placentia	3/26/2016	5/25/2021	6/25/2022	\$90,000.00	\$18,655.00	Install a Bicycle Locker and EV Charging Infr	\$71,345.00	No
ML16052	City of Rancho Cucamonga	9/3/2016	11/2/2019	9/30/2020	\$315,576.00	\$0.00	Install Two Class 1 Bikeways	\$315,576.00	No
ML16053	City of Claremont	3/11/2016	7/10/2018	8/10/2020	\$498,750.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$498,750.00	No
ML16057	City of Yucaipa	4/27/2016	1/26/2019	1/26/2021	\$380,000.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$380,000.00	No
ML16058	Los Angeles County Department of P	10/7/2016	4/6/2024		\$371,898.00	\$371,898.00	Purchase 11 H.D. Nat. Gas Vehicles and Ins	\$0.00	No
ML16070	City of Beverly Hills	2/21/2017	6/20/2023		\$90,000.00	\$0.00	Purchase 3 H.D. Nat. Gas Vehicles	\$90,000.00	No
ML16071	City of Highland	5/5/2017	1/4/2020	1/4/2022	\$264,500.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$264,500.00	No
ML16075	City of San Fernando	10/27/2016	2/26/2019	2/26/2021	\$354,000.00	\$0.00	Install a Class 1 Bikeway	\$354,000.00	No
ML16077	City of Rialto	5/3/2018	10/2/2021	2/2/2023	\$463,216.00	\$0.00	Pedestrian Access Improvements, Bicycle L	\$463,216.00	No
ML16083	City of El Monte	4/1/2016	4/30/2021	4/30/2023	\$57,210.00	\$0.00	Install EV Charging Infrastructure	\$57,210.00	No
ML16126	City of Palm Springs	7/31/2019	7/30/2020		\$40,000.00	\$0.00	Install Bicycle Racks, and Implement Bicycle	\$40,000.00	No
MS16029	Orange County Transportation Autho	1/12/2018	6/11/2020		\$836,413.00	\$567,501.06	TCM Partnership Program - OC Bikeways	\$268,911.94	No
MS16086	San Bernardino County Transportatio	9/3/2016	10/2/2021		\$800,625.00	\$401,103.63	Freeway Service Patrols	\$399,521.37	No
MS16090	Los Angeles County MTA	10/27/2016	4/26/2020	10/26/2020	\$2,500,000.00	\$0.00	Expansion of the Willowbrook/Rosa Parks Tr	\$2,500,000.00	No
MS16094	Riverside County Transportation Co	1/25/2017	1/24/2022		\$1,909,241.00	\$0.00	MetroLink First Mile/Last Mile Mobility Strate	\$1,909,241.00	No
MS16096	San Bernardino County Transportatio	10/27/2016	12/26/2019	6/30/2020	\$450,000.00	\$0.00	EV Charging Infrastructure	\$450,000.00	No
MS16110	City of Riverside	10/6/2017	2/5/2025	2/5/2026	\$300,000.00	\$71,250.00	Expansion of Existing CNG Station and Main	\$228,750.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS16115	City of Santa Monica	4/14/2017	7/13/2025		\$870,000.00	\$356,250.00	Repower 58 Transit Buses	\$513,750.00	No
MS16117	Omnitrans	4/21/2017	6/20/2023		\$175,000.00	\$166,250.00	Expansion of Existing CNG Infrastructure	\$8,750.00	No
MS16118	Omnitrans	4/21/2017	6/20/2023		\$175,000.00	\$166,250.00	Expansion of Existing CNG Infrastructure	\$8,750.00	No
MS16119	Omnitrans	4/21/2017	8/20/2022		\$150,000.00	\$0.00	New Public Access CNG Station	\$150,000.00	No
MS16120	Omnitrans	4/7/2017	5/6/2025		\$945,000.00	\$0.00	Repower 63 Existing Buses	\$945,000.00	No
MS16121	Long Beach Transit	11/3/2017	4/2/2024	11/30/2026	\$600,000.00	\$14,250.00	Repower 39 and Purchase 1 New Transit Bu	\$585,750.00	No
MS16123	Orange County Transportation Autho	12/7/2018	11/6/2023		\$91,760.00	\$0.00	Install La Habra Union Pacific Bikeway	\$91,760.00	No
MS16124	Riverside County Transportation Co	12/14/2018	12/14/2019	5/14/2020	\$253,239.00	\$203,781.79	Extended Freeway Service Patrols	\$49,457.21	No
MS16125	San Bernardino County Transportatio	9/20/2019	11/19/2020		\$1,000,000.00	\$0.00	Traffic Signal Synchronization Projects	\$1,000,000.00	No

Total: 43

Declined/Cancelled Contracts

ML16014	City of Dana Point				\$153,818.00	\$0.00	Extend an Existing Class 1 Bikeway	\$153,818.00	No
ML16065	City of Temple City				\$500,000.00	\$0.00	Implement a "Complete Streets" Pedestrian	\$500,000.00	No
ML16067	City of South El Monte				\$73,329.00	\$0.00	Implement an "Open Streets" Event	\$73,329.00	No
ML16074	City of La Verne	7/22/2016	1/21/2023		\$365,000.00	\$0.00	Install CNG Fueling Station	\$365,000.00	No
MS16043	LBA Realty Company LLC				\$100,000.00	\$0.00	Install Limited-Access CNG Station	\$100,000.00	No
MS16080	Riverside County Transportation Co				\$1,200,000.00	\$0.00	Passenger Rail Service for Coachella and St	\$1,200,000.00	No
MS16098	Long Beach Transit				\$198,957.00	\$0.00	Provide Special Bus Service to Stub Hub Ce	\$198,957.00	No
MS16104	City of Perris				\$175,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$175,000.00	No
MS16106	City of Lawndale	3/1/2019	11/30/2025		\$175,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$175,000.00	No
MS16107	Athens Services				\$100,000.00	\$0.00	Construct a Limited-Access CNG Station	\$100,000.00	No
MS16108	VNG 5703 Gage Avenue, LLC				\$150,000.00	\$0.00	Construct Public-Access CNG Station in Bell	\$150,000.00	No
MS16109	Sanitation Districts of Los Angeles C				\$275,000.00	\$0.00	Expansion of an Existing L/CNG Station	\$275,000.00	No
MS16111	VNG 925 Lakeview Avenue, LLC				\$150,000.00	\$0.00	Construct Public Access CNG Station in Pla	\$150,000.00	No

Total: 13

Closed Contracts

ML16009	City of Fountain Valley	10/6/2015	2/5/2018	5/5/2019	\$46,100.00	\$46,100.00	Install EV Charging Infrastructure	\$0.00	Yes
ML16015	City of Yorba Linda	3/4/2016	11/3/2017		\$85,000.00	\$85,000.00	Install Bicycle Lanes	\$0.00	No
ML16020	City of Pomona	4/1/2016	2/1/2018	8/1/2018	\$440,000.00	\$440,000.00	Install Road Surface Bicycle Detection Syste	\$0.00	Yes
ML16026	City of Downey	5/6/2016	9/5/2017		\$40,000.00	\$40,000.00	Install EV Charging Infrastructure	\$0.00	No
ML16028	City of Azusa	9/9/2016	4/8/2018		\$25,000.00	\$25,000.00	Enhance Existing Class 1 Bikeway	\$0.00	Yes
ML16031	City of Cathedral City	12/19/2015	2/18/2017		\$25,000.00	\$25,000.00	Street Sweeping in Coachella Valley	\$0.00	Yes
ML16033	Coachella Valley Association of Gove	4/27/2016	4/26/2018		\$250,000.00	\$250,000.00	Street Sweeping Operations in Coachella Val	\$0.00	Yes
ML16035	City of Wildomar	4/1/2016	11/1/2017		\$500,000.00	\$0.00	Install Bicycle Lanes	\$500,000.00	No
ML16036	City of Brea	3/4/2016	12/3/2018		\$500,000.00	\$500,000.00	Install a Class 1 Bikeway	\$0.00	Yes
ML16045	City of Anaheim	6/22/2016	8/21/2019		\$275,000.00	\$255,595.08	Maintenance Facility Modifications	\$19,404.92	Yes
ML16049	City of Buena Park	4/1/2016	11/30/2018		\$429,262.00	\$429,262.00	Installation of a Class 1 Bikeway	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML16051	City of South Pasadena	2/12/2016	1/11/2017	12/11/2017	\$320,000.00	\$258,691.25	Implement "Open Streets" Event with Variou	\$61,308.75	Yes
ML16054	City of Yucaipa	3/26/2016	7/26/2018	10/25/2019	\$120,000.00	\$120,000.00	Implement a "Complete Streets" Pedestrian	\$0.00	Yes
ML16060	City of Cudahy	2/5/2016	10/4/2017		\$73,910.00	\$62,480.00	Implement an "Open Streets" Event	\$11,430.00	Yes
ML16061	City of Murrieta	4/27/2016	1/26/2020		\$11,642.00	\$9,398.36	Installation of EV Charging Infrastructure	\$2,243.64	Yes
ML16064	County of Orange, OC Parks	2/21/2017	10/20/2018		\$204,073.00	\$157,632.73	Implement "Open Streets" Events with Vario	\$46,440.27	Yes
ML16066	City of Long Beach Public Works	1/13/2017	9/12/2018		\$75,050.00	\$63,763.62	Implement an "Open Streets" Event	\$11,286.38	Yes
ML16068	Riverside County Dept of Public Heal	12/2/2016	8/1/2018		\$171,648.00	\$171,648.00	Implement "Open Streets" Events with Vario	\$0.00	Yes
ML16073	City of Long Beach Public Works	1/13/2017	7/12/2017		\$50,000.00	\$50,000.00	Implement an "Open Streets" Event	\$0.00	Yes
ML16078	City of Moreno Valley	5/6/2016	11/5/2017	5/5/2018	\$32,800.00	\$31,604.72	Install Bicycle Infrastructure & Implement Bic	\$1,195.28	Yes
ML16079	City of Yucaipa	4/1/2016	3/31/2020		\$5,000.00	\$5,000.00	Purchase Electric Lawnmower	\$0.00	Yes
ML16122	City of Wildomar	6/8/2018	6/7/2019		\$500,000.00	\$500,000.00	Install Bicycle Lanes	\$0.00	Yes
MS16001	Los Angeles County MTA	4/1/2016	4/30/2017		\$1,350,000.00	\$1,332,039.84	Clean Fuel Transit Service to Dodger Stadiu	\$17,960.16	Yes
MS16002	Orange County Transportation Autho	10/6/2015	5/31/2016		\$722,266.00	\$703,860.99	Clean Fuel Transit Service to Orange County	\$18,405.01	Yes
MS16003	Special Olympics World Games Los	10/9/2015	12/30/2015		\$380,304.00	\$380,304.00	Low-Emission Transportation Service for Sp	\$0.00	Yes
MS16004	Mineral LLC	9/4/2015	7/3/2017	1/3/2018	\$27,690.00	\$9,300.00	Design, Develop, Host and Maintain MSRC	\$18,390.00	Yes
MS16030	Better World Group Advisors	12/19/2015	12/31/2017	12/31/2019	\$271,619.00	\$245,355.43	Programmic Outreach Services to the MSRC	\$26,263.57	Yes
MS16084	Transit Systems Unlimited, Inc.	5/6/2016	2/28/2018		\$565,600.00	\$396,930.00	Implement Special Shuttle Service from Unio	\$168,670.00	No
MS16085	Southern California Regional Rail Aut	3/11/2016	9/30/2016		\$78,033.00	\$64,285.44	Special MetroLink Service to Autoclub Spee	\$13,747.56	No
MS16089	Orange County Transportation Autho	7/8/2016	4/30/2017		\$128,500.00	\$128,500.00	Implement Special Bus Service to Angel Sta	\$0.00	Yes
MS16092	San Bernardino County Transportatio	2/3/2017	1/2/2019		\$242,937.00	\$242,016.53	Implement a Series of "Open Streets" Event	\$920.47	Yes
MS16093	Orange County Transportation Autho	9/3/2016	3/2/2018	9/2/2018	\$1,553,657.00	\$1,499,575.85	Implement a Mobile Ticketing System	\$54,081.15	Yes
MS16095	Orange County Transportation Autho	7/22/2016	5/31/2017		\$694,645.00	\$672,864.35	Implement Special Bus Service to Orange C	\$21,780.65	Yes
MS16099	Foothill Transit	3/3/2017	3/31/2017		\$50,000.00	\$50,000.00	Provide Special Bus Service to the Los Ange	\$0.00	Yes
MS16100	Southern California Regional Rail Aut	5/5/2017	9/30/2017		\$80,455.00	\$66,169.43	Provide Metrolink Service to Autoclub Speed	\$14,285.57	Yes

Total: 35

Closed/Incomplete Contracts

ML16005	City of Palm Springs	3/4/2016	10/3/2017		\$40,000.00	\$0.00	Install Bicycle Racks, and Implement Bicycle	\$40,000.00	No
MS16082	Riverside County Transportation Co	9/3/2016	8/2/2018		\$590,759.00	\$337,519.71	Extended Freeway Service Patrols	\$253,239.29	No
MS16091	San Bernardino County Transportatio	10/7/2016	11/6/2018		\$1,000,000.00	\$0.00	Traffic Signal Synchronization Projects	\$1,000,000.00	No

Total: 3

Open/Complete Contracts

ML16011	City of Claremont	10/6/2015	6/5/2022		\$90,000.00	\$90,000.00	Purchase 3 Heavy-Duty Nat. Gas Vehicles	\$0.00	Yes
ML16012	City of Carson	1/15/2016	10/14/2022		\$60,000.00	\$60,000.00	Purchase 2 Heavy-Duty Nat. Gas Vehicles	\$0.00	Yes
ML16013	City of Monterey Park	12/4/2015	7/3/2022	7/3/2024	\$90,000.00	\$90,000.00	Purchase 3 Heavy-Duty Nat. Gas Vehicles	\$0.00	Yes
ML16016	City of Los Angeles Dept of General	2/5/2016	12/4/2022		\$630,000.00	\$630,000.00	Purchase 21 Heavy-Duty Nat. Gas Vehicles	\$0.00	Yes
ML16019	City of Los Angeles, Dept of General	1/25/2017	3/24/2023		\$102,955.00	\$102,955.00	Install EV Charging Infrastructure	\$0.00	Yes
ML16021	City of Santa Clarita	10/7/2016	6/6/2024		\$49,400.00	\$49,399.00	Install EV Charging Infrastructure	\$1.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML16023	City of Banning	12/11/2015	12/10/2021		\$30,000.00	\$30,000.00	Purchase 1 H.D. Nat. Gas Vehicle	\$0.00	Yes
ML16024	City of Azusa	4/27/2016	2/26/2022		\$30,000.00	\$30,000.00	Purchase 1 H.D. Nat. Gas Vehicle	\$0.00	Yes
ML16027	City of Whittier	1/8/2016	11/7/2022		\$30,000.00	\$30,000.00	Purchase 1 H.D. Nat. Gas Vehicle	\$0.00	Yes
ML16037	City of Rancho Cucamonga	2/5/2016	11/4/2022		\$30,000.00	\$30,000.00	Purchase One Heavy-Duty Natural Gas Vehi	\$0.00	Yes
ML16050	City of Westminster	5/6/2016	7/5/2020	5/5/2022	\$115,000.00	\$93,925.19	Installation of EV Charging Infrastructure	\$21,074.81	No
ML16055	City of Ontario	5/6/2016	5/5/2022		\$270,000.00	\$270,000.00	Purchase Nine Heavy-Duty Natural-Gas Vehi	\$0.00	Yes
ML16056	City of Ontario	3/23/2016	9/22/2020	9/22/2021	\$106,565.00	\$106,565.00	Expansion of an Existing CNG Station	\$0.00	Yes
ML16059	City of Burbank	4/1/2016	2/28/2022		\$180,000.00	\$180,000.00	Purchase 6 H.D. Nat. Gas Vehicles	\$0.00	No
ML16062	City of Colton	6/3/2016	7/2/2020		\$21,003.82	\$21,003.82	Installation of EV Charging Infrastructure	\$0.00	Yes
ML16063	City of Glendora	3/4/2016	4/3/2022		\$30,000.00	\$30,000.00	Purchase One H.D. Nat. Gas Vehicle	\$0.00	Yes
ML16069	City of West Covina	3/10/2017	6/9/2021		\$54,199.00	\$54,199.00	Installation of EV Charging Infrastructure	\$0.00	Yes
ML16072	City of Palm Desert	3/4/2016	1/4/2020	1/3/2022	\$56,000.00	\$56,000.00	Installation of EV Charging Infrastructure	\$0.00	Yes
ML16076	City of San Fernando	2/21/2017	8/20/2021		\$43,993.88	\$43,993.88	Install EV Charging Infrastructure	\$0.00	Yes
MS16081	EDCO Disposal Corporation	3/4/2016	10/3/2022		\$150,000.00	\$150,000.00	Expansion of Existing Public Access CNG St	\$0.00	Yes
MS16087	Burrtec Waste & Recycling Services,	7/8/2016	3/7/2023		\$100,000.00	\$100,000.00	Construct New Limited-Access CNG Station	\$0.00	Yes
MS16088	Transit Systems Unlimited, Inc.	5/12/2017	1/11/2023		\$17,000.00	\$17,000.00	Expansion of Existing CNG Station	\$0.00	Yes
MS16097	Walnut Valley Unified School District	10/7/2016	11/6/2022		\$250,000.00	\$250,000.00	Expand CNG Station & Modify Maintenance	\$0.00	Yes
MS16102	Nasa Services, Inc.	2/21/2017	4/20/2023		\$100,000.00	\$100,000.00	Construct a Limited-Access CNG Station	\$0.00	No
MS16103	Arrow Services, Inc.	2/3/2017	4/2/2023		\$100,000.00	\$100,000.00	Construct a Limited-Access CNG Station	\$0.00	Yes
MS16105	Huntington Beach Union High School	3/3/2017	7/2/2024		\$175,000.00	\$175,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
MS16112	Orange County Transportation Autho	4/14/2017	3/13/2024		\$1,470,000.00	\$1,470,000.00	Repower Up to 98 Transit Buses	\$0.00	No
MS16113	Los Angeles County MTA	5/12/2017	4/11/2024		\$1,875,000.00	\$1,875,000.00	Repower Up to 125 Transit Buses	\$0.00	Yes
MS16114	City of Norwalk	3/3/2017	6/2/2024		\$45,000.00	\$32,170.00	Purchase 3 Transit Buses	\$12,830.00	Yes
MS16116	Riverside Transit Agency	3/3/2017	1/2/2023		\$10,000.00	\$9,793.00	Purchase One Transit Bus	\$207.00	No

Total: 30

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2016-2018 Contracts

Open Contracts

ML18019	City of Hidden Hills	5/3/2018	5/2/2022	5/2/2023	\$49,999.00	\$49,999.00	Purchase Two Light-Duty ZEVs and EVSE	\$0.00	No
ML18020	City of Colton	5/3/2018	4/2/2024		\$67,881.00	\$35,667.00	Purchase One Medium-Duty and One Heavy	\$32,214.00	No
ML18022	City of Desert Hot Springs	5/3/2018	1/2/2020	1/2/2021	\$50,000.00	\$0.00	Traffic Signal and Synchronization Project	\$50,000.00	No
ML18028	City of Artesia	6/28/2018	3/27/2025		\$50,000.00	\$50,000.00	Install EVSE	\$0.00	No
ML18030	City of Grand Terrace	6/28/2018	3/27/2022	3/27/2025	\$45,000.00	\$0.00	Install EVSE	\$45,000.00	No
ML18031	City of Diamond Bar	9/7/2018	11/6/2025		\$73,930.00	\$0.00	Install EVSE, Purchase up to 2-LD Vehicles	\$73,930.00	No
ML18032	City of Arcadia	2/1/2019	4/30/2025		\$24,650.00	\$0.00	Purchase 1 Heavy-Duty Near-ZEV	\$24,650.00	No
ML18034	City of Calabasas	6/8/2018	3/7/2022	3/7/2023	\$50,000.00	\$0.00	Install EVSE	\$50,000.00	No
ML18036	City of Indian Wells	8/8/2018	5/7/2023		\$50,000.00	\$0.00	Install EV Charging Station	\$50,000.00	No
ML18038	City of Anaheim	10/5/2018	5/4/2025	5/4/2026	\$221,500.00	\$84,363.27	Purchase 5 Light-Duty ZEVs and Install EVS	\$137,136.73	No
ML18039	City of Redlands	6/28/2018	7/27/2024	1/27/2025	\$87,000.00	\$0.00	Purchase 1 Medium/Heavy-Duty ZEV and In	\$87,000.00	No
ML18041	City of West Hollywood	8/8/2018	12/7/2023		\$50,000.00	\$0.00	Install EV Charging Infrastructure	\$50,000.00	No
ML18043	City of Yorba Linda	9/7/2018	12/6/2023		\$87,990.00	\$0.00	Install EV Charging Infrastructure	\$87,990.00	No
ML18044	City of Malibu	8/8/2018	10/7/2022	10/7/2023	\$50,000.00	\$0.00	Install EV Charging Infrastructure	\$50,000.00	No
ML18046	City of Santa Ana	11/9/2018	7/8/2026		\$385,000.00	\$0.00	Purchase 6 Light-Duty ZEVs, 9 Heavy-Duty	\$385,000.00	No
ML18047	City of Whittier	8/8/2018	4/7/2026		\$113,910.00	\$0.00	Purchase 5 Heavy-Duty Near-Zero Emission	\$113,910.00	No
ML18048	City of Lynwood	6/28/2018	10/27/2024		\$93,500.00	\$0.00	Purchase Up to 3 Medium-Duty Zero-Emissi	\$93,500.00	No
ML18050	City of Irvine	9/7/2018	8/6/2028		\$330,490.00	\$0.00	Purchase 1 Medium/Heavy-Duty ZEV and In	\$330,490.00	No
ML18051	City of Rancho Cucamonga	3/1/2019	10/31/2025		\$227,040.00	\$0.00	Purchase 9 Light-Duty ZEVs, 2 Med-Duty ZE	\$227,040.00	No
ML18052	City of Garden Grove	8/8/2018	10/7/2022		\$53,593.00	\$0.00	Purchase 4 L.D. ZEVs and Infrastructure	\$53,593.00	No
ML18053	City of Paramount	9/7/2018	3/6/2023		\$64,675.00	\$0.00	Install EV Charging Infrastructure	\$64,675.00	No
ML18055	City of Long Beach Fleet Services Bu	11/29/2018	11/28/2026		\$622,220.00	\$99,290.91	Install EV Charging Stations	\$522,929.09	No
ML18056	City of Chino	3/29/2019	9/28/2023		\$103,868.00	\$0.00	Install EV Charging Infrastructure	\$103,868.00	No
ML18057	City of Carson	10/5/2018	7/4/2023		\$106,250.00	\$50,000.00	Purchase 5 Zero-Emission Vehicles and Infr	\$56,250.00	No
ML18058	City of Perris	10/12/2018	11/11/2024		\$94,624.00	\$0.00	Purchase 1 Med. H.D. ZEV and EV Charging	\$94,624.00	No
ML18059	City of Glendale Water & Power	2/1/2019	7/31/2026		\$260,500.00	\$0.00	Install Electric Vehicle Charging Infrastructur	\$260,500.00	No
ML18060	County of Los Angeles Internal Servi	10/5/2018	8/4/2026		\$1,367,610.00	\$0.00	Purchase 29 Light-Duty Zero Emission Vehic	\$1,367,610.00	No
ML18063	City of Riverside	6/7/2019	1/6/2027		\$383,610.00	\$0.00	Expand Existing CNG Station	\$383,610.00	No
ML18064	City of Eastvale	11/29/2018	4/28/2026		\$80,400.00	\$28,457.43	Purchase 2 Light-Duty, One Medium-Duty. Z	\$51,942.57	No
ML18067	City of Pico Rivera	9/7/2018	11/6/2022		\$83,500.00	\$0.00	Instal EVSE	\$83,500.00	No
ML18068	City of Mission Viejo	7/31/2019	6/30/2027		\$125,690.00	\$10,000.00	Purchase 2 Light-Duty ZEVs, Install EVSE &	\$115,690.00	No
ML18069	City of Torrance	3/1/2019	7/31/2027		\$187,400.00	\$0.00	Purchase 4 Heavy-Duty Near-Zero Emission	\$187,400.00	No
ML18072	City of Anaheim	12/18/2018	11/17/2026		\$239,560.00	\$223,000.00	Purchase 9 Light-Duty ZEVs & 2 Med/Hvy-D	\$16,560.00	No
ML18078	County of Riverside	10/5/2018	10/4/2028		\$425,000.00	\$175,000.00	Purchase 17 Heavy-Duty Vehicles	\$250,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML18079	City of Pasadena	12/7/2018	11/6/2023		\$183,670.00	\$100,000.00	EV Charging Infrastructure	\$83,670.00	No
ML18080	City of Santa Monica	1/10/2019	12/9/2023		\$121,500.00	\$14,748.62	Install EV Charging Stations	\$106,751.38	No
ML18081	City of Beaumont	10/5/2018	10/4/2022	10/4/2023	\$31,870.00	\$0.00	EV Charging Infrastructure	\$31,870.00	No
ML18082	City of Los Angeles Bureau of Sanita	8/30/2019	8/29/2028		\$900,000.00	\$0.00	Purchase Medium-Duty Vehicles and EV Ch	\$900,000.00	No
ML18083	City of San Fernando	11/2/2018	11/1/2022		\$20,000.00	\$0.00	Implement Traffic Signal Synchronization	\$20,000.00	No
ML18084	City of South El Monte	10/18/2019	9/17/2023		\$30,000.00	\$0.00	EV Charging Infrastructure	\$30,000.00	No
ML18085	City of Orange	4/12/2019	10/11/2026		\$50,000.00	\$25,000.00	Purchase Two Heavy-Duty Near-Zero Emissi	\$25,000.00	No
ML18087	City of Murrieta	3/29/2019	3/28/2025		\$143,520.00	\$0.00	Install Four EV Charging Stations	\$143,520.00	No
ML18088	City of Big Bear Lake	11/29/2018	8/28/2020		\$50,000.00	\$0.00	Install Bicycle Trail	\$50,000.00	No
ML18089	City of Glendora	7/19/2019	4/18/2025		\$50,760.00	\$0.00	Purchase a medium-duty ZEV	\$50,760.00	No
ML18090	City of Santa Clarita	5/9/2019	2/8/2023		\$122,000.00	\$0.00	Install Nine EV Charging Stations	\$122,000.00	No
ML18091	City of Temecula	1/19/2019	7/18/2023		\$141,000.00	\$0.00	Install Sixteen EV Charging Stations	\$141,000.00	No
ML18092	City of South Pasadena	2/1/2019	1/31/2025		\$50,000.00	\$0.00	Procure Two Light-Duty ZEVs and Install EV	\$50,000.00	No
ML18093	City of Monterey Park	2/1/2019	2/28/2026		\$25,000.00	\$0.00	Purchase Heavy-Duty Near-ZEV	\$25,000.00	No
ML18094	City of Laguna Woods	7/12/2019	12/11/2024		\$50,000.00	\$0.00	Install Two EV Charging Stations	\$50,000.00	No
ML18095	City of Gardena	11/9/2018	12/8/2024		\$25,000.00	\$0.00	Purchase Heavy-Duty Near-ZEV	\$25,000.00	No
ML18096	City of Highland	12/13/2019	8/12/2024		\$70,210.00	\$0.00	Purchase Light-Duty ZEV and Install Three E	\$70,210.00	No
ML18097	City of Temple City	11/29/2018	7/28/2022		\$16,000.00	\$12,000.00	Purchase Two Light-Duty ZEVs	\$4,000.00	No
ML18098	City of Redondo Beach	2/1/2019	3/31/2023	3/31/2024	\$89,400.00	\$0.00	Install Six EV Charging Stations	\$89,400.00	No
ML18099	City of Laguna Hills	3/1/2019	5/31/2023		\$32,250.00	\$0.00	Install Six EV Charging Stations	\$32,250.00	No
ML18101	City of Burbank	2/1/2019	4/30/2024		\$137,310.00	\$0.00	Install Twenty EV Charging Stations	\$137,310.00	No
ML18126	City of Lomita	12/7/2018	1/6/2020		\$26,500.00	\$0.00	Install bicycle racks and lanes	\$26,500.00	No
ML18128	City of Aliso Viejo	8/30/2019	11/29/2023		\$65,460.00	\$0.00	Purchase Two Light-Duty ZEVs and Install S	\$65,460.00	No
ML18129	City of Yucaipa	12/14/2018	3/13/2023		\$63,097.00	\$0.00	Install Six EV Charging Stations	\$63,097.00	No
ML18130	City of Lake Forest	3/1/2019	9/30/2022		\$106,480.00	\$0.00	Install Twenty-One EVSEs	\$106,480.00	No
ML18131	City of Los Angeles, Police Departme	5/3/2019	12/2/2022		\$19,294.00	\$0.00	Purchase Three Light-Duty ZEVs	\$19,294.00	No
ML18132	City of Montclair	4/5/2019	9/4/2023		\$50,000.00	\$0.00	Install Eight EVSEs	\$50,000.00	No
ML18133	City of Rancho Mirage	12/7/2018	11/6/2020		\$50,000.00	\$0.00	Traffic Signal Synchronization	\$50,000.00	No
ML18134	City of Los Angeles Dept of General	5/3/2019	5/2/2028		\$290,000.00	\$0.00	Purchase Five Medium-Duty ZEVs	\$290,000.00	No
ML18135	City of Azusa	12/6/2019	12/5/2029		\$55,000.00	\$0.00	Purchase Three Light-Duty ZEVs and One H	\$55,000.00	No
ML18136	City of Orange	4/12/2019	8/11/2024		\$42,500.00	\$0.00	Purchase Four Light-Duty ZEVs and Install	\$42,500.00	No
ML18137	City of Wildomar	3/1/2019	5/31/2021	12/1/2021	\$50,000.00	\$0.00	Install Bicycle Trail	\$50,000.00	No
ML18138	City of La Canada Flintridge	2/8/2019	5/7/2023		\$50,000.00	\$28,308.19	Install Four EVSEs and Install Bicycle Racks	\$21,691.81	No
ML18139	City of Calimesa	8/30/2019	7/29/2020		\$50,000.00	\$0.00	Install Bicycle Lane	\$50,000.00	No
ML18140	City of Bell Gardens	12/14/2018	12/13/2028		\$50,000.00	\$0.00	Purchase Two Heavy-Duty Near-ZEVs	\$50,000.00	No
ML18141	City of Rolling Hills Estates	2/14/2020	1/13/2024		\$40,000.00	\$0.00	Purchase One Light-Duty ZEV and Install Tw	\$40,000.00	No
ML18142	City of La Quinta	4/24/2019	2/23/2023	8/23/2023	\$51,780.00	\$0.00	Install Two EV Charging Stations	\$51,780.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML18143	City of La Habra	10/18/2019	9/17/2025		\$80,700.00	\$0.00	Install Two EV Charging Stations	\$80,700.00	No
ML18144	City of Fontana Public Works	10/4/2019	12/3/2023		\$269,090.00	\$0.00	Install Twelve EVSEs	\$269,090.00	No
ML18145	City of Los Angeles Dept of Transpor	1/10/2020	4/9/2027		\$1,400,000.00	\$0.00	Provide One Hundred Rebates to Purchaser	\$1,400,000.00	No
ML18146	City of South Gate	3/1/2019	11/30/2023		\$127,400.00	\$50,000.00	Purchase Five Light-Duty ZEVs and Install T	\$77,400.00	No
ML18147	City of Palm Springs	1/10/2019	1/9/2024		\$60,000.00	\$0.00	Install Eighteen EV Charging Stations	\$60,000.00	No
ML18153	City of Cathedral City	5/3/2019	4/2/2025		\$52,215.00	\$0.00	Install EV Charging Infrastructure	\$52,215.00	No
ML18154	City of Hemet	11/22/2019	9/1/2023		\$30,000.00	\$0.00	Purchase Two Light-Duty ZEV and EV Charg	\$30,000.00	No
ML18155	City of Claremont	7/31/2019	9/30/2023		\$50,000.00	\$0.00	Install EV Charging Infrastructure	\$50,000.00	No
ML18156	City of Covina	2/1/2019	3/31/2023	12/31/2023	\$63,800.00	\$42,713.00	Purchase Four Light-Duty ZEVs and EV Cha	\$21,087.00	No
ML18157	City of Los Angeles Bureau of Street	6/21/2019	5/20/2027		\$85,000.00	\$0.00	Purchase One Medium-Duty ZEV	\$85,000.00	No
ML18159	City of Rialto	12/13/2019	5/12/2024		\$135,980.00	\$0.00	Purchase Nine Light-Duty ZEVs and EV Cha	\$135,980.00	No
ML18161	City of Indio	5/3/2019	10/2/2025		\$50,000.00	\$10,000.00	Purchase 1 Light-Duty Zero Emission, 1 Hea	\$40,000.00	No
ML18162	City of Costa Mesa	1/10/2020	7/9/2026		\$148,210.00	\$0.00	Purchase Four Light-Duty ZEVs and EV Cha	\$148,210.00	No
ML18163	City of San Clemente	3/8/2019	12/7/2024		\$85,000.00	\$0.00	Purchase Three Light-Duty ZEVs and EV Ch	\$85,000.00	No
ML18165	City of Baldwin Park	2/1/2019	1/30/2024		\$49,030.00	\$0.00	Expand CNG Station	\$49,030.00	No
ML18167	City of Beverly Hills	3/29/2019	6/28/2025		\$50,000.00	\$0.00	Purchase Two Heavy-Duty Near-Zero Emissi	\$50,000.00	No
ML18168	City of Maywood	3/29/2019	11/28/2022		\$7,059.00	\$0.00	Purchase EV Charging Infrastructure	\$7,059.00	No
ML18169	City of Alhambra	6/14/2019	8/13/2024		\$111,980.00	\$0.00	Install EV Charging Infrastructure	\$111,980.00	No
ML18170	City of Laguna Niguel	1/10/2020	8/9/2028		\$85,100.00	\$0.00	Purchase Two Light-Duty ZEVs and EV Char	\$85,100.00	No
ML18171	City of El Monte	3/1/2019	4/30/2025		\$119,757.00	\$0.00	Purchase One Heavy-Duty ZEVs and EV Ch	\$119,757.00	No
ML18172	City of Huntington Park	3/1/2019	2/28/2025		\$65,450.00	\$0.00	Purchase One Heavy-Duty ZEV	\$65,450.00	No
ML18173	City of Manhattan Beach	3/29/2019	2/28/2023		\$49,000.00	\$0.00	Purchase Two Light-Duty ZEVs and EV Char	\$49,000.00	No
ML18174	City of Bell	11/22/2019	7/21/2026		\$25,000.00	\$0.00	Purchase One Heavy-Duty ZEV	\$25,000.00	No
ML18176	City of Coachella	3/1/2019	11/30/2024		\$58,020.00	\$0.00	Install EV Charging Stations	\$58,020.00	No
ML18177	City of San Bernardino	6/7/2019		12/6/2026	\$279,088.00	\$0.00	Purchase Medium- and Heavy-Duty Evs and	\$279,088.00	No
ML18178	City of La Puente	11/1/2019	11/30/2025		\$25,000.00	\$0.00	Purchase One Heavy-Duty Near-Zero Emissi	\$25,000.00	No
MS18002	Southern California Association of G	6/9/2017	11/30/2018	10/31/2020	\$2,500,000.00	\$593,455.98	Regional Active Transportation Partnership	\$1,906,544.02	No
MS18003	Geographics	2/21/2017	2/20/2021		\$70,453.00	\$58,630.97	Design, Host and Maintain MSRC Website	\$11,822.03	No
MS18006	Anaheim Transportation Network	10/6/2017	2/28/2020		\$219,564.00	\$9,488.22	Implement Anaheim Circulator Service	\$210,075.78	No
MS18009	Penske Truck Leasing Co., L.P.	8/8/2018	12/7/2020		\$82,500.00	\$0.00	Modify Maintenance Facility & Train Technici	\$82,500.00	No
MS18014	Regents of the University of Californi	10/5/2018	12/4/2019	3/4/2020	\$254,795.00	\$215,966.79	Planning for EV Charging Infrastructure Inve	\$38,828.21	No
MS18015	Southern California Association of G	7/13/2018	2/28/2021	8/31/2021	\$2,000,000.00	\$0.00	Southern California Future Communities Part	\$2,000,000.00	No
MS18023	Riverside County Transportation Co	6/28/2018	6/27/2021		\$500,000.00	\$162,414.60	Weekend Freeway Service Patrols	\$337,585.40	No
MS18024	Riverside County Transportation Co	6/28/2018	8/27/2021		\$1,500,000.00	\$493,160.00	Vanpool Incentive Program	\$1,006,840.00	No
MS18026	Omnitrans	10/5/2018	1/4/2020		\$83,000.00	\$0.00	Modify Vehicles Maintenance Facility and Tr	\$83,000.00	No
MS18027	City of Gardena	11/2/2018	9/1/2026		\$365,000.00	\$0.00	Install New Limited Access CNG, Modify Mai	\$365,000.00	No
MS18029	Irvine Ranch Water District	8/8/2018	10/7/2024		\$185,000.00	\$0.00	Install New Limited Access CNG Station & T	\$185,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS18065	San Bernardino County Transportatio	3/29/2019	8/28/2023		\$2,000,000.00	\$1,664,525.31	Implement Metrolink Line Fare Discount Pro	\$335,474.69	No
MS18066	El Dorado National	12/6/2019	2/5/2026		\$100,000.00	\$0.00	Install New Limited-Access CNG Station	\$100,000.00	No
MS18073	Los Angeles County MTA	1/10/2019	2/9/2026		\$2,000,000.00	\$0.00	Purchase 40 Zero-Emission Transit Buses	\$2,000,000.00	No
MS18102	Orange County Transportation Autho	10/4/2019	5/31/2020		\$1,146,000.00	\$1,146,000.00	Implement OC Flex Micro-Transit Pilot Proje	\$0.00	No
MS18103	Orange County Transportation Autho	2/8/2019	9/7/2020		\$642,000.00	\$613,303.83	Install Hydrogen Detection System	\$28,696.17	No
MS18104	Orange County Transportation Autho	2/21/2020	3/31/2021		\$212,000.00	\$0.00	Implement College Pass Transit Fare Subsid	\$212,000.00	No
MS18106	R.F. Dickson Co., Inc.	7/19/2019	1/18/2026		\$265,000.00	\$225,000.00	Expansion of Existing Infrastructure/Mechani	\$40,000.00	No
MS18108	Capistrano Unified School District	2/1/2019	5/30/2025		\$116,000.00	\$0.00	Expansion of Existing Infrastructure & Train	\$116,000.00	No
MS18110	Mountain View Unified School District	2/1/2019	3/31/2025		\$275,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$275,000.00	No
MS18112	Banning Unified School District	11/29/2018	11/28/2024	11/28/2025	\$275,000.00	\$0.00	Install New CNG Infrastructure	\$275,000.00	No
MS18114	Los Angeles County Department of P	11/15/2019	11/14/2026		\$175,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$175,000.00	No
MS18115	City of Commerce	6/7/2019	12/6/2025		\$275,000.00	\$0.00	Expansion of Existing L/CNG Infrastructure	\$275,000.00	No
MS18116	Los Angeles County Department of P	11/15/2019	11/14/2026		\$175,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$175,000.00	No
MS18117	City of San Bernardino	6/7/2019	11/6/2025		\$240,000.00	\$0.00	Expansion of Existing CNG Infrastructure/Me	\$240,000.00	No
MS18118	City of Beverly Hills	3/29/2019	7/28/2025		\$85,272.00	\$0.00	Expansion of Existing CNG Infrastructure	\$85,272.00	No
MS18120	City of Redondo Beach	2/1/2019	9/30/2025		\$275,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$275,000.00	No
MS18122	Universal Waste Systems, Inc.	2/1/2019	3/31/2025		\$200,000.00	\$0.00	Install New Limited Access CNG Infrastructur	\$200,000.00	No
MS18124	County Sanitation Districts of Los An	7/31/2019	2/28/2027		\$275,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$275,000.00	No
MS18125	U.S. Venture	5/9/2019	8/8/2025		\$200,000.00	\$180,000.00	Install New Limited-Access CNG Infrastructu	\$20,000.00	No
MS18175	Regents of the University of Californi	6/7/2019	8/6/2025		\$1,000,000.00	\$0.00	Expansion of Existing Hydrogen Station	\$1,000,000.00	No

Total: 128

Pending Execution Contracts

ML18100	City of Brea				\$56,500.00	\$0.00	Install Thirteen EV Charging Stations	\$56,500.00	No
ML18148	City of San Dimas				\$50,000.00	\$0.00	Implement Bike Share Program	\$50,000.00	No
ML18149	City of Sierra Madre				\$50,000.00	\$0.00	Implement Bike Share Program	\$50,000.00	No
ML18150	City of South El Monte				\$20,000.00	\$0.00	Implement Bike Share Program	\$20,000.00	No
ML18151	County of San Bernardino Departme				\$200,000.00	\$0.00	Purchase Eight Heavy-Duty Near Zero Emis	\$200,000.00	No
ML18152	County of San Bernardino Flood Cont				\$108,990.00	\$0.00	Purchase Five Heavy-Duty Near Zero Emissi	\$108,990.00	No
ML18158	City of Inglewood				\$146,000.00	\$0.00	Purchase 4 Light-Duty Zero Emission, 4 Med	\$146,000.00	No
ML18164	City of Pomona				\$200,140.00	\$0.00	Purchase Three Heavy-Duty ZEVs	\$200,140.00	No
ML18166	City of Placentia				\$25,000.00	\$0.00	Purchase One Heavy-Duty Near-Zero Emissi	\$25,000.00	No
MS18121	City of Montebello				\$70,408.00	\$0.00	Expansion of Existing CNG Infrastructure	\$70,408.00	No

Total: 10

Declined/Cancelled Contracts

ML18075	City of Orange				\$25,000.00	\$0.00	One Heavy-Duty Vehicle	\$25,000.00	No
MS18013	California Energy Commission				\$3,000,000.00	\$0.00	Advise MSRC and Administer Hydrogen Infr	\$3,000,000.00	No
MS18017	City of Banning				\$225,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$225,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS18018	City of Norwalk	6/8/2018	9/7/2019		\$75,000.00	\$0.00	Vehicle Maintenance Facility Modifications	\$75,000.00	No
MS18107	Huntington Beach Union High School				\$225,000.00	\$0.00	Expansion of Existing Infrastructure	\$225,000.00	No
MS18109	City of South Gate				\$175,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$175,000.00	No
MS18111	Newport-Mesa Unified School District				\$175,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$175,000.00	No
MS18113	City of Torrance				\$100,000.00	\$0.00	Expansion of Existing CNG Infrastructure	\$100,000.00	No
MS18119	LBA Realty Company XI LP				\$100,000.00	\$0.00	Install New Limited-Access CNG Infrastructu	\$100,000.00	No

Total: 9

Closed Contracts

MS18001	Los Angeles County MTA	6/29/2017	4/30/2018		\$807,945.00	\$652,737.07	Provide Clean Fuel Transit Service to Dodge	\$155,207.93	No
MS18004	Orange County Transportation Autho	8/3/2017	4/30/2019		\$503,272.00	\$456,145.29	Provide Special Rail Service to Angel Stadiu	\$47,126.71	Yes
MS18005	Orange County Transportation Autho	1/5/2018	4/30/2019		\$834,222.00	\$834,222.00	Clean Fuel Bus Service to OC Fair	\$0.00	Yes
MS18008	Foothill Transit	1/12/2018	3/31/2019		\$100,000.00	\$99,406.61	Special Transit Service to LA County Fair	\$593.39	Yes
MS18010	Southern California Regional Rail Aut	12/28/2017	7/31/2019		\$351,186.00	\$275,490.61	Implement Special Metrolink Service to Unio	\$75,695.39	Yes
MS18011	Southern California Regional Rail Aut	2/9/2018	6/30/2018		\$239,565.00	\$221,725.12	Special Train Service to Festival of Lights	\$17,839.88	Yes
MS18016	Southern California Regional Rail Aut	1/10/2019	3/31/2019		\$87,764.00	\$73,140.89	Special Train Service to Auto Club Speedwa	\$14,623.11	Yes
MS18025	Los Angeles County MTA	11/29/2018	5/31/2019		\$1,324,560.00	\$706,235.69	Special Bus and Train Service to Dodger Sta	\$618,324.31	Yes
MS18105	Southern California Regional Rail Aut	1/10/2019	6/30/2019		\$252,696.00	\$186,830.04	Special Train Service to the Festival of Light	\$65,865.96	Yes

Total: 9

Open/Complete Contracts

ML18021	City of Signal Hill	4/6/2018	1/5/2022		\$49,661.00	\$46,079.31	Install EV Charging Station	\$3,581.69	Yes
ML18033	City of Duarte	8/8/2018	2/7/2025		\$50,000.00	\$50,000.00	Purchase 1-HD ZEV	\$0.00	Yes
ML18035	City of Westlake Village	8/8/2018	11/7/2022		\$50,000.00	\$50,000.00	Install EVSE	\$0.00	Yes
ML18037	City of Westminster	6/28/2018	6/27/2024	12/27/2026	\$120,900.00	\$120,900.00	Install EVSE, Purchase up to 3-LD ZEV & 1-	\$0.00	Yes
ML18040	City of Agoura Hills	7/13/2018	6/12/2022		\$17,914.00	\$17,914.00	Install EV Charging Infrastructure	\$0.00	Yes
ML18042	City of San Fernando	6/28/2018	2/27/2024		\$10,000.00	\$10,000.00	Purchase 1 Light-Duty ZEV	\$0.00	Yes
ML18045	City of Culver City Transportation De	6/28/2018	6/27/2025		\$51,000.00	\$51,000.00	Purchase Eight Near-Zero Vehicles	\$0.00	Yes
ML18049	City of Downey	7/6/2018	5/5/2023		\$148,260.00	\$148,116.32	Install EV Charging Stations	\$143.68	Yes
ML18054	City of La Habra Heights	8/8/2018	4/7/2022		\$9,200.00	\$9,200.00	Purchase 1 L.D. ZEV	\$0.00	Yes
ML18061	City of Moreno Valley	4/9/2019	2/8/2025		\$25,000.00	\$25,000.00	Purchase 1 Heavy-Duty Near-ZEV	\$0.00	Yes
ML18062	City of Beaumont	8/8/2018	9/7/2024		\$25,000.00	\$25,000.00	Purchase 1 Heavy-Duty Near-ZEV	\$0.00	Yes
ML18070	City of Lomita	11/29/2018	6/28/2022		\$6,250.00	\$6,250.00	Purchase 1 Light-Duty ZEV	\$0.00	No
ML18071	City of Chino Hills	9/7/2018	10/6/2022		\$20,000.00	\$20,000.00	Purchase 2 Light-Duty ZEVs	\$0.00	Yes
ML18074	City of Buena Park	12/14/2018	6/13/2026		\$107,960.00	\$107,960.00	EV Charging Infrastructure	\$0.00	No
ML18076	City of Culver City Transportation De	10/5/2018	10/4/2023		\$1,130.00	\$1,130.00	Purchase Light-Duty ZEV	\$0.00	Yes
ML18077	City of Orange	11/2/2018	10/1/2022		\$59,776.00	\$59,776.00	Four Light-Duty ZEV and EV Charging Infr	\$0.00	Yes
ML18086	City of Los Angeles Bureau of Street	2/8/2019	4/7/2023		\$300,000.00	\$300,000.00	Install Sixty EV Charging Stations	\$0.00	Yes
ML18127	City of La Puente	2/1/2019	2/28/2023		\$10,000.00	\$7,113.70	Purchase Light-Duty Zero Emission Vehicle	\$2,886.30	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML18160	City of Irwindale	3/29/2019	12/28/2022		\$14,263.00	\$14,263.00	Purchase Two Light-Duty ZEVs	\$0.00	Yes
MS18012	City of Hermosa Beach	2/2/2018	2/1/2024		\$36,000.00	\$36,000.00	Construct New Limited-Access CNG Station	\$0.00	Yes
MS18123	City Rent A Bin DBA Serv-Wel Dispo	12/14/2018	2/13/2025		\$200,000.00	\$200,000.00	Install New Limited-Access CNG Infrastructu	\$0.00	Yes

Total: 21

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
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FY 2018-2021 Contracts

Open Contracts

MS21001	Los Angeles County MTA	8/30/2019	7/29/2020		\$1,148,742.00	\$0.00	Implement Special Transit Service to Dodger	\$1,148,742.00	No
MS21002	Better World Group Advisors	11/1/2019	12/31/2022		\$250,000.00	\$7,912.30	Programmatic Outreach Services	\$242,087.70	No

Total: 2

Pending Execution Contracts

MS21003	Orange County Transportation Autho				\$468,298.00	\$0.00	Provide Express Bus Service to the Orange	\$468,298.00	No
MS21004	Los Angeles County MTA				\$2,188,899.00	\$0.00	Clean Fuel Bus Service to Dodger Stadium	\$2,188,899.00	No

Total: 2

June 5, 2020 Governing Board Meeting

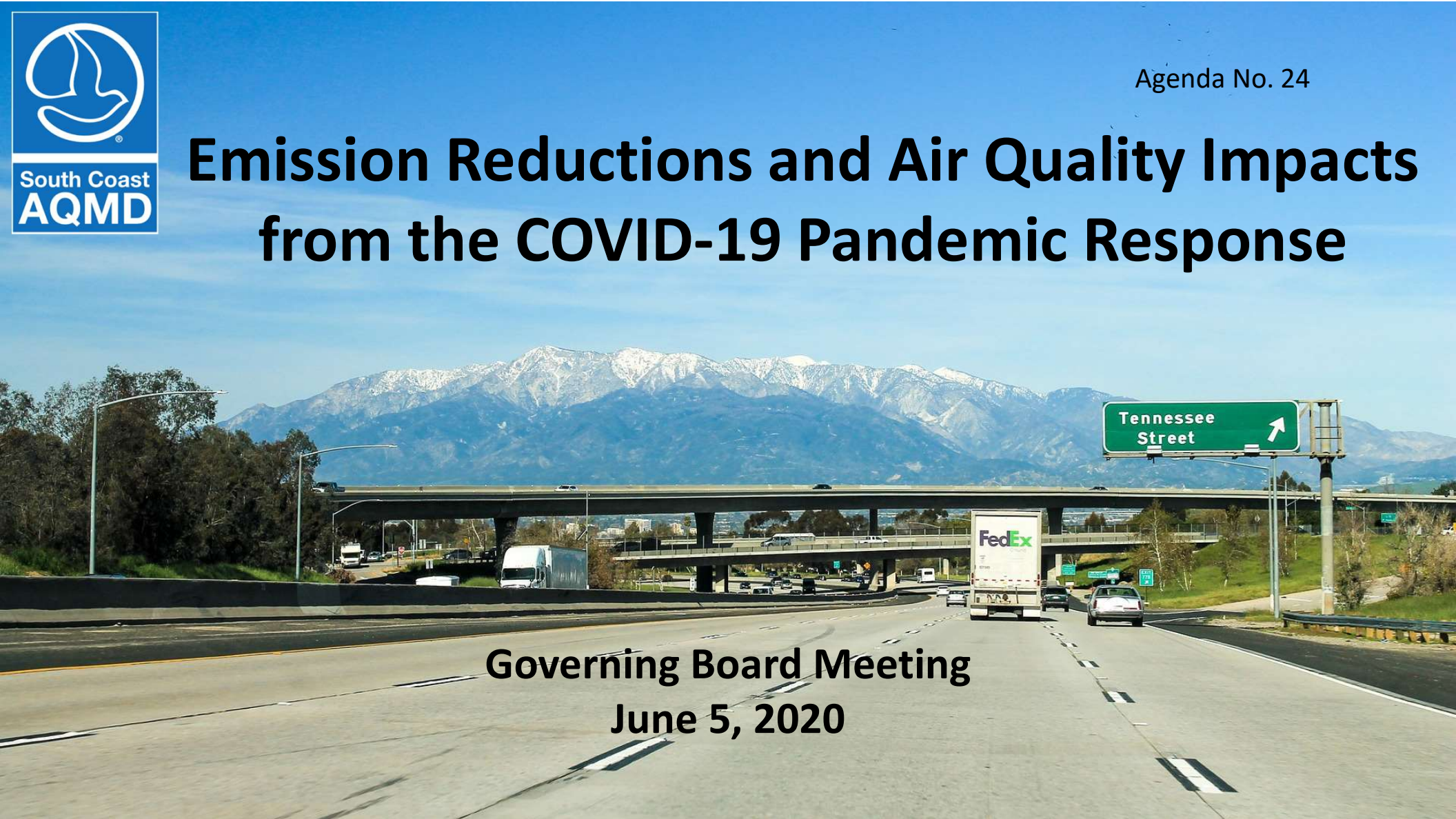
Item 23 - California Air Resources Board Monthly Report

Due to time constraints, the May 28, 2020 CARB meeting summary was not included; therefore, this item was pulled from consideration and will be provided at the next Board meeting.



Agenda No. 24

Emission Reductions and Air Quality Impacts from the COVID-19 Pandemic Response



**Governing Board Meeting
June 5, 2020**

The Question Everyone is Asking

How has the COVID-19 pandemic response affected air quality?

THE WALL STREET JOURNAL.

English Edition | May 11, 2020 | Print Edition | Video

Coronavirus got rid of smog: can electric cars do so permanently?

The Washington Post

The silver lining to coronavirus lockdowns: air quality is improving

Los Angeles
MAGAZINE

As many stay home, L.A.'s air quality is better than it's been in decades

The New York Times

Traffic and pollution plummet as U.S. cities shut down for coronavirus



Los Angeles has notoriously polluted air. But right now it has some of the cleanest of any major city

CAL MATTERS

As Californians stay at home, air quality improves – for now.

THE SACRAMENTO BEE

Fires and climate change polluted California's air. Has coronavirus shutdown helped?

South Coast
Air Quality Management District



The 'unprecedented natural experiment:' Stay-at-home order reduces air pollution, offers clues in climate change fight



LA Has The Cleanest Air In The World, Report Says

How do Emissions Influence Air Quality?

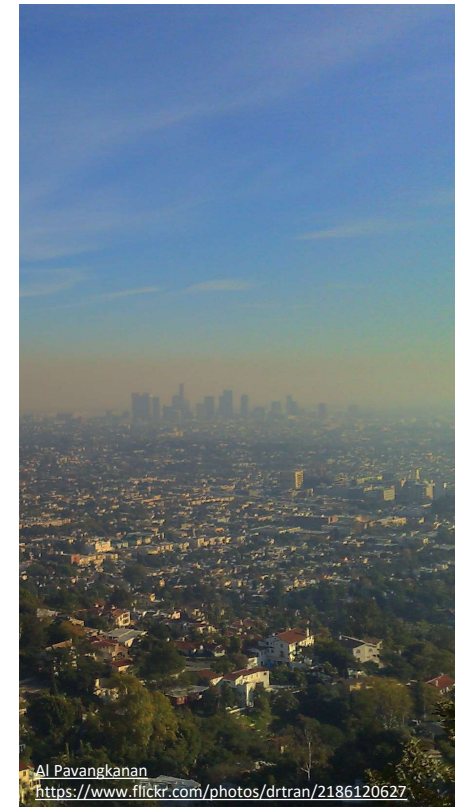
Emissions

+

Meteorology
and Chemistry

→

Air Quality



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<https://www.flickr.com/photos/drtran/2186120627>



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Air Quality Management District

How do Emissions Influence Air Quality?

Emissions

+

Meteorology
and Chemistry

→

Air Quality



- Emissions are usually not measured directly
- Emissions are estimated based on activity data that is not available in real-time
- An **Emissions Inventory** combines these estimates and measurements to track past emissions and predict future emissions



South Coast
Air Quality Management District

How do Emissions Influence Air Quality?

Emissions

+

**Meteorology
and Chemistry**

→

Air Quality

- Meteorology is measured at our monitoring stations and by other agencies
- We also use scientific models to predict:
 - Meteorology
 - Chemical transport
 - Chemistry

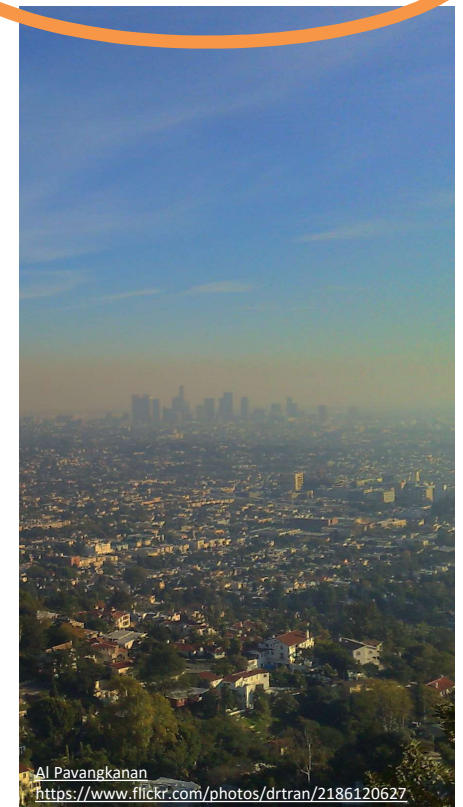


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How do Emissions Influence Air Quality?

Emissions + Meteorology and Chemistry → **Air Quality**

- Air pollution concentrations are measured in real-time for many pollutants at 42 stations in the South Coast AQMD jurisdiction
- Satellites also measure air pollution from space (but this may not reflect ground-level concentrations that people breathe)

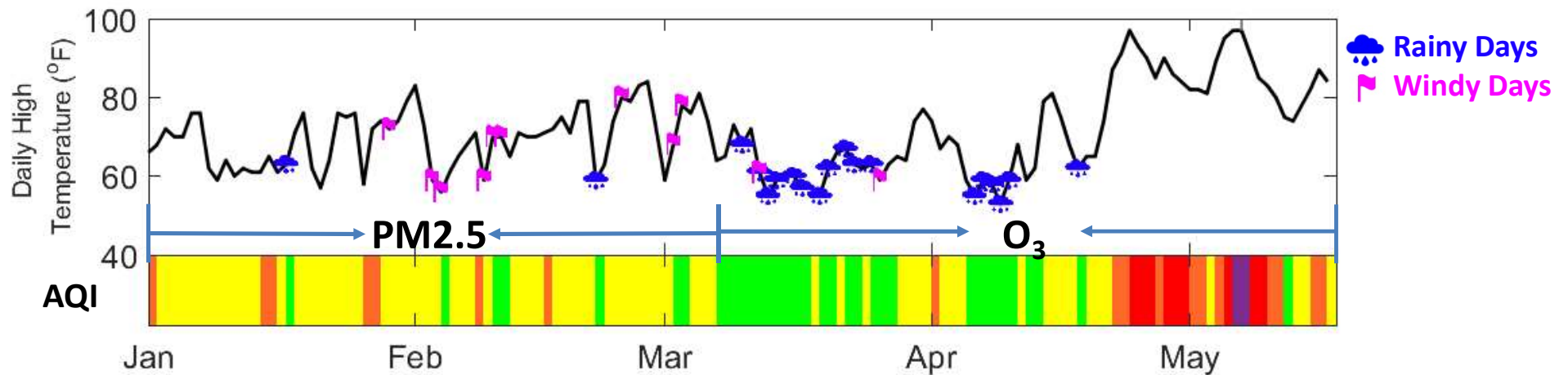


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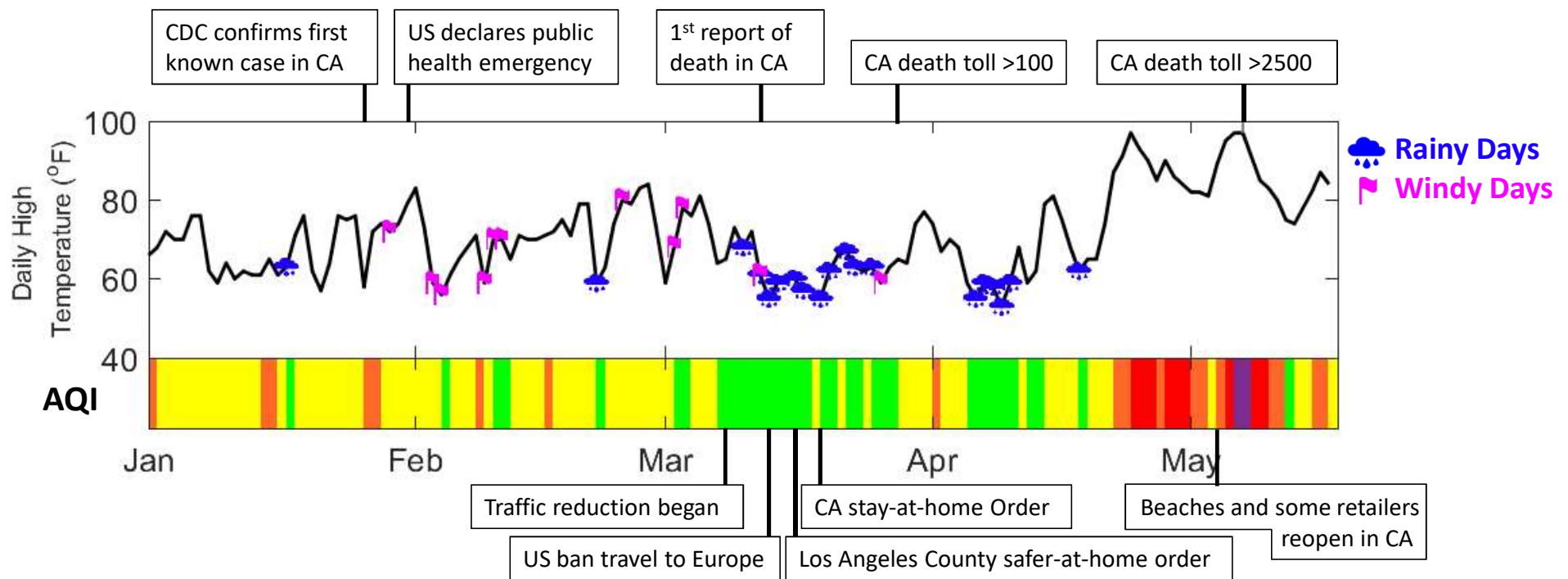
South Coast
Air Quality Management District

Meteorology and Air Quality Timeline



AQI color key	
Green	Good
Yellow	Moderate
Orange	Unhealthy for sensitive groups
Red	Unhealthy
Purple	Very unhealthy
Brown	Hazardous

Meteorology and Air Quality Timeline



Three Key Ongoing Analyses

Emissions + **Meteorology and Chemistry** → **Air Quality**

1. Emissions: Evaluating changes in mobile source emissions from activity data
2. Air Quality: Concentration measurements during the COVID-19 period
3. Meteorology and Chemistry: Using statistical and modeling analysis to account for the influence of meteorology and chemistry



Changes in Mobile Source Emissions



Cargo at Ports of LA & Long Beach¹

↓ ~11%



Flights at Major Airports in Jurisdiction²

↓ ~61%



Vehicle Activity on Freeways in Jurisdiction

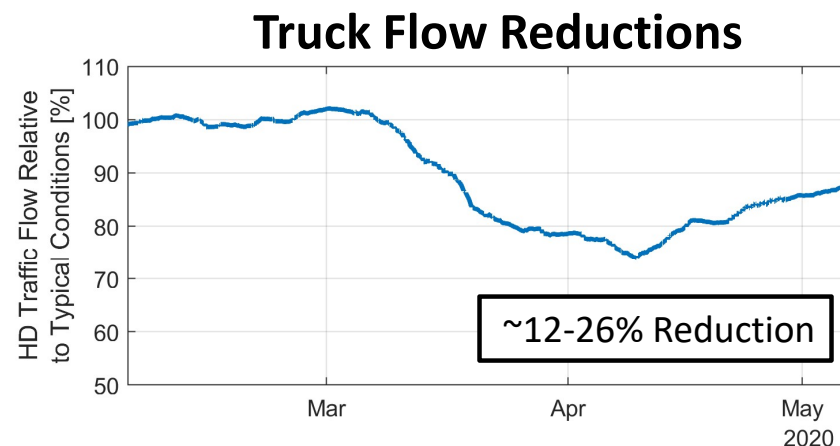
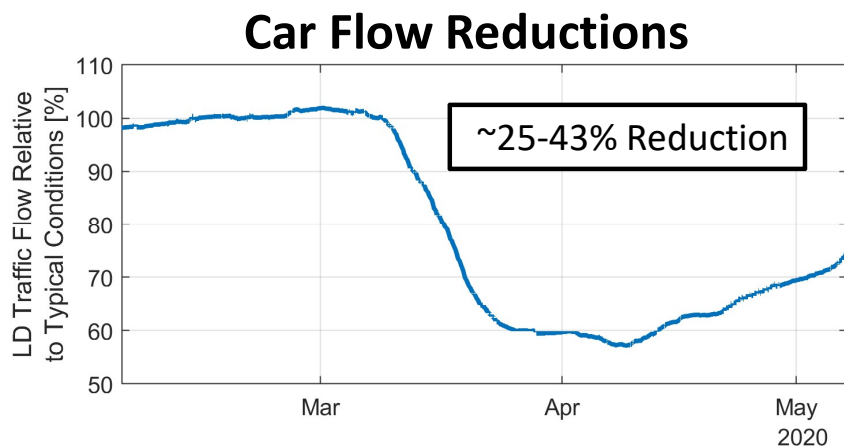
↓ ~25-43% Cars
↓ ~12-26% Trucks

- 1) Approximate change in TEUs (Twenty foot equivalent units) comparing April 2020 to April 2019
- 2) Approximate change in aircraft operations at LAX, LGB, SNA, BUR, PSP, ONT from April 2020 to April 2019 from FAA Operations Network (OPSNET)
- 3) Approximate change in car and truck flow from pre-COVID orders (Feb 1 – Mar 7) to post-COVID orders (Apr 9 to May 7) calculated from CalTrans PeMS data.

South Coast
Air Quality Management District



Changes in Traffic in the South Coast AQMD



- **On-Road trucks** are responsible for **35%** of NO_x emissions in the SCAB (Cars responsible for 5%)
- Car and truck flow data based on CalTrans sensors on freeways. Traffic trends on local roads will differ.
- Results are generally consistent with other independent analyses (at different spatial and temporal scales):
 - Apple Maps: 20 to 60% decrease in routing requests from February baseline in the City of Los Angeles¹
 - CalTrans: 34% decrease in car VMT and 33% decrease in truck VMT on freeways in LA County²
 - Inrix: 46 to 57% decrease in miles driven in City of Los Angeles³



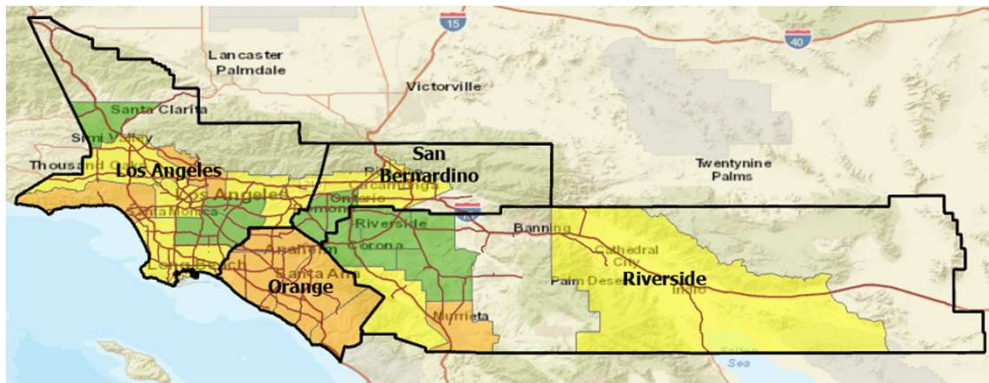
1 <https://www.apple.com/covid19/mobility>

2 <https://laist.com/2020/04/13/coronavirus-los-angeles-freeways-caltrans.php>

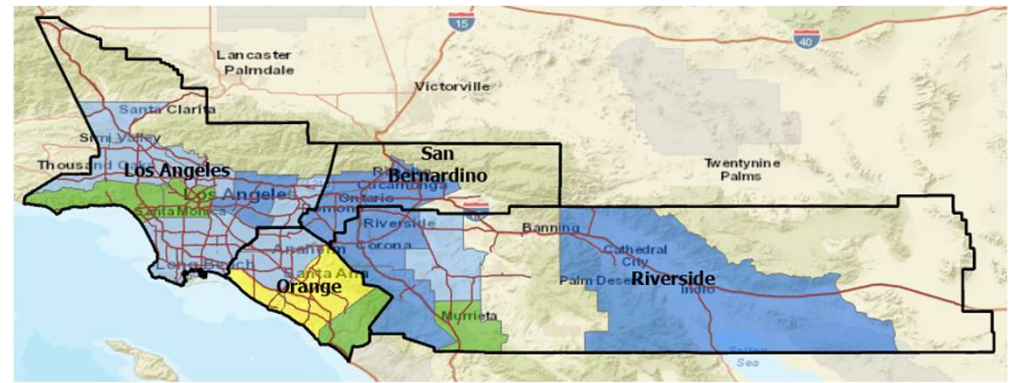
3 <https://www.latimes.com/california/story/2020-05-08/coronavirus-traffic-uptick-los-angeles-freeways-congestion-busier-heavier>

Spatial Changes in Traffic in the South Coast AQMD

Car Traffic Reduction



Truck Traffic Reduction



Color key

- <8% reduction
- 8% - 16% reduction
- 16% - 24% reduction
- 24% - 32% reduction
- 32% - 40% reduction
- 40% - 50% reduction

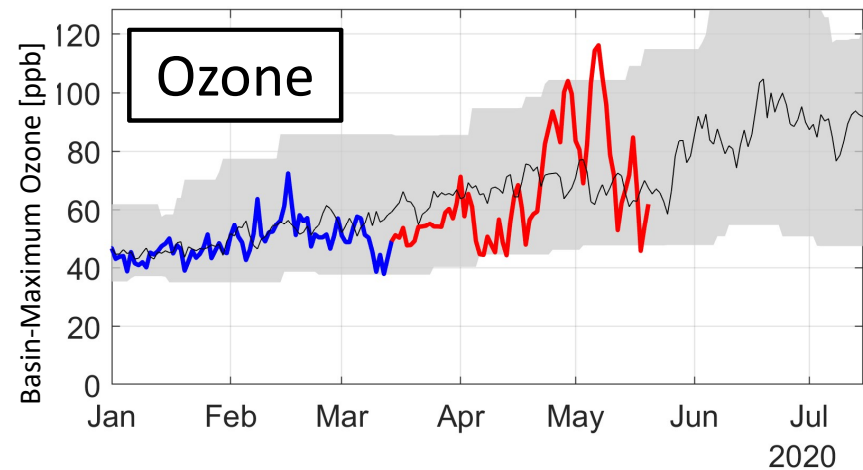
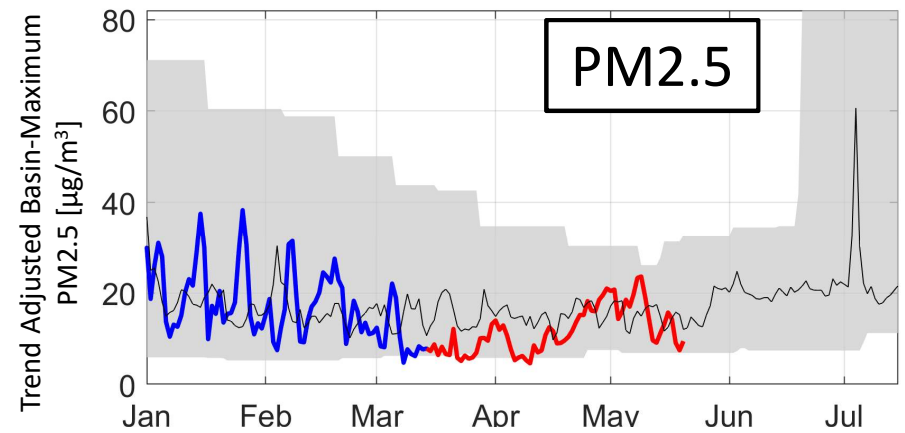
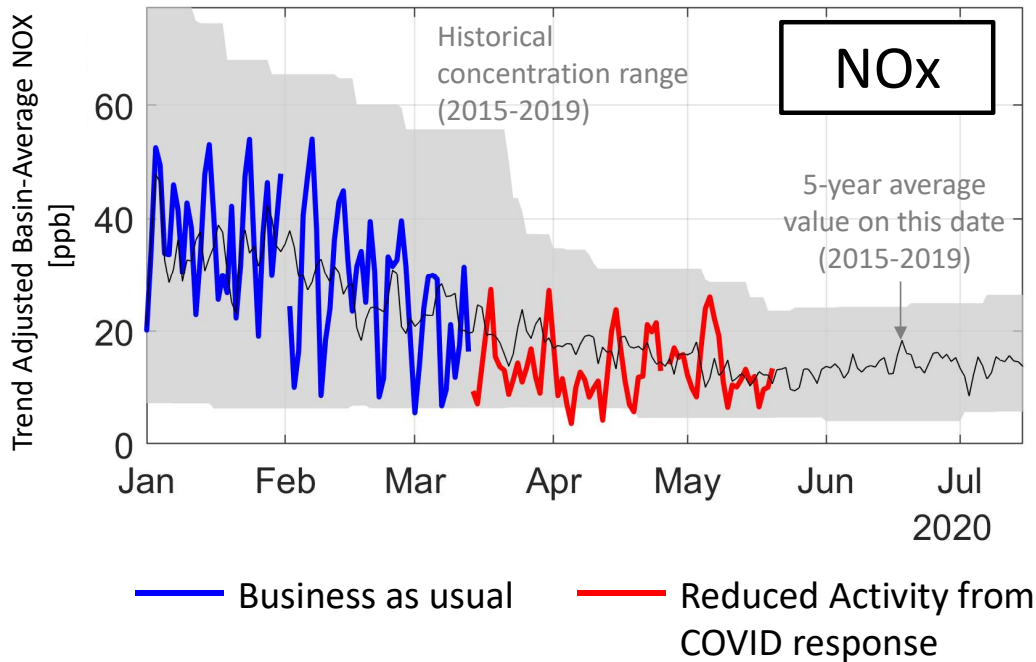
- Coastal areas had biggest reductions in car and truck activity
- Inland Empire did not see as much reduction in truck flow

South Coast
Air Quality Management District

Business-as-usual defined as Feb 1st to March 7th, COVID period defined as March 23rd to May 11th 12
Source receptor areas with less than 25 sensors are not shown

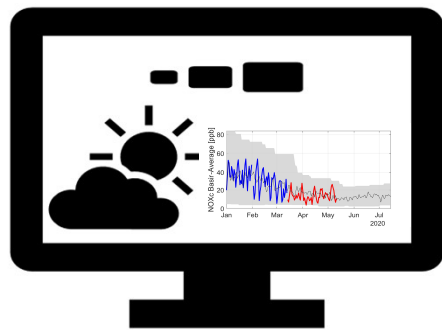


Air Quality Measurements During COVID-19



How Much did NOx Emissions Decrease Due to COVID-19 Response?

To estimate emissions from concentration measurements, must remove influence of meteorology using models



← compare →



Measured NOx concentrations from COVID-19 time period

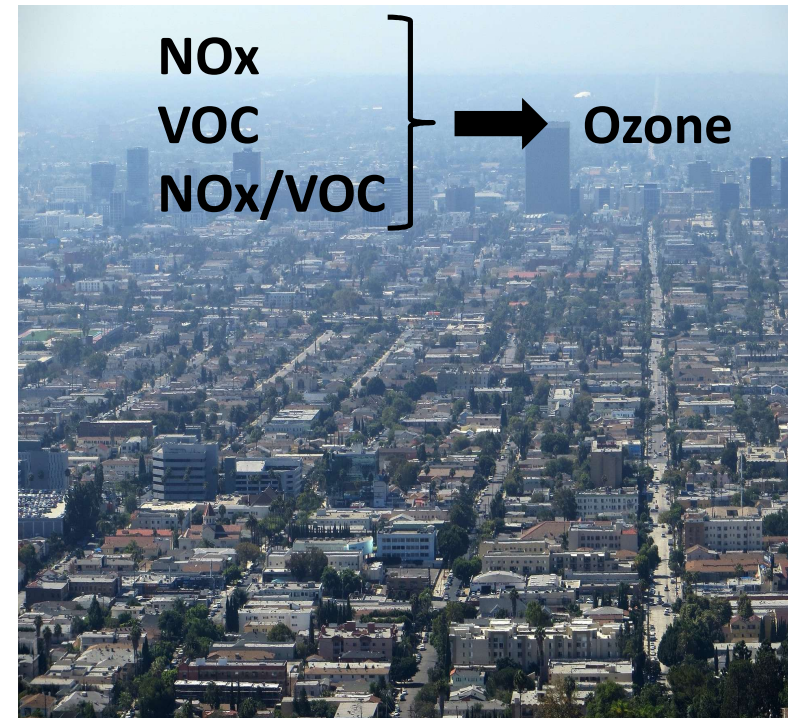
Measured NOx concentrations from previous years with similar:

- meteorology
- time-of-year
- time-of-day

Preliminary estimates indicate that NOx emissions have decreased by about 17-20% (March 14th to May 20th)

Future Work

- Evaluating high ozone concentrations in late April/early May, considering:
 - Relative impact of COVID on NO_x and VOC emissions (NO_x to VOC ratio)
 - Meteorology
 - Satellite measurements working with researchers at Columbia University



Budget and Economic Outlook Update

Governing Board Meeting

June 5, 2020



Presentation Topics

- State Budget
- Economic Indicators
- South Coast AQMD Metrics and Economic Implications
- Summary Charts

Summary of Metrics – Monthly

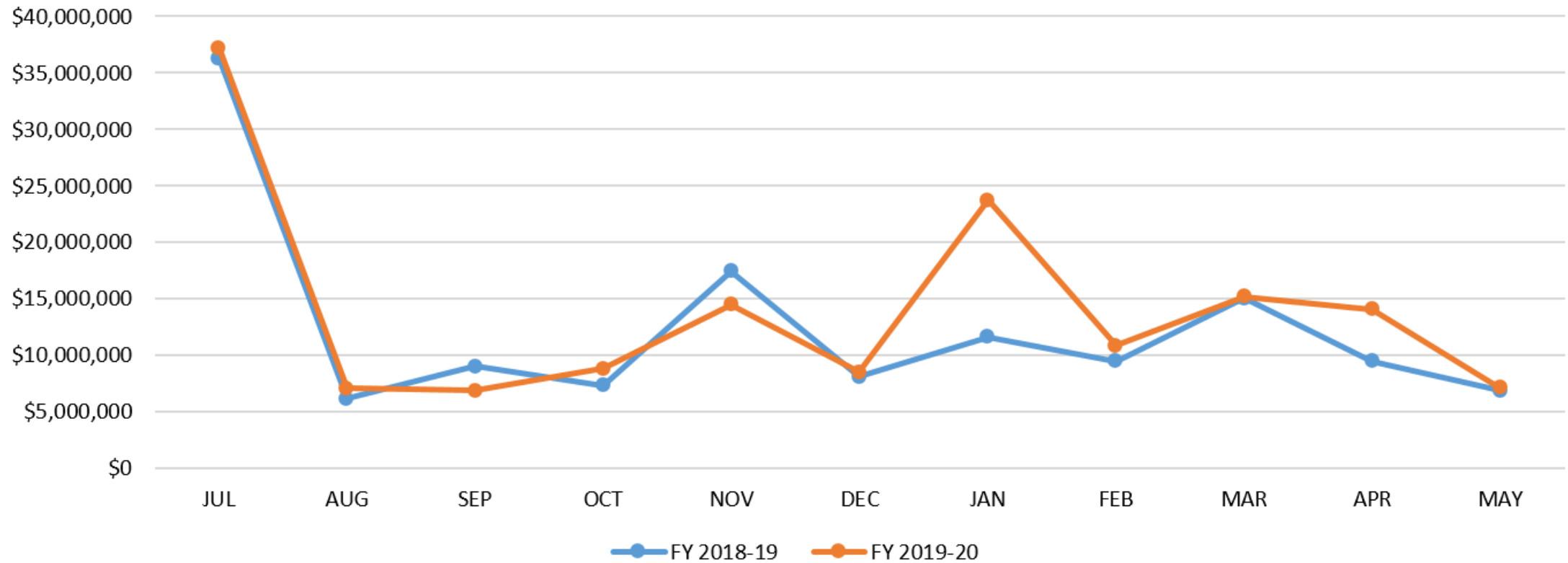
Metric			
State Economic Indicators	April 2019	April 2020	Notes
<i>Statewide Refinery Activity (Million Barrels Crude Oil Input)</i>	42	32	
<i>Port TEU Throughput (Million TEUs)</i>	1.4	1.2	
<i>Statewide Unemployment %</i>	3.6 %	15.5 %	
South Coast AQMD	May 2019	May 2020	Notes
<i>Revenue</i>	\$6.9 million	\$7.2 million	2020 - timing of grants & last year of fee increase
<i>Expenditures</i>	\$16.4 million	\$12.2 million	
<i>Vacancy Rate</i>	18.4 %	14.7 %	
<i>Permit Applications Received</i>	814	600	May 2020 preliminary data
<i>Expired Permits</i>	113	315 (worst case)	1 year to reinstate
<i>Fee Review Requests</i>	4	17	
<i>CEQA Activity</i>	85	51	

Summary of Metrics – Year to Date

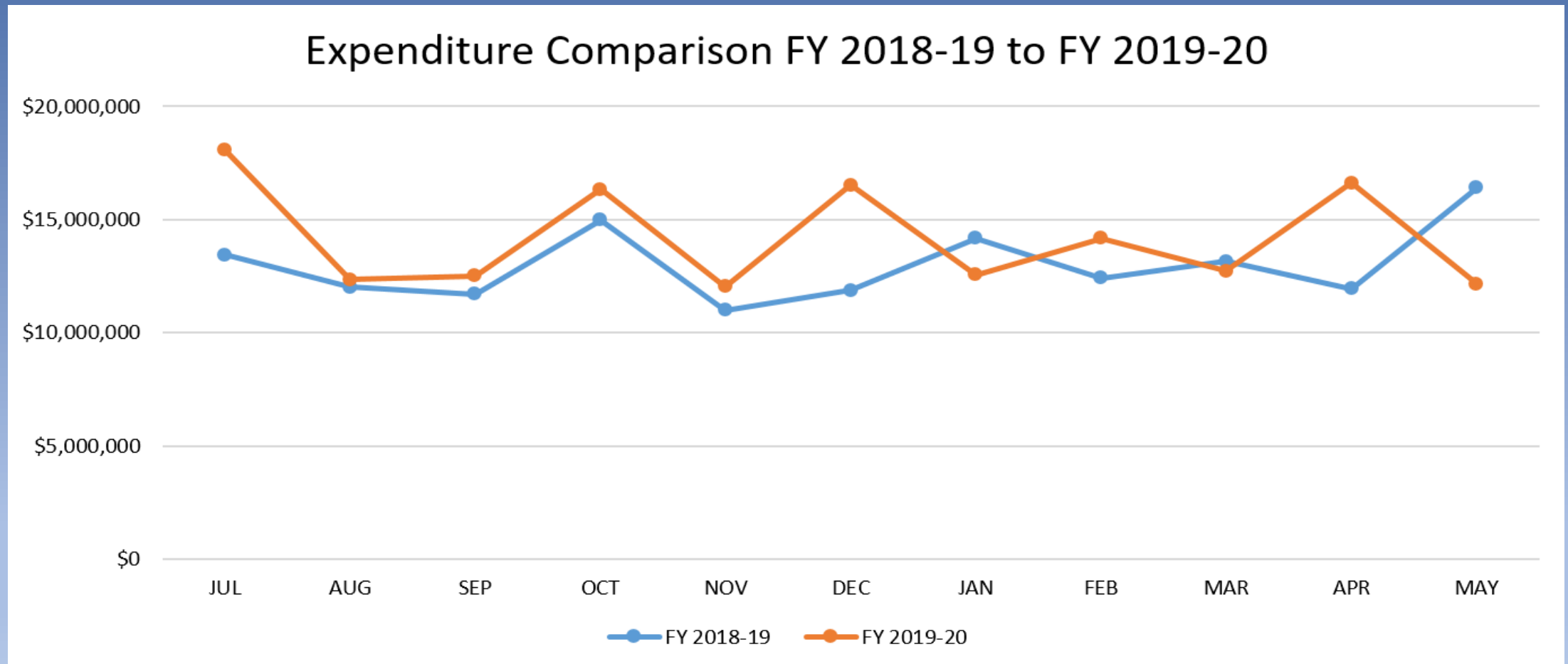
Metric	Jan - April 2019	Jan - April 2020	Notes
U.S. GDP (April)	21.3	19.1	
State Economic Indicators			
<i>Refinery Activity (Jan. - Apr.) (Million Barrels Crude Oil Input)</i>	247	210	
<i>Port TEU Throughput (Jan.- Apr.) (Million TEUs)</i>	5.4	4.7	
South Coast AQMD	Jan - May 2019	Jan - May 2020	Notes
<i>Revenue</i>	\$52.5 million	\$71.0 million	2020 higher - timing of grants & last year of fee increase
<i>Expenditures</i>	\$68.1 million	\$68.2 million	
<i>Vacancy Rate, Current</i>	18.8 %	14.7 %	
<i>Permit Applications Received</i>	3,408	3,071	May 2020 preliminary data
<i>Expired Permits</i>	513	1,097	Have 1 yr to reinstate
<i>Fee Review Requests</i>	19	56	
<i>CEQA Activity</i>	337	227	

Revenue

Revenue Comparison FY 2018-19 to FY 2019-20



Expenditures



Staffing Levels

- 946 budgeted FTEs
- 139 vacant positions
- 807 filled positions as of 5/31/20
- 14.7 % vacancy rate based on number of people
- Increased retirements expected this year
 - Impacted by potential court decision regarding pension
 - Decision expected by early August

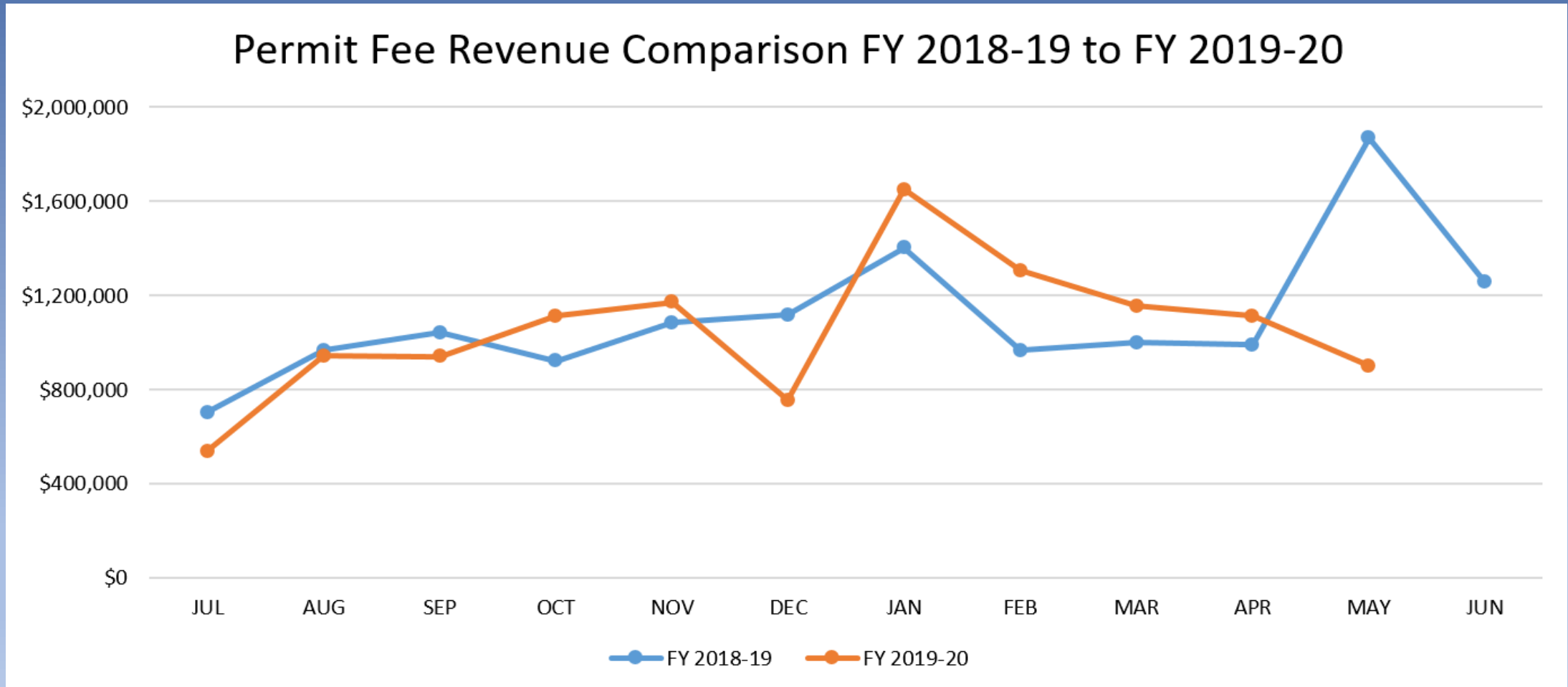
Vacancy Rate By Division (as of 5/15/20)

Division	Budgeted FTEs	Vacant FTEs	Vacancy Rate
Administrative & Human Resources	43	3	6.8 %
Compliance & Enforcement	155	22	14.8 %
Engineering & Permitting	161	24	15.0 %
Executive Office/COB	11	0	0 %
Finance	49	11	18.4 %
Information Management	58	7	13.5 %
Legal	35	11	31.4 %
Legislative, Public Affairs & Media	56	7	12.5 %
Planning, Rule Development & Area Sources	148	20	13.5 %
Science & Technology Advancement	230	31	14.4 %
Total	946	136	14.5 %

Permit Fees

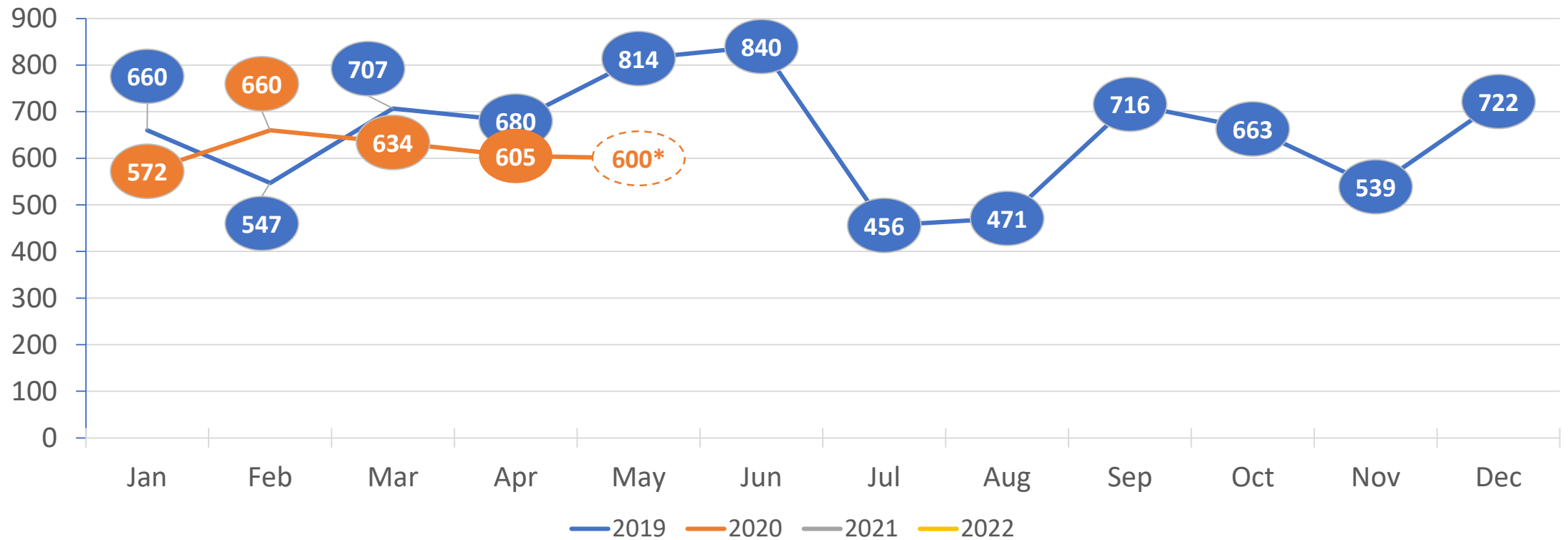
- Fees are based on Rule 301 equipment categories
- 50 % discount for multiple identical equipment
- Small businesses get 50 % lower fees if:
 - the number of employees is 10 or less, and total gross annual receipts are \$500,000 or less; or
 - not-for-profit training center

Permit Revenue Comparison



Permit Activity

Number of Applications Received by Month



*May 2020 numbers preliminary

Fees for Permits



Schedule A, B

*~ \$1.8K – \$3K

Gas Stations, Spray
Booths, Emergency
Electric Generators



Schedule C, D

*~\$4.5K – \$6.5K

Boilers, Landfill Gas
Collection, Turbines



Schedule E, F, G, H

*~\$7.4K – \$34K
+ hourly if applicable
Refinery Equipment

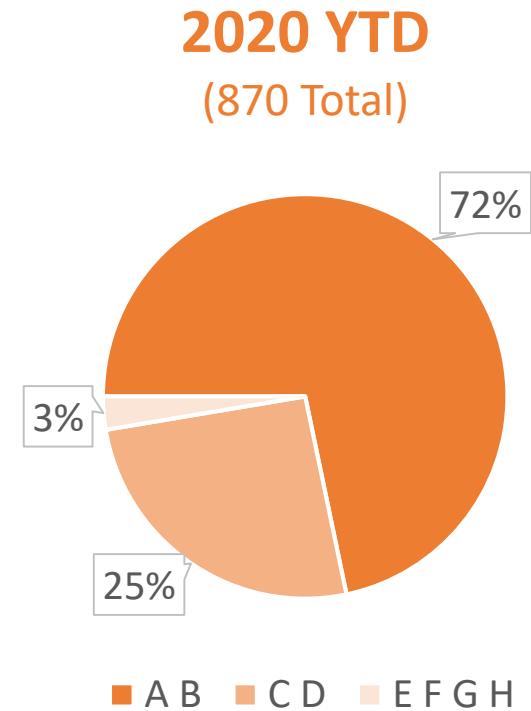
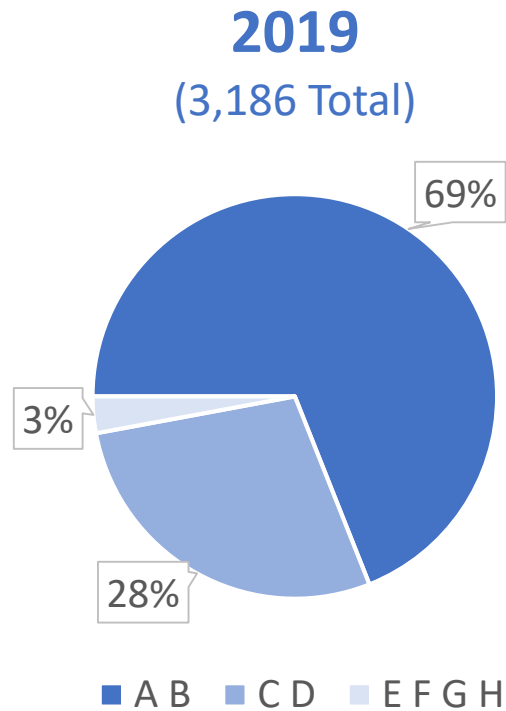
* Title V fees ~ 25% higher

Permit Activity

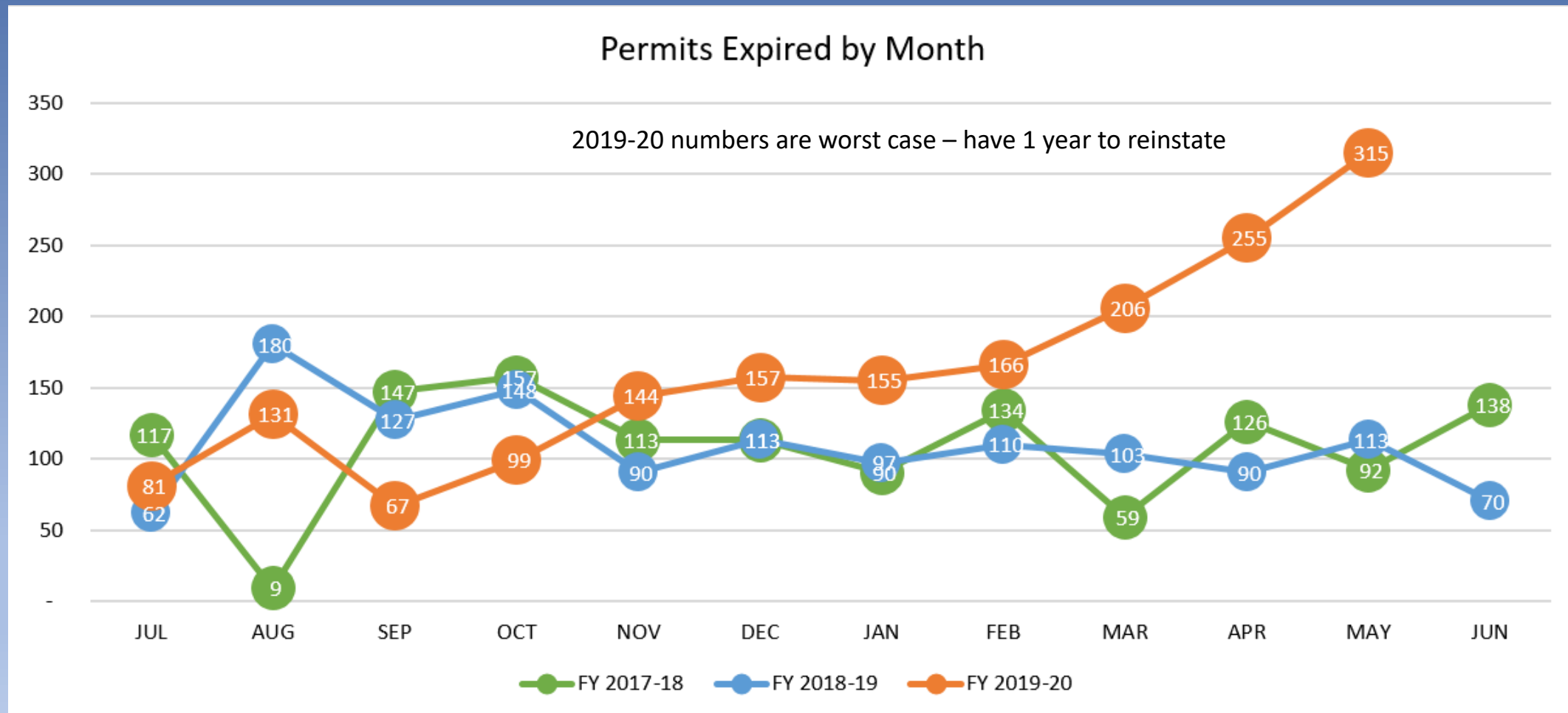
(Cont.)

Equipment Applications Received

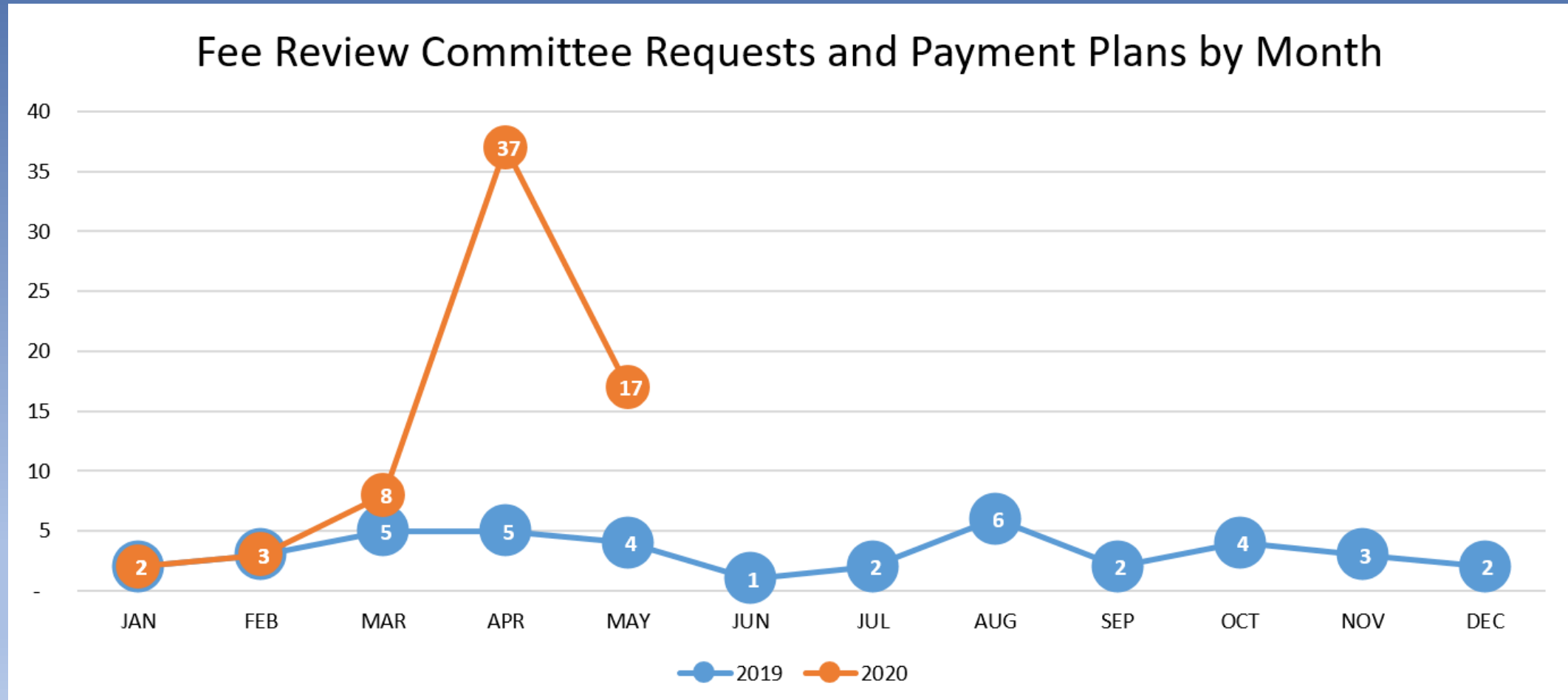
(Percent, by Assigned Fee Schedule)



Expired Permits

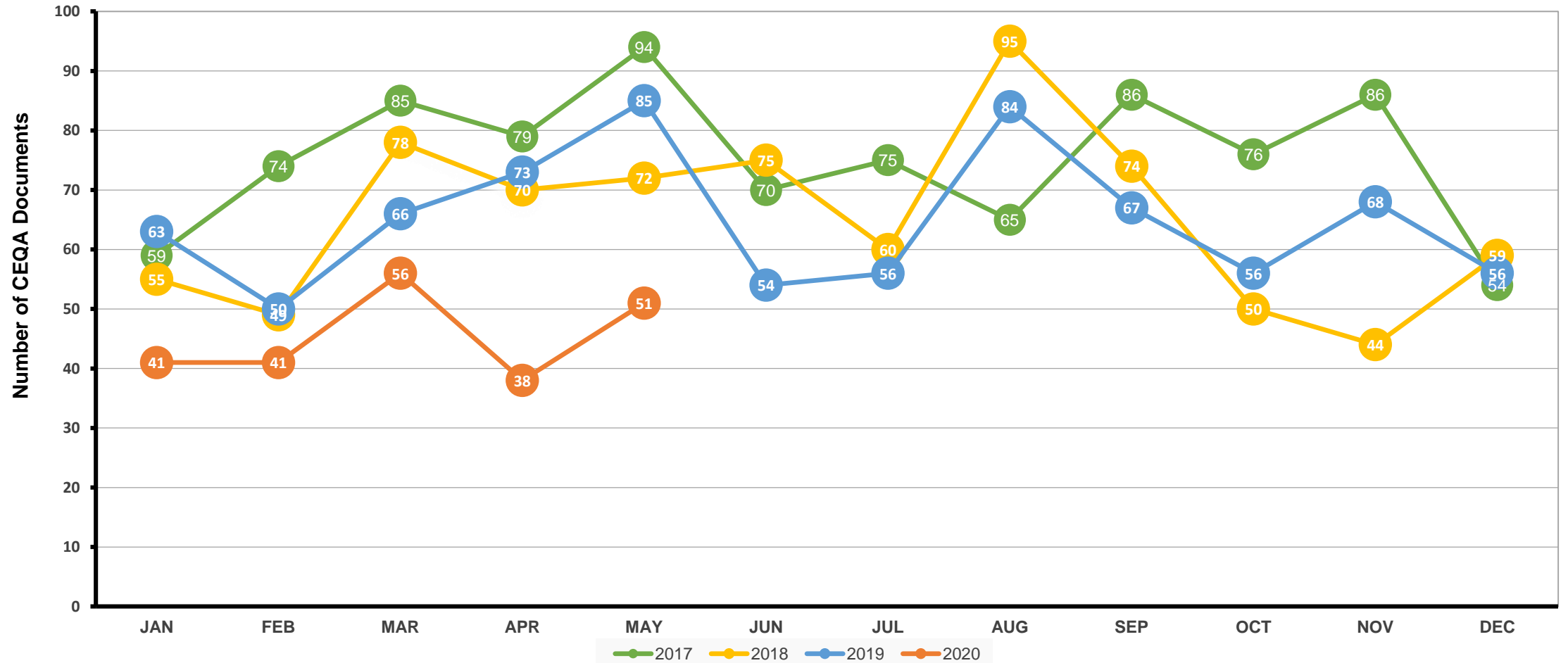


Fee Review Committee Requests



Historical CEQA Activity

Number of CEQA Documents Received by Month



Summary of Metrics – Monthly

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 [Back to Agenda](#)

BOARD MEETING DATE: June 5, 2020

AGENDA NO. 26

PROPOSAL: Determine That Proposed Amendments to Rule 445 – Wood-Burning Devices, Are Exempt from CEQA and Amend Rule 445
(This item was continued from the May 1, 2020 Board Meeting)

SYNOPSIS: Proposed amendments to Rule 445 will satisfy U.S. EPA contingency measure requirements and Control Measure BCM-09 from the 2016 AQMP. The threshold for no-burn days would be incrementally lowered automatically for each subsequent final determination by the U.S. EPA of a failure to meet an applicable Clean Air Act milestone. The proposed amendments would also reduce ambient PM2.5 by expanding the criteria for Basin-wide wood-burning curtailments. Other minor amendments include additional definitions for terms used in the rule, and revisions to improve rule implementation and clarify existing requirements. This action is to adopt the Resolution: 1) Determining that the proposed amendments to Rule 445 – Wood-Burning Devices, are exempt from the requirements of the California Environmental Quality Act; and 2) Amending Rule 445 – Wood-Burning Devices.

COMMITTEE: Stationary Source, March 20, 2020; Reviewed

RECOMMENDED ACTIONS:

Adopt the attached Resolution

1. Determining that the proposed amendments to Rule 445 – Wood-Burning Devices, are exempt from the requirements of the California Environmental Quality Act; and
2. Amending Rule 445 – Wood-Burning Devices

Wayne Natri
Executive Officer

Background

Rule 445 – Wood-Burning Devices was adopted on March 7, 2008 to implement the PM2.5 Control Measure BCM-03 of the 2007 AQMP to reduce PM2.5 emissions from wood-burning devices. Most wood-burning devices in the South Coast Air Basin (Basin) are fireplaces or wood stoves (or wood-burning heaters) and the rule applies to manufacturers, vendors, commercial firewood sellers, as well as end-user owners/operators.

Health studies have shown a significant association between exposure to particle pollution and health risks. These include cardiovascular and respiratory impacts as well as premature deaths. The Basin is currently in compliance with both the 1997 24-hour and annual PM2.5 health based National Ambient Air Quality Standards (NAAQS) of 65 $\mu\text{g}/\text{m}^3$ and 15 $\mu\text{g}/\text{m}^3$, respectively. However, the Basin is currently in nonattainment status for both the revised 2006 24-hour 35 $\mu\text{g}/\text{m}^3$ standard and the 2012 annual 12 $\mu\text{g}/\text{m}^3$ standard. On May 3, 2013 the rule was amended to implement Control Measure BCM-01 in the 2012 AQMP in order to make the rule more stringent to help both the 2006 24-hour standard and the 2012 annual standard, by their respective attainment deadlines of December 31, 2019 and December 31, 2021.

In addition to prohibitions on the burning of unseasoned wood and materials not intended as fuels, such as garbage, the rule has a wood-burning curtailment (No-Burn day) provision. During the wood burning season (November through February) wood burning is prohibited on No-Burn days, which are called when ambient PM2.5 concentration is forecast to be at unhealthy levels ($> 30 \mu\text{g}/\text{m}^3$). There are a limited number of exemptions in the rule from the burning prohibition. Specifically, there are exemptions for low income households, where the wood-burning device is the sole source of heating, where there is no natural gas service within 150 feet of the property line, geographic elevations 3,000 feet or higher above mean sea level, and ceremonial fires which are covered under Rule 444 – Open Burning.

Despite significant reductions in ambient PM2.5 concentrations, since the adoption and subsequent amendment of the rule, U.S. EPA will likely make a final determination that the Basin did not attain the 2006 24-hour PM2.5 standard by the December 31, 2019 deadline. Staff is therefore proposing to amend Rule 445 to include contingency measure provisions based on Control Measure BCM-09 of the 2016 AQMP to fulfill Clean Air Act requirements and to help attain the 2006 24-hour standard expeditiously.

Public Process

A Public Workshop was held on February 27, 2020 and this item was presented at the Stationary Source Committee Meeting on March 20, 2020.

Proposed Amendments

The Basin is geographically subdivided into 35 source receptor areas (SRAs) for the purposes of air quality monitoring and forecasting. Currently, during the wood burning season a mandatory No-Burn day is declared for the SRA on any day that the daily PM_{2.5} air quality in the SRA is forecast to exceed 30 µg/m³. If such an exceedance is forecast for an SRA containing a monitoring station that has recorded an exceedance of the federal 24-hour PM_{2.5} National Ambient Air Quality Standard (NAAQS) for either of the two previous three-year design value periods, then a Basin-wide curtailment is declared. Design value is defined as the three-year average of the annual 98th percentile of the 24-hour values of monitored ambient PM_{2.5} data. Approximately 12 additional No-Burn days are anticipated due to the proposed rule amendments.

Proposed Amended Rule (PAR) 445 extends the No-Burn day requirement by mandating Basin-wide curtailment in all cases where any SRA exceeds a daily air quality forecast of 30 µg/m³. In addition, the No-Burn threshold would automatically be incrementally lowered subject to specific contingency measure triggers as set forth in 40 CFR § 51.1014(a). Specifically, the No-Burn threshold is lowered by 1 µg/m³ upon a final determination by U. S. EPA that the Basin has failed to: (1) meet any approved Reasonable Further Progress (RFP) requirement; (2) meet any approved quantitative milestone; (3) submit a required quantitative milestone report; or (4) attain the applicable PM_{2.5} standard by the attainment due date.

The proposed amendments would reduce ambient PM_{2.5} concentrations by increasing the number of No-Burn days and expanding any curtailment to Basin-wide. As each contingency trigger is activated, increasingly more stringent Basin-wide No-Burn thresholds would be automatically implemented. Triggering the first contingency provision automatically lowers the ambient daily PM_{2.5} forecast threshold to 29 µg/m³. Triggering a second, third and fourth contingency provision automatically lowers the forecast threshold down to 28, 27, and 26 µg/m³, respectively. Other amendments include clarifying definitions in the rule for PM_{2.5}, Daily PM_{2.5} Air Quality Forecast, SRA and clarifying that the wood burning season runs from November through February, inclusive.

Emission Reductions

Cumulative PM_{2.5} emission reductions beyond that achieved under the provisions of the current rule are estimated to be 25.4 tons per year (TPY) from the Basin-wide curtailment in all cases at 30 µg/m³ threshold and 46.3, 67.1, 81.0 and 100.1 TPY if contingency provisions are triggered at 29, 28, 27, and 26 µg/m³, respectively. With the Basin close to attainment of the PM_{2.5} standards, staff does not believe that all the threshold reduction provisions will be triggered.

Implementation and Outreach

The South Coast AQMD Check Before You Burn web page provides program information regarding No-Burn days. This includes web links and on-line videos and the Check Before You Burn map indicating No-Burn days. No-Burn day notifications are disseminated via e-mail and a toll-free number. Additional notifications are provided by website updates, press releases, email blasts to media contacts, news pitches to local news desks, press interviews and social media (Facebook, Twitter and Instagram), Facebook Ads are run on No-Burn Days, and a Check Before You Burn video advertisement on Facebook is run during the wood-burning season. Door hangers with information on the program are placed throughout communities with elevated wood smoke and high overall PM2.5 concentrations (via The Walking Man, Inc.). In addition, staff is also looking at ways to expand the eligibility criteria for the South Coast AQMD Wood Stove & Fireplace Change-Out Incentive Program. The program currently provides up to \$1,600 per device to incentivize the replacement of existing wood-burning devices to cleaner alternatives, in the most heavily impacted geographic areas.

California Environmental Quality Act (CEQA)

Proposed Amended Rule 445 has been reviewed pursuant to California Environmental Quality Act (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. The proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption and CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment. There is no substantial evidence indicating that any of the exceptions to the categorical exemption apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption and is included as Attachment G to this Board letter. If the project is approved, the Notice of Exemption will be electronically filed with the State Clearinghouse to be posted on their CEQAnet Web Portal. Once the Notice of Exemption is posted, members of the public may access it via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, the Notice of Exemption will be electronically posted on the South Coast AQMD's webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notices/ceqa-notices/notices-of-exemption/noe--year-2020>. The electronic filing and posting of the Notice of Exemption is being implemented in accordance with Governor Newsom's Executive Order N-54-20 issued on April 22, 2020 for the State of Emergency in California as a result of the threat of COVID-19.

Socioeconomic Impact Assessment

PAR 445 would affect commercial firewood sellers in the Basin and the general public. The cost impacts of Basin-wide curtailment on firewood sellers are expected to be

minimal because the additional number of No-Burn days due to this proposed amendment is expected to be small (about 12 days) during the wood burning season. The majority of commercial firewood sellers are expected to be small facilities. A lack of data on number of employees and gross annual sales of the affected commercial firewood sellers precludes staff from determining their small business status. Cost impacts to the general public are also expected to be minimal as wood burning in the South Coast AQMD is done mainly for aesthetic purposes and there are cost-effective alternatives to burning wood for heating.

AQMP and Legal Mandates

Proposed Amended Rule 445 is necessary to implement the backstop Contingency Control Measure BCM-09 in the 2016 AQMP to address the Clean Air Act (CAA) Section 172(c)(9) contingency measure requirements for PM2.5. This requires areas such as the South Coast Air Basin not attaining or likely not to attain the NAAQS to develop and implement an emissions reduction strategy that will bring the area into attainment at the soonest practicable time, but not later than statutory attainment deadlines.

Resource Impacts

Existing staff resources are adequate to implement the proposed rule amendments.

Attachments

- A. Summary of Proposed Amendments
- B. Rule Development Process
- C. Key Contacts
- D. Resolution
- E. Proposed Amended Rule 445
- F. Final Staff Report
- G. CEQA Notice of Exemption
- H. Board Presentation

ATTACHMENT A
SUMMARY OF PROPOSAL

Proposed Amended Rule 445 – Wood-Burning Devices

Definitions

- Adds Daily PM_{2.5} Air Quality Forecast clarifying its use for calling No-Burn days
- Adds PM_{2.5} as a stand-alone definition with the meaning unchanged
- Adds Source Receptor Area (SRA) with a map showing the specific SRAs in the Basin subject to the No-Burn provision
- Updates the reference to the latest performance and emission standards for U.S. EPA wood-burning heaters

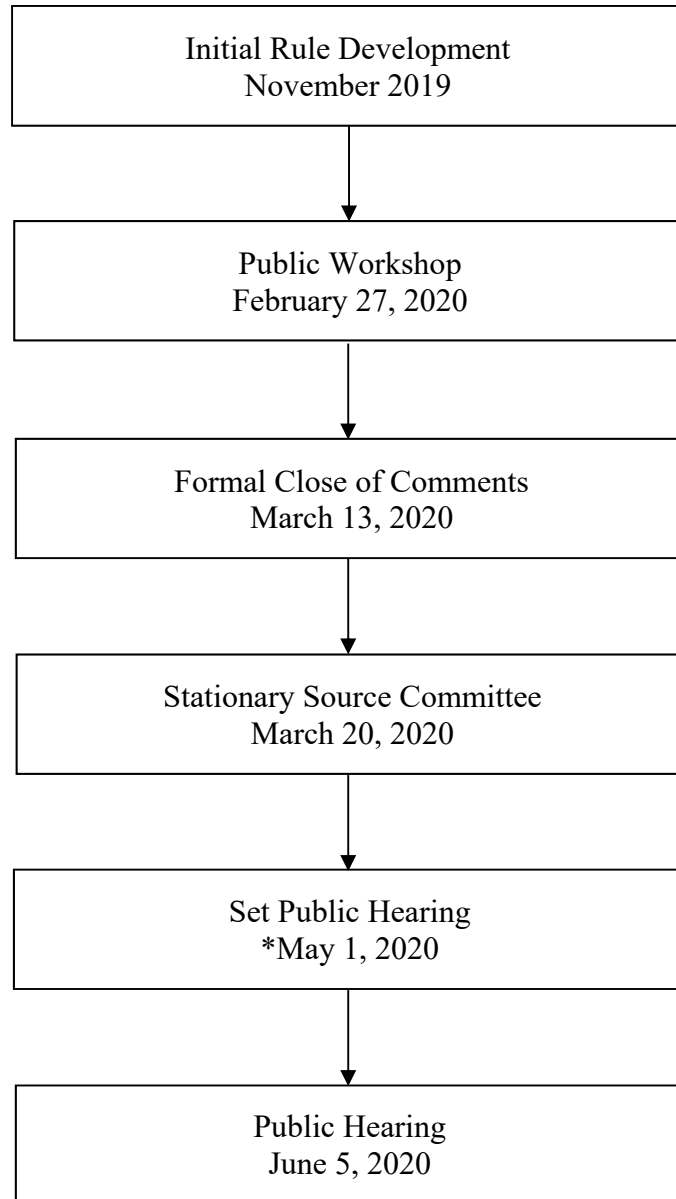
Requirements

- Extends the No-Burn day provision so that any SRA exceeding a daily PM_{2.5} air quality forecast of 30 µg/m³ will trigger a Basin-wide No-Burn day
- Adds an incremental reduction in the No-Burn forecast threshold if pursuant to 40 CFR § 51.1014(a) U.S. EPA makes a final determination of a failure to attain or comply by the applicable due date with the following contingency measure triggers:
 - To meet any RFP requirement in an attainment plan approved in accordance with § 51.1012;
 - To meet any quantitative milestone in an attainment plan approved in accordance with § 51.1013;
 - To submit a quantitative milestone report required under § 51.1013(b); or,
 - To attain the applicable PM_{2.5} NAAQS by the applicable attainment date.
- Specifying that incremental reductions in the No-Burn forecast threshold will be 29, 28, 27 and 26 µg/m³ for the first, second, third and fourth final determination of a failure to attain or comply with contingency measure triggers by the applicable due date, respectively.
- Clarifying that the Wood-Burning Season is not restricted to winter months
- Confirming the exemption for existing wood-burning devices located at or higher than 3,000 feet above mean sea level
- Deletes an exemption for wood-based fuel packaged prior to November 4, 2015 which has already sunset.

ATTACHMENT B

RULE DEVELOPMENT PROCESS

Proposed Amended Rule 445 – Wood Burning Devices



Six (6) months spent in rule development.

* Initial Public Hearing was set on April 3 for May 1, but was extended to June 5.

ATTACHMENT C
KEY CONTACTS LIST

Proposed Amended Rule 445 – Wood-Burning Devices

- ❖ American Lung Association
- ❖ Building Industry Association
- ❖ California Air Resource Board
- ❖ Clean Energy
- ❖ Earthjustice
- ❖ Hearth, Patio and Barbecue Association
- ❖ Los Angeles County Department of Public Health
- ❖ Realtors Committee on Air Quality
- ❖ San Bernardino Fireplace
- ❖ U. S. EPA

ATTACHMENT D

RESOLUTION NO. 20 - _____

A Resolution of the Governing Board of the South Coast Air Quality Management District (South Coast AQMD) determining that Proposed Amended Rule 445 – Wood-Burning Devices, is exempt from the requirements of the California Environmental Quality Act (CEQA).

A Resolution of the Governing Board of the South Coast AQMD amending Rule 445 – Wood-Burning Devices.

WHEREAS, the South Coast AQMD Governing Board finds and determines that the Proposed Amended Rule 445 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 South Coast AQMD has had its regulatory program certified pursuant to Public Resources Code Section 21080.5 and CEQA Guidelines Section 15251(l) and has conducted a CEQA review and analysis of Proposed Amended Rule 445 pursuant to such program (South Coast AQMD Rule 110); and

WHEREAS, the South Coast AQMD 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 445 is exempt from CEQA; and

WHEREAS, the South Coast AQMD Governing Board finds and determines that, because the proposed project is comprised of administrative amendments that codify an existing South Coast AQMD practice and would not cause any physical changes that would adversely affect any environmental topic area, it can be seen with certainty that there is no possibility that the Proposed Amended Rule 445 may have any significant effects on the environment, and is therefore exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption; and

WHEREAS, the South Coast AQMD Governing Board finds and determines that the proposed project is also categorically exempt from CEQA requirements pursuant to CEQA Guidelines Section 15308 – Actions by Regulatory

Agencies for the Protection of the Environment, because the proposed project is designed to further protect or enhance the environment; and

WHEREAS, the South Coast AQMD Governing Board has determined that there is no substantial evidence indicating that any of the exceptions to the categorical exemption apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions; and

WHEREAS, the South Coast AQMD staff has prepared a Notice of Exemption for Proposed Amended Rule 445 that is completed in compliance with CEQA Guidelines Section 15062 – Notice of Exemption; and

WHEREAS, Proposed Amended Rule 445 and other supporting documentation, including but not limited to the Notice of Exemption and the Final Staff Report, were presented to the South Coast AQMD Governing Board and the South Coast AQMD Governing Board has reviewed and considered this information, as well as has taken and considered staff testimony and public comment prior to approving the project; and

WHEREAS, the South Coast AQMD 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 Rule 445 since the notice of public hearing was published are not so substantial as to significantly affect the meaning of the proposed amended rule 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 rule, (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 Rule 445 is exempt from CEQA; and

WHEREAS, the South Coast AQMD Governing Board has determined that the proposed amendments to Rule 445 are required to implement the United States Environmental Protection Agency (U.S. EPA) contingency measure requirements pursuant to Title 40, Chapter I, Subchapter C of the Code of Federal Regulations (CFR), Part 51, Subpart Z, Section 51.1014 and Control Measure BCM-09 – Further Emission Reductions From Wood-Burning Fireplaces and Wood Stoves [PM] from the South Coast AQMD 2016 Air Quality Management Plan; and

WHEREAS, the South Coast AQMD Governing Board has determined that the proposed amendments to Rule 445 will result in reductions of particulate matter emissions with an aerodynamic diameter of 2.5 microns or less (PM2.5) by extending the wood-burning curtailment (No-Burn day) requirement to Basin-wide on any day forecast to exceed the forecast threshold at any Source Receptor Area in the Basin, and automatically triggering implementation of incrementally more stringent contingency measures by lowering the No-Burn day threshold in the event the Basin fails to attain any applicable PM2.5 standard or comply with certain other air quality requirements by the applicable deadlines pursuant to 40 CFR § 51.1014(a); and

WHEREAS, the South Coast AQMD Governing Board has determined that other proposed minor amendments to Rule 445, including definitions of terms, are necessary to clarify rule requirements; and

WHEREAS, Proposed Amended Rule 445 will 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 South Coast AQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication; and

WHEREAS, the South Coast AQMD Governing Board has determined that a need exists to amend Rule 445 to implement U.S. EPA contingency measure requirements pursuant to 40 CFR Part 51, Section 51.1014 and federal Clean Air Act Section 172, Title 42 of the United States Code, Chapter 85, Part D, Section 7502; and

WHEREAS, the South Coast AQMD Governing Board obtains its authority to adopt, amend, or rescind rules and regulations from Sections 40000, 40001, 40440, 40702, and 40725 through 40728 of the Health and Safety Code; and

WHEREAS, the South Coast AQMD Governing Board has determined that Rule 445, as proposed to be amended, is written or displayed so that its meaning can be easily understood by the persons directly affected by it; and

WHEREAS, the South Coast AQMD Governing Board has determined that Rule 445, 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; and

WHEREAS, the South Coast AQMD Governing Board has determined that Rule 445, as proposed to be amended, does not impose the same requirements as any existing state or federal regulation, and the proposed amended rule is necessary and

proper to execute the powers and duties granted to, and imposed upon, the South Coast AQMD; and

WHEREAS, the South Coast AQMD Governing Board, in adopting amendments to Rule 445, references the following statutes which the South Coast AQMD hereby implements, interprets, or makes specific: California Health and Safety Code Sections 40440(a) (rules to carry out the Air Quality Management Plan), 40440(c) (regulatory efficiency and cost effectiveness) U.S. EPA Regulation 40 CFR Part 51, Section 51.1014 (contingency measures), and federal Clean Air Act Section 172(c)(1) (RACT); and

WHEREAS, California Health and Safety Code Section 40727.2 requires the South Coast AQMD to prepare a written analysis of existing federal air pollution control requirements applicable to the same source type being regulated whenever it adopts, or amends a rule, and the South Coast AQMD's comparative analysis of Proposed Amended Rule 445 is included in the Final Staff Report; and

WHEREAS, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 445 – Wood-Burning Devices would result in minimal cost impacts as described in the Final Staff Report; and

WHEREAS, the South Coast AQMD Governing Board has actively considered the Socioeconomic Impact Assessment and has made a good faith effort to minimize such impacts; and

WHEREAS, a public hearing has been properly noticed in accordance with the provisions of Health and Safety Code Section 40725; and

WHEREAS, the South Coast AQMD Governing Board has held a public hearing in accordance with all the provisions of law; and

WHEREAS, the South Coast AQMD specifies that the Planning and Rules Manager of Rule 445 as the custodian of the documents or other materials which constitute the record of proceedings upon which the adoption of the proposed amendments is based, which are located at the South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, California; and

NOW, THEREFORE, BE IT RESOLVED, that the South Coast AQMD Governing Board does hereby determine, pursuant to the authority granted by law, that Proposed Amended Rule 445 is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption and CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for the Protection of the Environment. No exceptions to the application of the categorical exemption set forth in CEQA Guidelines Section

15300.2 – Exceptions, including the “unusual circumstances” exception, apply to the proposed project. This information was presented to the South Coast AQMD Governing Board, whose members exercised their independent judgment and reviewed, considered and approved the information therein prior to acting on Proposed Amended Rule 445; and

BE IT FURTHER RESOLVED, that the South Coast AQMD Governing Board does hereby adopt, pursuant to the authority granted by law, Proposed Amended Rule 445 as set forth in the Attachment E and incorporated herein by reference; and

BE IT FURTHER RESOLVED, that the South Coast AQMD Governing Board hereby directs the Executive Officer to forward a copy of this Resolution and Proposed Amended Rule 445 to the California Air Resources Board for approval and to be subsequently submitted to the U.S. EPA for inclusion into the State Implementation Plan.

DATE: _____

CLERK OF THE BOARDS

ATTACHMENT E

(Adopted March 7, 2008)(Amended May 3, 2013(PAR 445 June 5, 2020)

PROPOSED AMENDED RULE 445. WOOD-BURNING DEVICES

(a) Purpose

The purpose of this rule is to reduce the emission of particulate matter from wood-burning devices.

(b) Applicability

The provisions of this rule shall apply to specified persons or businesses within the South Coast Air Basin portion of the South Coast Air Quality Management District:

- (1) Any person that manufacturers, sells, offers for sale, or installs a wood-burning device;
- (2) Any commercial firewood seller that sells, offers for sale, or supplies wood or other wood-based fuels intended for burning in a wood_burning-device or portable outdoor wood-burning device; and
- (3) Any property owner or tenant that operates a wood-burning device or portable outdoor wood-burning device.

(c) Definitions

- (1) COMMERCIAL WOOD-BASED FUEL SELLER means any operation that has a business license that sells, or offers for sale, or supplies packaged, bundled or bulk firewood, manufactured firelogs, or wood pellets.
- (2) COOKSTOVE means any wood or wood-based fuel-fired device that is designed and used for cooking food and has the following characteristics as defined in Title 40 of the Code of Federal Regulations Section 60.531, ~~February 28, 1988~~ March 16, 2015, or any subsequent revision:
 - (A) An oven, with a volume of 0.028 cubic meters (1 cubic foot) or greater, and an oven rack;
 - (B) A device for measuring oven temperatures;
 - (C) A flame path that is routed around the oven;
 - (D) A shaker grate;
 - (E) An ash pan;

- (F) An ash clean-out door below the oven; and
 - (G) The absence of a fan or heat channels to dissipate heat from the appliance.
- (3) DAILY PM2.5 AIR QUALITY FORECAST means the predicted ambient average PM2.5 concentration, for the entire consecutive 24-hour period, beginning at midnight of the current day and ending upon the subsequent midnight.
- (34) DEDICATED GASEOUS-FUELED FIREPLACE means any indoor or outdoor fireplace, including, but not limited to, a gas log fireplace, either constructed on-site, or factory built, fueled exclusively with a gaseous fuel such that the burner pan and associated equipment are affixed to the masonry or metal base of the fireplace.
- (45) FIREPLACE means any permanently installed indoor or outdoor masonry or factory-built device used for aesthetic or space-heating purposes and designed to operate with an air-to-fuel ratio greater than or equal to 35-to-1.
- (56) LOW INCOME HOUSEHOLD means any household that receives financial assistance through reduced electric or gas bills from an electric or natural gas utility based on household income levels.
- ~~(6) MANDATORY WINTER BURNING CURTAILMENT~~
- ~~(A) Means any calendar day or consecutive calendar days during the wood burning season so declared to the public by the Executive Officer when ambient levels of particulate matter of 2.5 microns in size or less (PM2.5) is forecast to exceed 30 µg/m³ for a specific source/receptor area.~~
- ~~(B) Applies to the entire South Coast Air Basin whenever a PM2.5 level of greater than 30 µg/m³ is predicted for a source-receptor area containing a monitoring station that has recorded a violation of the federal 24-hour PM2.5 National Ambient Air Quality Standard for either of the two previous three-year design value periods. The design value is the three-year average of the annual 98th percentile of the 24-hour values of monitored ambient PM2.5 data~~
- (7) MANUFACTURED FIRELOG means a commercial product expressly manufactured for use to simulate a wood burning fire in a wood-burning device.
- (8) MASONRY HEATER means any permanently installed device that meets the definition of a masonry heater in ASTM E 1602-03.

- (9) NEW DEVELOPMENT means residential or commercial, single or multi-building unit, which begins construction on or after March 9, 2009. For the purposes of this definition, construction has begun when the building permit has been approved or when the foundation for the structure is started, whichever occurs first.
- (10) PELLET-FUELED WOOD-BURNING HEATER means any wood-burning heater that is operated on any pellet fuel, and is either U.S. EPA Phase II-certified or exempted under U.S. EPA requirements as defined in Title 40 Code of Federal Regulations, Part 60, Subpart AAA, ~~February 28, 1988~~ March 16, 2015, or any subsequent revision.
- (11) PERMANENTLY INSTALLED means any device built or installed in such a manner that the device is attached to the ground, floor, or wall, and is not readily moveable. A free standing stove that is attached to an exhaust system that is built into or through a wall is considered permanently installed.
- (12) PM2.5 means particulate matter with an aerodynamic diameter less than 2.5 microns.
- ~~(12)~~ (13) PORTABLE OUTDOOR WOOD-BURNING DEVICE means any portable outdoor device burning any wood-based fuel for aesthetic or space heating purposes including, but not limited to, fireplaces, burn bowls, and chimineas located on property zoned for residential uses.
- ~~(13)~~ (14) SEASONED WOOD means wood of any species that has been sufficiently dried so as to contain 20 percent or less moisture content by weight as determined by
 - (A) ASTM Test Method D 4442-92, Standard Test Method for Use and Calibration of Hand-Held Moisture Meters; or
 - (B) A hand-held moisture meter operated in accordance with ASTM Test Method D 4444-92, Standard Test Methods for Use and Calibration of Hand-Held Moisture Meters; or
 - (C) An alternative method approved by the Executive Officer, the California Air Resources Board, and the U.S. Environmental Protection Agency.
- ~~(14)~~ (15) SOLE SOURCE OF HEAT means the only permanent source of heat that is capable of meeting the space heating needs of a household.
- (16) SOURCE RECEPTOR AREA (SRA) means any one of the numbered areas in the Basin as shown on the map in Attachment 1.

- (~~15~~17) SOUTH COAST AIR BASIN means the non-desert portions of Los Angeles, Riverside, and San Bernardino counties and all of Orange County as defined in California Code of Regulations, Title 17, Section 60104.
 - (~~16~~18) TREATED WOOD means wood of any species that has been chemically impregnated, painted, coated or similarly modified to improve resistance to insects, wood rot and decay, or weathering.
 - (~~17~~19) U.S. EPA CERTIFIED WOOD-BURNING HEATER means any device certified by the U.S. EPA to meet the performance and emission standards as defined in Title 40 Code of Federal Regulations, Part 60, Subpart AAA, ~~February 28, 1988~~March 16, 2015, or any subsequent revision.
 - (~~18~~20) WOOD-BASED FUEL means any wood, wood-based product, or non-gaseous or non-liquid fuel, including but not limited to manufactured firelogs, wood or pellet products. For the purpose of this rule, charcoal is not considered a wood-based fuel.
 - (~~19~~21) WOOD-BURNING DEVICE means any fireplace, wood-burning heater, pellet-fueled wood-burning heater, or any similarly open or enclosed, permanently installed, indoor or outdoor device burning any wood-based fuel for aesthetic purposes, which has a heat input of less than one million British thermal units per hour (Btu/hr).
 - (~~20~~22) WOOD-BURNING HEATER means an enclosed, wood-burning device capable of space heating that meets all the criteria defined in Title 40 Code of Federal Regulations Section 60.531, ~~February 28, 1988~~ March 16, 2015, or any subsequent revision including, but not limited to, wood stoves and wood-burning fireplace inserts.
 - (~~21~~23) WOOD-BURNING SEASON means the consecutive entire months of November, December, January, and February.
 - (~~22~~24) WOOD-FIRED COOKING DEVICE means any cookstove, wood-fired oven or grill, or any device designed for burning any wood-based fuel for cooking purposes.
- (d) Requirements
- (1) No person shall permanently install a wood-burning device into any new development.
 - (2) Notwithstanding the requirements of paragraph (d)(1), no person shall sell, offer for sale, supply, or install, a new or used permanently installed

indoor or outdoor wood-burning device or gaseous-fueled device unless it is one of the following:

- (A) A U.S. EPA Certified wood-burning heater; or
 - (B) A pellet-fueled wood-burning heater; or
 - (C) A masonry heater; or
 - (D) A dedicated gaseous-fueled fireplace.
- (3) No person shall burn any product not intended for use as fuel in a wood-burning device including, but not limited to, garbage, treated wood, particle board, plastic products, rubber products, waste petroleum products, paints, coatings or solvents, or coal.
- (4) A commercial firewood seller shall only sell seasoned wood from July 1 through the end of February the following year. Any commercial firewood seller may sell seasoned as well as non-seasoned wood during the remaining months.
- (5) Labeling and Sell-Through Provision
- ~~(A)~~ Effective November 4, 2013, no commercial firewood seller shall sell, offer for sale, or supply wood-based fuel without first attaching a permanently affixed indelible label to each package or providing written notice to each buyer at the time of purchase of bulk firewood that at a minimum states the following:

Use of this and other solid fuel products may be restricted at times by law. Please check (1-877-4NO-BURN) or (www.8774NOBURN.org) before burning.

~~(i)(A)~~ Alternative language, toll-free telephone number or web address for the information specified in subdivision (g) may be used, subject to Executive Officer approval.

~~(ii)(B)~~ The Executive Officer shall specify guidelines for the aforementioned labeling requirements.

~~(B)~~ *Any wood-based fuel packaged prior to November 4, 2013 may be sold, offered for sale or supplied up to November 4, 2015.*

- (e) Wood-Burning Season Mandatory Winter-Burning Curtailment (No-Burn day)
No person shall operate an indoor or outdoor wood-burning device, portable outdoor wood-burning device, or wood-fired cooking device on a calendar day during the wood-burning season so declared to the public by the Executive

Officer to be a mandatory winter wood-burning curtailment (No-Burn) day during the wood burning season when a mandatory winter burning curtailment based on the specified geographic area below 3,000 feet above mean sea level and applicable daily PM2.5 air quality forecast as follows: is forecast for the specific region where the device is located, or on a Basin wide basis as defined in paragraph (e)(6).

- (1) Basin-wide if the daily PM2.5 air quality forecast for any source receptor area exceeds 30 $\mu\text{g}/\text{m}^3$, or
- (2) subsequent to a determination by U.S. EPA, pursuant to 40 CFR § 51.1014(a) of a failure to comply with either a referenced PM2.5 standard or reporting requirement; the applicable daily PM2.5 air quality forecast as set forth in subdivision (f) Contingency Measures.

(f) Contingency Measures

- (1) Upon the issuance of a final determination by U.S. EPA, pursuant to 40 CFR § 51.1014(a), that the South Coast Air Basin has failed to comply with the following requirements by the applicable date to:
 - (A) meet any Reasonable Further Progress (RFP) requirement in an attainment plan approved in accordance with § 51.1012;
 - (B) meet any quantitative milestone in an attainment plan approved in accordance with § 51.1013;
 - (C) submit a quantitative milestone report required under § 51.1013(b);
or,
 - (D) attain the applicable PM2.5 NAAQS by the applicable attainment date,the contingency measure(s) specified in paragraph (f)(2) shall be implemented, sequentially and in the order of stringency.
- (2) A Basin-wide, mandatory wood-burning curtailment during the wood-burning season if the daily PM2.5 air quality forecast for any SRA exceeds:
 - (A) 29 $\mu\text{g}/\text{m}^3$, upon a final determination of a failure to comply with any of the provisions of paragraph (f)(1);
 - (B) 28 $\mu\text{g}/\text{m}^3$, upon a final determination of a failure to comply with any two of the provisions in paragraph (f)(1);
 - (C) 27 $\mu\text{g}/\text{m}^3$, upon a final determination of a failure to comply with any three of the provisions in paragraph (f)(1); and

(D) 26 $\mu\text{g}/\text{m}^3$, upon a final determination of a failure to comply with any four of the provisions in paragraph (f)(1).

~~(g)~~ Exemptions

- (1) The provisions of this rule shall not apply to wood-fired cooking devices designed and used for commercial purposes.
- (2) The provisions of paragraph (d)(1) shall not apply to new developments where there is no existing infrastructure for natural gas service within 150 feet of the property line or those 3,000 or more feet above mean sea level.
- (3) The provisions of paragraph (d)(2) shall not apply to an indoor or outdoor wood-burning device that is permanently installed and included in the sale or transfer of any existing development.
- (4) The provisions of (d)(2) shall not apply to properties that are registered as a historical site, or are contributing structures located in a Historic Preservation Overlay Zone, as determined by the applicable, federal, State, or local agency. Contributing structures are those buildings which are examples of the predominate styles of the area, built during the time period when the bulk of the structures were built in the Historic Preservation Overlay Zone.
- (5) The provisions of (d)(3) shall not apply to manufactured firelogs.
- (6) The provisions of (d)(5) shall not apply to wood-based fuel intended for the cooking, smoking, or flavoring of food.
- (7) The provisions of subdivisions (e) and (f) shall not apply under the following circumstances:
 - (A) Residential or commercial properties where a wood-burning device is the sole source of heat; or
 - (B) A low income household; or
 - (C) Residential or commercial properties where there is no existing infrastructure for natural gas service within 150 feet of the property line; or
 - (D) Residential or commercial properties located 3,000 or more feet above mean sea level; or
 - (E) Ceremonial fires exempted under Rule 444 - Open Burning.

(gh) Administrative Requirements

The Executive Officer will provide public notice of a mandatory ~~winter-wood-~~burning curtailment through one or more of the following methods:

- (1) A recorded telephone message;
- (2) Messages posted on the South Coast Air Quality Management District web site;
- (3) Electronic mail messages to persons or entities that have requested such notice;
- (4) Notifying broadcast and print media operating within the boundaries of the South Coast Air Basin; and
- (5) Any additional method that the Executive Officer determines is appropriate.

(hi) Penalties

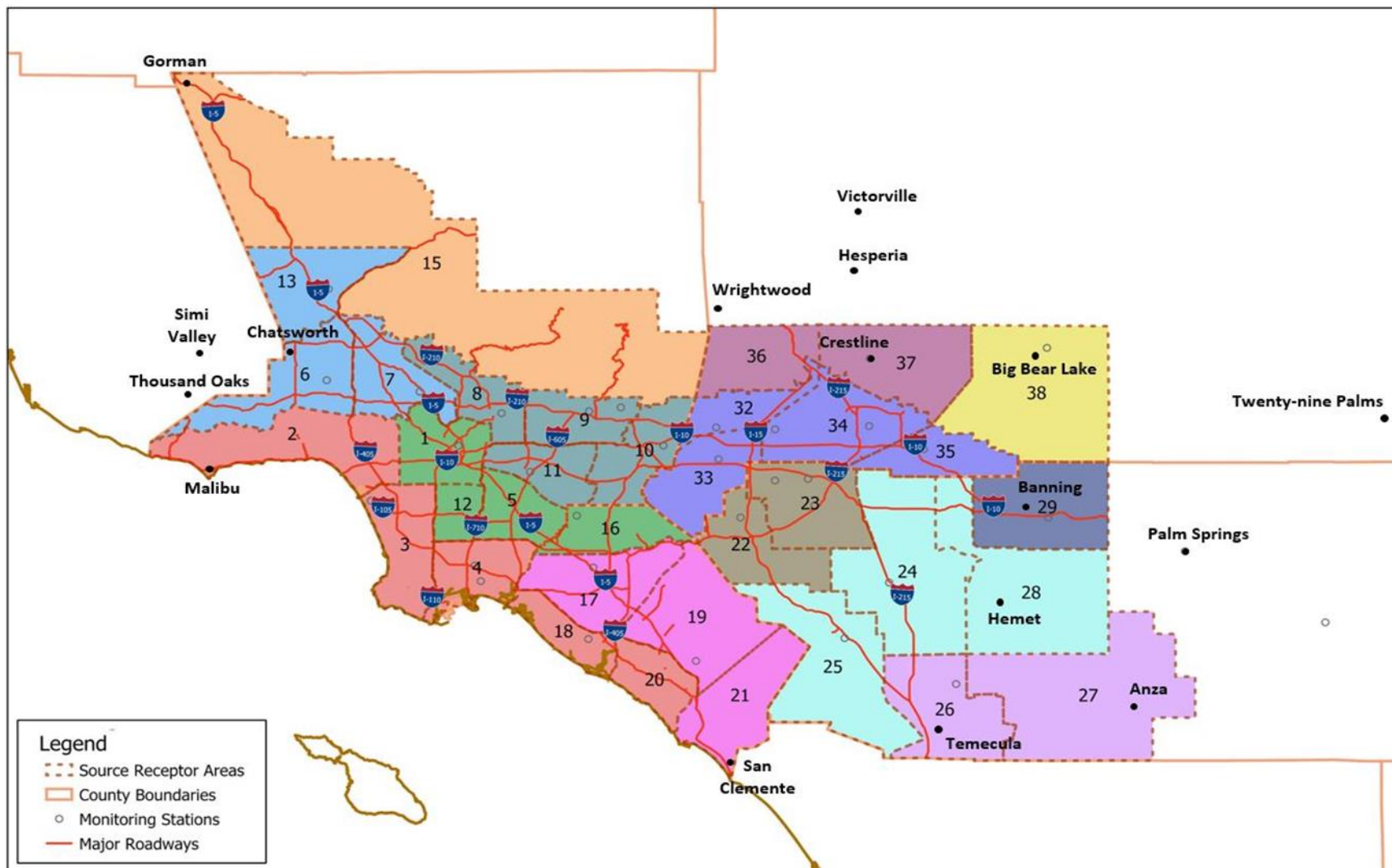
Any person that violates the provisions of subdivision (e) is subject to the following:

- (1) For first time violators during each wood_burning season, completion of a wood smoke awareness course that has been approved by the Executive Officer or payment of a penalty of \$50;
- (2) For second time violators during each wood_burning season, payment of a penalty of \$150 or submission of proof of installation of a dedicated gaseous-fueled fireplace within 90 days after receiving the Notice of Violation; and
- (3) For third time violators during each wood_burning season, payment of a penalty of \$500 or implementation of an environmentally beneficial project as derived through the mutual settlement process.



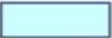

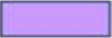
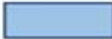

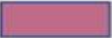
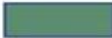
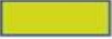



(ij) Severability

If any provision of this rule is held by judicial order to be invalid, or invalid or inapplicable to any person or circumstance, such order shall not affect the validity of the remainder of this rule, or the validity or applicability of such provision to other persons or circumstances.

Attachment 1 – Source Receptor Areas (SRAs) in the South Coast Air Basin (unshaded areas are outside the Basin)



Source Receptor Area (SRA) Map Index

	Coastal			San Bernardino Valley	
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	Southwest Los Angeles County Coastal	3		Southwest San Bernardino Valley	33
	South Los Angeles County Coastal	4		Central San Bernardino Valley	34
	North Orange County Coastal	18		East San Bernardino Valley	35
	Central Orange County Coastal	20		Hemet/Elsinore Area	
	Metropolitan			Perris Valley	24
	Central Los Angeles County	1		Lake Elsinore	25
	Southeast Los Angeles County	5		Hemet-San Jacinto Valley	28
	South Central Los Angeles County	12		Temecula/Anza Area	
	Northern Orange County	16		Temecula Valley	26
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	Central Orange County	17			
	Saddleback Valley	19			
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ATTACHMENT F

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Final Staff Report Proposed Amended Rule 445 – Wood-Burning Devices

June 5, 2020

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GOVERNING BOARD**

Chairman: DR. WILLIAM A. BURKE
Speaker of the Assembly Appointee

Vice Chairman: BEN BENOIT
Council Member, Wildomar
Cities of Riverside County

MEMBERS:

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Supervisor, Fifth District
County of Los Angeles

LISA BARTLETT
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JANICE RUTHERFORD
Supervisor, Second District
County of San Bernardino

EXECUTIVE OFFICER:

WAYNE NASTRI

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EXECUTIVE SUMMARY

Rule 445 – ~~Wood~~ Wood-Burning Devices was adopted in March 2008 to implement the PM_{2.5}¹ Control Measure BCM-03 of the 2007 Air Quality Management Plan (AQMP) to reduce PM_{2.5} emissions from wood-burning devices. Rule provisions apply to manufacturers, vendors, commercial firewood sellers, and persons owning or operating a wood-burning device. The majority of wood-burning devices in the South Coast Air Basin (Basin)² are fireplaces and wood-stoves, but include any similar permanently installed, indoor or outdoor wood-burning devices. The rule ~~also~~ prohibits burning of products not intended for use as fuel, sale of unseasoned wood, and mandates curtailment of wood-burning on “No-Burn” days. Wood-burning curtailment is mandatory on No-Burn days where ambient PM_{2.5} concentration is forecast to exceed a threshold limit (currently at 30 µg/m³)³. The rule was amended in May 2013 to implement Control Measure BCM-01 in the 2012 AQMP to address the U.S. EPA’s lowering of the PM_{2.5} annual standard from 15 to 12 µg/m³ to reflect a more health protective standard. The 2013 amendments expanded the wood-burning curtailment or No-Burn day restrictions by lowering the curtailment threshold from 35 to 30 µg/m³, establishing criteria for Basin-wide curtailment, and also setting standards for commercially sold solid-fuel labeling. Exemptions are included for low income households, where the device is the sole source of heating or no natural gas service is available within 150 feet of the property line, geographic elevations 3,000 feet or higher above mean sea level, and ceremonial fires.

South Coast Air Quality Management District (South Coast AQMD) staff conduct extensive outreach to ensure that the public and other stakeholders are aware of the wood-burning curtailment requirements. In addition to the South Coast AQMD Check Before You Burn web page with program information including links and videos and the Check Before You Burn map, information regarding No-Burn days is disseminated through e-mail notifications and a toll-free number. ~~The South Coast AQMD Media Office also updates the South Coast AQMD website, publishes~~ Additional notifications are provided by website updates, press releases, sends email blasts to media contacts, ~~and~~ news pitches to local news desks, ~~coordinates~~ press interviews and ~~notifies the public on~~ social media (Facebook, Twitter and Instagram), ~~posts~~ Facebook Ads are run on No Burn Days, ~~and runs~~ a Check Before You Burn video advertisement on Facebook during the wood-burning ~~curtailment~~ season. ~~and places door~~ Door hangers with information on the program are placed throughout communities with elevated wood-smoke and high overall PM_{2.5} concentrations (via The Walking Man, Inc.).

The Basin is currently in compliance with both the 1997 24-hour and annual PM_{2.5} National Ambient Air Quality Standard (NAAQS) of 65 µg/m³ and 15 µg/m³, respectively. However, the Basin is in nonattainment status for both the 2006 24-hour and the 2012 annual PM_{2.5} NAAQS standards of 35 µg/m³ and 12 µg/m³, respectively. The Basin is currently classified as serious nonattainment for the 2006 24-hour standard and moderate nonattainment for the 2012 annual

1 Airborne fine particulate matter ≤ 2.5 micrometers in aerodynamic diameter (µm).

2 The South Coast Air Basin (SCAB or Basin) is a geographic region that encompasses the non-desert portions of Los Angeles, Riverside, and San Bernardino counties and all of Orange County as defined in California Code of Regulations, Title 17, Section 60104. The Basin is shown as the shaded region on the map in Appendix B.

3 Micrograms per cubic meter.

standard⁴, with attainment deadlines of December 31, 2019 and December 31, 2021, respectively. Despite significant reductions in ambient PM_{2.5} concentrations, it is likely that the U.S. EPA will make a final determination that the Basin will fail to attain the 2006 24-hour PM_{2.5} standard by the December 31, 2019 deadline.⁵

The proposed amendments to Rule 445 are necessary to implement the backstop Contingency Control Measure BCM-09 in the 2016 AQMP and will also address the Clean Air Act (CAA) Section 172(c)(9) contingency measure requirements for the PM_{2.5} standards. The proposed amendments would extend the No-Burn day requirement Basin-wide when the daily PM_{2.5} air quality is forecast to exceed 30 µg/m³ in any source receptor area (SRA) and would also automatically lower the No-Burn day thresholds subject to specific contingency measure triggers as set forth in 40 CFR § 51.1014(a). Specifically, No-Burn day threshold reductions would be triggered upon a final determination of a failure to meet any Reasonable Further Progress (RFP) or quantitative milestone requirement in an approved plan, to submit a required quantitative milestone report, or to attain either the 2006 24-hour or 2012 annual PM_{2.5} NAAQS by the applicable attainment date.

Contingency measures would reduce ambient PM_{2.5} by increasing the number of No Burn days and by expanding curtailment Basin-wide in all cases. Staff estimates a 25.4 ton per year (TPY) reduction from implementing the Basin-wide curtailment at 30 µg/m³ in all cases and a 46.3 TPY reduction after triggering the first contingency measure which will reduce the Basin-wide No-Burn day threshold from the current 30 µg/m³ to 29 µg/m³. Additional contingency measures, if triggered, would lower the Basin-wide No-Burn day threshold incrementally to 28 µg/m³, 27 µg/m³, and 26 µg/m³ and result in cumulative additional estimated emissions reductions of 67.1, 81.0 and 100.1 TPY, respectively.

BACKGROUND

Numerous studies have linked higher concentrations of PM_{2.5} with health effects such as increased mortality, respiratory and cardiovascular disease. In July 1987, U.S. EPA promulgated a health protective based 24-hour NAAQS of 150 micrograms per cubic meter (µg/m³) for particulate matter less than 10 microns (PM₁₀), which the Basin has met since 2008. In July 1997, U.S. EPA strengthened the NAAQS for PM_{2.5} setting a more health protective 15 µg/m³ annual standard and 65 µg/m³ 24-hour standard. The Basin is currently in compliance with the both the 24-hour and annual 1997 PM_{2.5} NAAQS of 65 µg/m³ and 15 µg/m³, respectively. On December 17, 2006, the U.S. EPA revised the 24-hour PM_{2.5} NAAQS, lowering it from 65 µg/m³ to 35 µg/m³. The Basin was subsequently designated as “moderate” nonattainment for the 2006 24-hour PM_{2.5} NAAQS on December 14, 2009. On December 14, 2012, the U.S. EPA revised the annual PM_{2.5} standard, lowering it to 12 µg/m³ and issued a final nonattainment designation for the Basin on

4 South Coast AQMD requested re-designation to serious nonattainment status for the 2012 annual PM_{2.5} standard in the 2016 AQMP. Re-designation to serious non-attainment will change the attainment due date to no later than December 31, 2025.

5 ~~Staff anticipates analysis of preliminary data to be finalized in the second quarter of 2020. EPA will make a final determination on South Coast AQMD's attainment status based on finalized data. U.S. EPA has 180 days from the attainment due date (June 30, 2020) to make a final determination.~~

December 18, 2014. Table 1 summarizes the historical timeline for these standards applicable to the Basin.

Table 1 – Historical Summary for PM2.5 24-Hour and Annual Standards

Year	24-Hour Average	Annual Average
1997	65 µg/m ³	15 µg/m ³
2006	35 µg/m ³	No Change
2012	No Change	12 µg/m ³

Area-wide sources contribute approximately 42% or 27.7 tons per day (TPD) to the estimated 66.0 TPD of total directly emitted PM2.5 inventory in the Basin. This total includes both stationary and mobile sources.⁶ An estimated 5.2 TPD or almost one-fifth of the area-wide PM2.5 comes from wood-burning devices, such as wood-burning fireplaces and wood stoves.⁷ Approximately 90% of wood-smoke PM by weight is comprised of PM2.5.⁸ Accordingly, control measures for residential wood combustion were included in the 2007 and 2012 AQMPs. Rule 445 – Wood-Burning Devices was adopted in June 2008 and was then amended in May 2013, in response to U.S. EPA lowering the PM2.5 NAAQS. The 2013 amendments lowered the threshold for triggering a wood-burning curtailment, established criteria for a basin-wide curtailment, and require commercial firewood sellers to label packaged wood and wood-based products with a No-Burn day advisory.

The 2012 AQMP projected attainment of the 2006 24-hour PM2.5 NAAQS by 2014; however, largely due to the region’s long-running drought conditions, attainment within this time frame was not possible. In July 2015, the South Coast AQMD requested that U.S. EPA reclassify the Basin as a serious nonattainment area and committed to demonstrate attainment of the 24-hour PM2.5 NAAQS as expeditiously as practicable, but not beyond December 31, 2019. As a consequence of the re-designation, more stringent requirements now apply including implementation of Best Available Control Measures / Best Available Control Technology (BACM/BACT), a lower major source threshold (from 100 tons per year to 70 tons per year), and an update to the reasonable further progress (RFP) analysis. Compliance determination for the 24-hour standard is evaluated using the highest Design Value (DV) which is discussed in the forecasting section of this report.

Annual PM2.5 standard attainment is achieved when the 3-year average of the annual averages does not exceed 12.0 µg/m³. Under the CAA, moderate nonattainment areas have until 2021 to meet 2012 PM2.5 standard, and if necessary, up to four additional years (i.e. 2025) if the area is

6 Final 2016 AQMP. Chapter 3. Base Year and Future Emissions. Annual Average TPD. P. 3-14 and 3-15.

7 Final 2016 AQMP. Appendix IV-A. BCM-09 Further Reductions From Wood Burning Fireplaces and Woodstoves. P. IV-A-222.

8 CARB. “Speciation Profiles Used in ARB Modeling.” <https://ww3.arb.ca.gov/ei/speciate/speciate.htm#assnfrac> (reviewed January 29, 2018).

re-classified as serious nonattainment⁹. Table 2 shows that ambient PM_{2.5} concentrations in the Basin have been trending downwards toward attainment with both the 2006 24-hour and 2012 annual NAAQS.

Table 2 – Basin-wide Historical Federal Reference Method Ambient PM_{2.5} Concentration (µg/m³)¹⁰

Calendar Year	Basin Maximum of Annual Average Concentrations	3-Year Design Value of Annual PM _{2.5}	Basin Maximum of 24-hour PM _{2.5} Concentrations ¹¹	3-Year Design Value of 24-hour PM _{2.5}
2008	17.3	20.0	48.3	53
2009	17.2	18.8	42.9	49
2010	15.5	16.9	35.6	41
2011	15.9	15.9	50.0	38
2012	15.1	15.2	35.6	36
2013	14.1	14.8	37.5	36
2014	14.5	15.1	40.0	41
2015	14.5	14.5	43.2	44
2016	14.9	14.5	35.2	43
2017	14.6	14.7	53.4	39
2018	14.5	14.7	36.1	38
2019 ¹²	12.7	13.8 14.0	36.2	37 38

Table 3 summarizes the current status of the Basin for the 2006 24-hour and 2012 annual average standards. The Basin is currently classified as moderate nonattainment for the annual standard and serious nonattainment for the 24-hour standard. As shown in Table 2, since the adoption of Rule 445, ambient 24 hour and annual PM_{2.5} concentrations have decreased from 48.3 to 36.1 µg/m³, and from 17.3 to ~~14.5~~12.7 µg/m³, respectively. Despite these significant reductions and nearing compliance with the 24-hour average and 2012 annual NAAQS, the U.S. EPA will likely make a final determination that the Basin will likely failed to attain the 35 µg/m³ PM_{2.5} 24-hour average NAAQS by the December 31, 2019 attainment deadline.

9 South Coast AQMD requested re-designation to serious nonattainment status for the 2012 annual PM_{2.5} standard in the 2016 AQMP. Re-designation to serious non-attainment will change the attainment due date to no later than December 31, 2025.

10 Federal Reference Method and Design Value are discussed further in the Forecasting section of this report. The average of three consecutive data points given in the “Basin Maximum of Annual Average Concentrations” or “Basin Maximum of 24-hour PM_{2.5} Concentrations” will not equal the 3-year Design Values given in the 3rd and 5th columns, if Basin Maximum Concentrations occurred at different locations during the 3-year time period. Includes data collected during exceptional events.

11 98th percentile of 24-hour PM_{2.5} for a given year

~~12 2019 data is preliminary and subject to change. Data collected during exceptional events are not removed. Final values can be lower when accounting for exceptional events.~~

Table 3 – Summary of Basin PM2.5 Attainment Status

PM2.5 NAAQS	NAAQS ($\mu\text{g}/\text{m}^3$)	Status	Attainment Deadline
2006 24-Hour	35	Serious	December 31, 2019
2012 Annual	12	Moderate	December 31, 2021 ¹³

HEALTH EFFECTS & ENVIROMENTAL IMPACTS

Health studies have shown a significant association between exposure to particle pollution and health risks, including premature death. Smaller particles in the PM_{2.5} range are particularly dangerous since they can penetrate and deposit deep in lung tissues. Appendix I of the 2016 Final AQMP describes in more detail the health effects of fine particulates based on numerous studies including data on increased hospital admissions, emergency room and physician office visits and school absences. In addition to increased mortality other health effects include the exacerbation of respiratory and cardiovascular diseases (asthma and non-fatal myocardial infarction) and effects on lung function as well as lung morphology. Recent studies have shown an association with changes in the brain leading to both memory and cognitive decline¹⁴ and also to the development of benign and malignant brain tumors.¹⁵

Residential wood-burning is a significant source of PM emissions. Emissions from residential wood-burning devices are caused primarily by incomplete combustion and include PM, CO, NO_x, SO_x, and VOCs. Studies indicate that the vast majority of particulate emissions from residential wood combustion are in the fine (2.5 micrometers or less) fraction. Additionally, incomplete combustion of wood produces polycyclic organic matter (POM), a group of compounds classified as hazardous air pollutants under Section 112 of the CAA. Biomass burning is also a source of black carbon (soot) which studies suggest can influence climate by directly absorbing light, reducing the reflectivity of snow and ice through deposition and interacting with clouds. According to CARB¹⁶, soot from residential wood combustion is forecast to be the largest individual anthropogenic (man-made) source of black carbon in 2030 if no new programs are implemented.

FORECASTING

South Coast AQMD staff use weather forecasts, air pollution measurements, satellite data, and mathematical models to predict particle (PM_{2.5} and PM₁₀), ozone, nitrogen dioxide, and carbon monoxide concentrations. Forecast models are tools for making predictions, which are trained and evaluated with air pollution measurements. Traditionally, South Coast AQMD staff issued a daily

13 South Coast AQMD requested re-designation to serious nonattainment status for the 2012 annual PM_{2.5} standard in the 2016 AQMP. Re-designation to serious non-attainment will change the attainment due date to no later than December 31, 2025.

14 Younan, Diana & Petkus, Andrew (2019). Particulate matter and episodic memory decline mediated by early neuroanatomic biomarkers of Alzheimer's disease. *Brain: a journal of neurology*. 143. 10.1093/brain/awz348.

15 <https://www.aqmd.gov/nav/about/groups-committees/bltap-foundation/bltap-6th-annual-report>.

16 CARB. Short-Lived Climate Pollutant Reduction Strategy. March 14, 2017. https://ww3.arb.ca.gov/cc/shortlived/meetings/03142017/final_slcp_report.pdf.

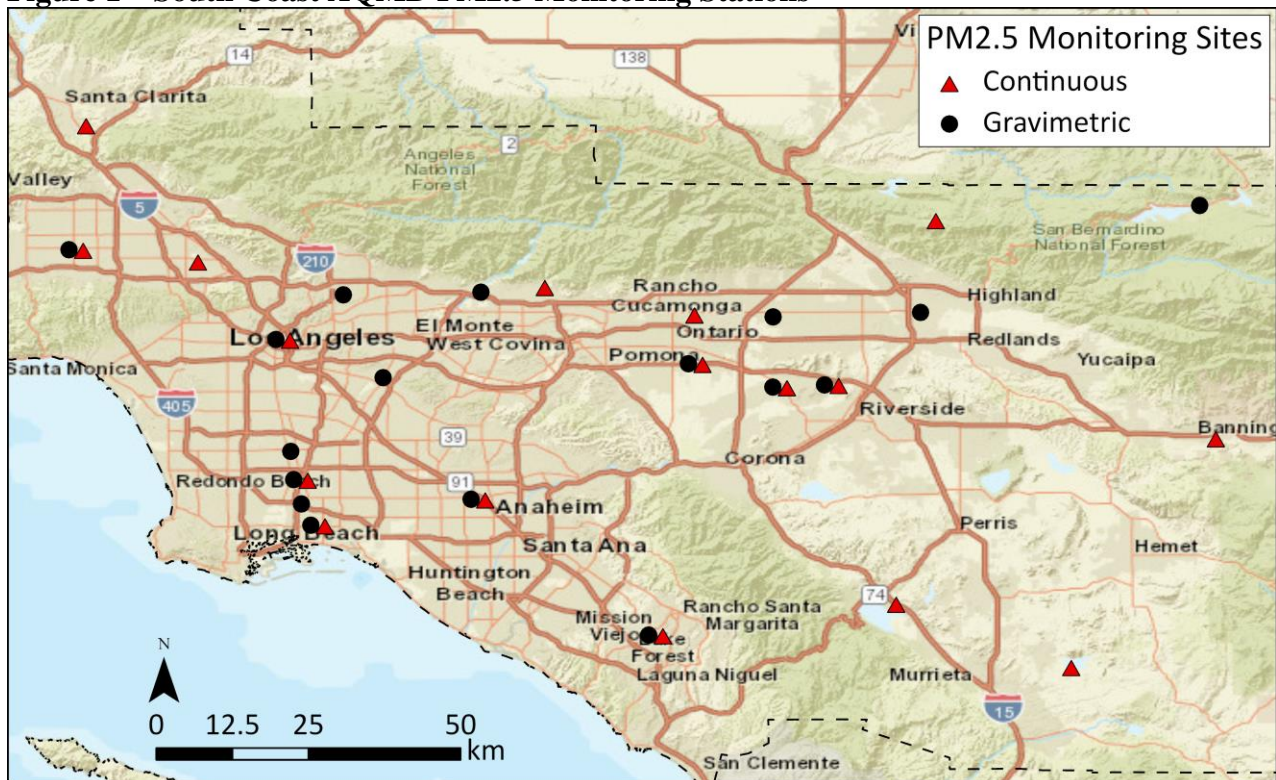
air quality forecast summarizing conditions expected over the entire day for geographical areas in the region called Source Receptor Areas (SRAs) as shown in Appendix B. However, with new models developed and maintained by NOAA¹⁷ scientists, South Coast AQMD staff can now issue hourly forecasts of PM_{2.5} and ozone for the next day. These models are customized using local measurements and state-of-the-science models of air pollution levels, resulting in more accurate predictions. The predicted pollutant levels are reported as an Air Quality Index (AQI). The higher the AQI, the higher the level of air pollution and potentially greater health concerns for the exposed population.

Figure 1 shows the location of PM_{2.5} monitoring stations in the Basin. PM₁₀ and PM_{2.5} concentrations are monitored throughout the South Coast AQMD by samples collected on quartz or Teflon filters in samplers with size selective inlets. These are known as the Federal Reference Methods (FRMs) and shown as “gravimetric” in Figure 1. Some stations also have continuous PM₁₀ and/or PM_{2.5} measurements, using either Beta Attenuation Monitor (BAM) or Tapered Element Oscillating Microbalance (TEOM) instrumentation. This data is available in real-time and is used for air quality forecasting and public reporting of current conditions. Where the continuous BAM or TEOM PM₁₀ monitors have been certified by U.S. EPA to be Federal Equivalent Methods (FEM), the continuous PM₁₀ data is averaged for the 24-hour period (midnight to midnight) and used for comparison to the standards on days when a valid FRM filter measurement was not collected. For PM_{2.5}, there can be significant differences between the FEM and FRM results that have been recognized by national assessments of the technologies. South Coast AQMD measures FRM PM_{2.5} on a daily basis at the critical stations in the Basin and does not use the continuous PM_{2.5} data to compare to the NAAQS for attainment purposes.

Hourly forecasts provide more detailed information about pollution levels throughout the day. This can be useful, for example in planning out what time of the day would be best for outdoor activities. For regulatory purposes however, a daily average forecast is used. The proposed rule amendments include a definition for the daily PM_{2.5} air quality forecast as the predicted ambient average PM_{2.5} concentration, for the entire consecutive 24-hour period, beginning at midnight of the current day and spanning the entire time period which ends on the following midnight. This is to distinguish the daily PM_{2.5} forecast which is used for forecasting No-Burn days from the hourly PM_{2.5} forecast which is provided for informational purposes only. Both hourly and daily Basin forecasts can be found on the South Coast AQMD website at: <http://www.aqmd.gov/forecast>.

Compliance with the annual PM_{2.5} NAAQS is determined using a three (3) year average of the annual mean PM_{2.5} ambient concentrations at the monitoring station with the highest average. Compliance determination for the 24-hour standard is evaluated using the highest Design Value (DV). The DV is defined as the 98th percentile of the 24-hour average concentrations measured in a year, averaged over a consecutive three (3) year term. In both cases the monitoring site with the highest measured values in an area is used for compliance purposes. Air quality forecasts are generated on the SRA level with models that are trained with monitoring data. However, not all SRAs contain a PM_{2.5} monitoring station/equipment, in which case the forecast is interpolated.

¹⁷ The National Oceanic and Atmospheric Administration is a federal agency providing weather forecasts. <https://www.noaa.gov/>

Figure 1 – South Coast AQMD PM2.5 Monitoring Stations

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, (c) OpenStreetMap contributors, and the GIS User Community

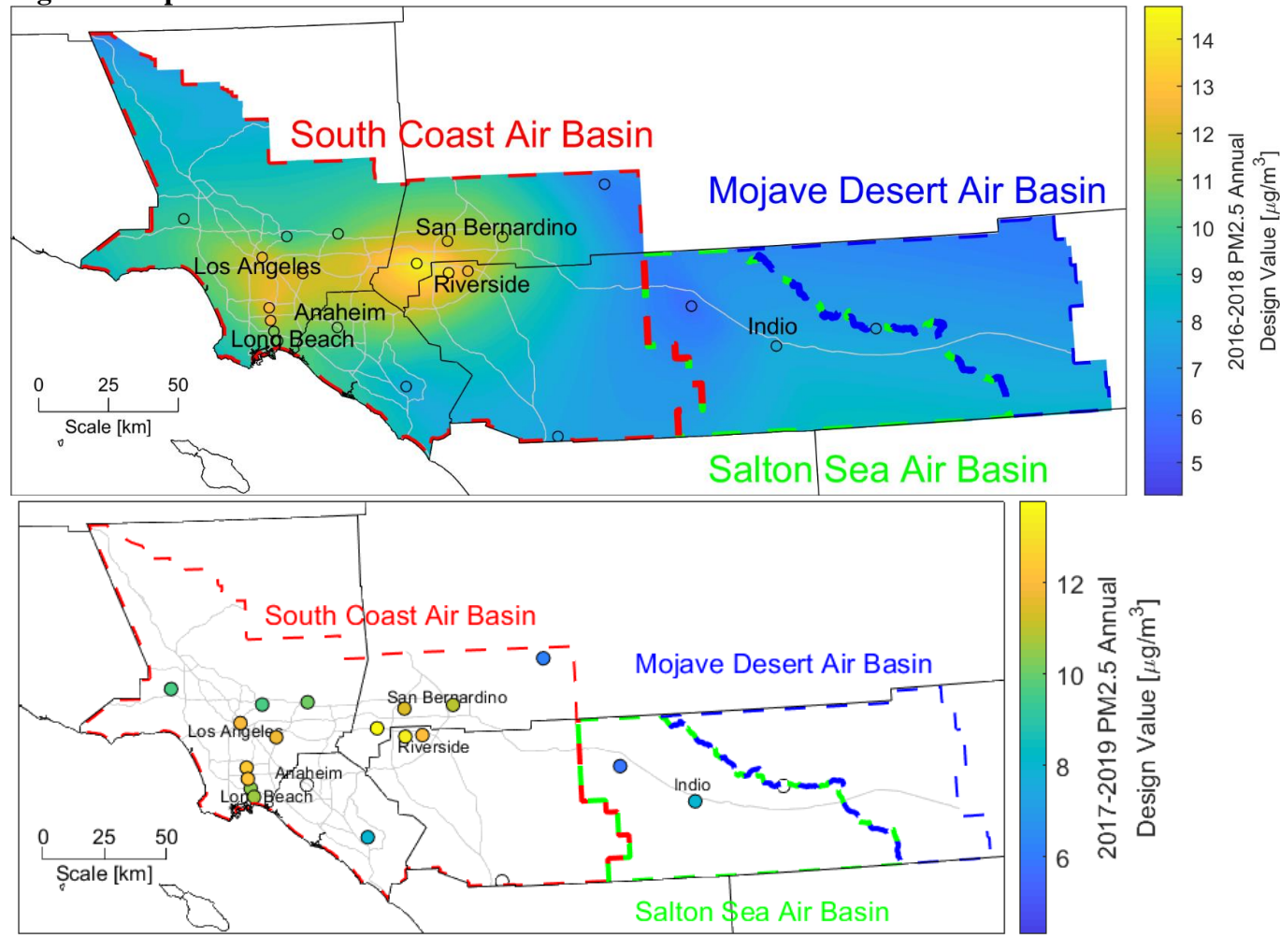
PM2.5 concentrations are generally higher in the inland valley areas of Metropolitan Riverside County and San Bernardino County. These higher PM2.5 concentrations are mainly due to the secondary formation of smaller particles resulting from emissions of precursor gases (NO_x, SO_x, NH₃, VOC) that are converted to particulate matter in the atmosphere. Atmospheric chemistry and dispersion are a strong function of topography and weather, leading to strong geographic variations in PM2.5 concentrations. The geographical distribution of PM2.5 precursor emissions also govern PM2.5 concentration variations throughout the Basin. Figure 2 shows the distribution of annual average PM2.5 concentrations in the Basin. This figure shows peak annual average concentrations for the Basin in the Metropolitan Riverside area where transport and secondary chemical processes are most important. It also shows another peak in the most urbanized portions of Los Angeles area due to the emissions from abundant motor vehicle sources.

PM2.5 levels have decreased dramatically in the Basin since 1999; however, design value concentrations are still above the current annual 24-hour NAAQS. In 2018, the 24-hour PM2.5 NAAQS was exceeded on 19 days in the Basin. In 2019, there were 12 exceedance days.¹⁸ Because the highest PM2.5 concentrations typically occur during the rainy-season, design values are heavily dependent on the frequency of wintertime storm systems, which increase ventilation and remove PM when rainfall is present. PM2.5 concentrations are also significantly influenced by wildfire smoke, which can be transported across wide distances. Currently, PM2.5 monitors do not

¹⁸ Based on preliminary filter data.

attain the 24-hour standards in Compton and Mira Loma, based on preliminary 2017-2019 design values. However, the average of the 2019 and 2020 98th percentile concentrations (two-thirds of the data used to calculate the 2018-2020 design value) are below the federal standard at all locations. The CA-60 near road site in Ontario, Mira Loma, Compton, Rubidoux, and the CA-710 near road station in Long Beach do not meet the annual PM2.5 standard, based on preliminary 2017-2019 design values.¹⁹ The Basin's peak annual average PM2.5 level in 2019 of 14.042.8 $\mu\text{g}/\text{m}^3$ (preliminary data) at the Ontario-60 near road site was lower than its 2018 value of 14.5 $\mu\text{g}/\text{m}^3$.

Figure 2 – Spatial Distribution of PM2.5 in the Basin



¹⁹ Data collected during exceptional events such as wildfires and Independence Day fireworks are removed when calculating design values.

RULE 445

Current provisions of Rule 445 control PM_{2.5} wood smoke emissions from wood-burning devices through several mechanisms. These include:

- New developments: prohibiting the installation of wood-burning devices in developments where construction began after March 9, 2009.
- Existing developments: by limiting the sale and installation of wood-burning devices to a:
 - U.S. EPA certified wood-burning heater,
 - pellet-fueled wood-burning heater,
 - masonry heater, or
 - dedicated gaseous-fueled fireplace insert.
- A prohibition against the burning of any product not intended for use as a fuel (e.g., trash, plastics, rubber products and treated wood),
- Sale of only seasoned wood fuel (20 percent or less moisture content by weight) by commercial wood-based fuel sellers between July 1, through to the end of February of the following year,
- A labeling requirement for commercial firewood sellers to affix an indelible label to each package of firewood advising at a minimum that there are times during the year (wood-burning season) when there may be a restriction on product usage (No-Burn days). The label or alternatively another form of written material which is provided must also list the No-Burn toll-free number and www.8774NOBURN.org website address. This advisory is intended to let the consumer know that on days declared to be No-Burn days during the wood-burning season November 1, through to the last day in February of the following year, wood-burning is not allowed, and
- No-Burn day: a prohibition on operating an indoor or outdoor wood-burning device, portable outdoor wood-burning device, or wood-fired cooking device during the wood-burning season (November 1 through February of the following year) on days when the PM_{2.5} ambient concentration is forecast to exceed specific thresholds. Rule 445(c)(6) specifies the conditions for wood-burning curtailment or No-Burn days as follows:

MANDATORY WINTER BURNING CURTAILMENT

- (A) Means any calendar day or consecutive calendar days during the wood-burning season so declared to the public by the Executive Officer when ambient levels of particulate matter of 2.5 microns in size or less (PM_{2.5}) is forecast to exceed 30 µg/m³ for a specific source/receptor area.
- (B) Applies to the entire South Coast Air Basin whenever a PM_{2.5} level of greater than 30 µg/m³ is predicted for a source receptor area containing a monitoring station that has recorded a violation of the federal 24-hour PM_{2.5} National Ambient Air Quality Standard for either of the two previous three-year design value periods. The design value is the three-year average of the annual 98th percentile of the 24-hour values of monitored ambient PM_{2.5} data.

Dedicated gaseous fueled fireplaces or electric powered devices are exempt from the provisions of Rule 445. Additional exemptions exist where there is no natural gas service within 150 feet of the property line, locations 3,000 feet or higher above mean sea level, when the device is the sole source of heat, when the device is in low income households, and for ceremonial fires, as defined in the Rule 444 – Open Burning.

CONTINGENCY MEASURES

The federal CAA requires areas not attaining the NAAQS to develop and implement an emissions reduction strategy that will bring the area into attainment at the soonest practicable time, but not later than statutory attainment deadlines²⁰. For the South Coast AQMD, this strategy is set forth in the 2016 AQMP. In addition to existing rule requirements such as Rule 445, contingency control measures in AQMPs are designed as backstop measures to be promulgated in the event that a Basin fails or is likely to fail in attaining a NAAQS or to comply with regulatory requirements by the applicable due dates. Control Measure BCM-09 – Further Emission Reductions From Wood-Burning Fireplaces and Wood Stoves is a PM2.5 specific contingency control measure in the 2016 AQMP.

Pursuant to 40 CFR § 51.1014(a) - Contingency Measure Requirements (CFR) specific elements are required for rules promulgated from the control measure as follows:

- (a) The state must include as part of each attainment plan submitted under this subpart for a PM2.5 nonattainment area specific contingency measures that shall take effect with minimal further action by the state or the U.S. EPA following a determination by the Administrator that the area has failed:
 - (1) To meet any RFP requirement in an attainment plan approved in accordance with § 51.1012;
 - (2) To meet any quantitative milestone in an attainment plan approved in accordance with § 51.1013;
 - (3) To submit a quantitative milestone report required under § 51.1013(b); or,
 - (4) To attain the applicable PM2.5 NAAQS by the applicable attainment date.
- (b) The contingency measures adopted as part of a PM2.5 attainment plan shall meet all of the following requirements:
 - (1) The contingency measures shall consist of control measures that are not otherwise included in the control strategy or that achieve emissions reductions not otherwise relied upon in the control strategy for the area; and,
 - (2) Each contingency measure shall specify the timeframe within which its requirements become effective following a determination by the Administrator under paragraph (a) of this section.
 - (3) The attainment plan submission shall contain a description of the specific trigger mechanisms for the contingency measures and specify a schedule for implementation.

CAA Section 172(c)(9) requires contingency measures in the event that an area fails to meet reasonable further progress (RFP) milestones or to attain the national primary ambient air quality

²⁰ CAA Section 172.

standard by the attainment date. U.S. EPA implementing regulations for particulate matter (40 CFR § 51.1014(a)) require that these contingency measures take effect with minimal further action following a determination by the U.S. EPA that the area has failed: (1) to meet any approved RFP requirement, (2) to meet any approved quantitative milestone, (3) to submit a required quantitative milestone report, or (4) to attain the standard by the applicable attainment date. Table 4 below provides a summary and analysis of potential contingency control measures provisions, including suggestions from BCM-09_ ~~for contingency measures~~ for achieving further direct PM2.5 emissions reductions:

Table 4 – Summary and Analysis of Potential Control Measures

Potential <u>Contingency Control Measure Provision</u>	Analysis
Allow for year-round wood-burning curtailment mirroring Bay Area Air Quality Management District (BAAQMD) provisions	Rule 445 defines the Wood-Burning Season as any of the days beginning on November 1 and running through to the end of February in the following year. Due to the temperate climate of the region, about 70% of wood smoke in the Basin is emitted on typically colder days during the wood-burning season. Use of wood-burning devices at other times is generally limited to ambiance purposes. There is some wood smoke in the “shoulder months” of March and October, but it is unlikely that the additional wood smoke during these months would be sufficient to cause an exceedance as total PM2.5 concentrations are much lower than during the wood-burning season.
Requiring that no person sell or transfer real property without assuring that any installed wood-burning heater meets the latest U.S. EPA certification, is a previously exempted wood pellet stove or that it is rendered permanently inoperable mirroring San Joaquin Valley Air Pollution Control District (SJVAPCD) Rule 5.2.2	Currently the rule only allows existing fireplaces to be repaired in order to prevent health or safety impacts. Extending the requirement to removal of non-compliant wood-burning devices upon the sale or transfer of any real property in the Basin would be resource prohibitive. Most wood-burning devices are for ambiance purposes and all devices are already required to curtail wood-burning on No-Burn days. Staff is also looking to expand the existing incentive program for voluntary conversion of existing fireplaces to approved wood-burning devices, natural gas fueled or electric units.

Potential Contingency Control Measure Provision	Analysis
Including a visible emissions/opacity limitation similar to SJVAPCD Rule 5.2.2	Rule 445 currently mandates the use of Seasoned Wood in wood-burning devices and also prohibits the burning of materials not intended to be used as a fuel for wood-burning devices. These two provisions are designed to avoid the use of “wet” wood or other materials such as treated wood that smoke excessively. In addition, sources can be cited pursuant to South Coast AQMD Rule 401- Visible Emissions and/or Rule 402 – Nuisance (where odor complaints are made about wood-smoke) provisions. The visible emissions prohibition in SJVAPCD Rule 1420 mirrors the provisions of South Coast AQMD Rule 401 with both specifying Ringelmann 1 and/or 20% opacity.
Including unseasoned wood in the list of banned fuels	The sale of unseasoned firewood in the Basin is only allowed during the months of March through to the end of April. This provides sufficient time for the wood to season. Only seasoned firewood may be sold at other times during the year. Since the majority of wood-burning devices are used for ambiance purposes in the Basin and there is a ban on selling unseasoned wood during most of the year, adding unseasoned wood to the list of non-fuel products is unnecessary. In addition, the properties of unseasoned wood such as excessive smoking and low heat output do not lend to its being used as a fuel. The requirement that commercial wood-fuel sellers, sell only seasoned wood effectively prevents the use of unseasoned wood fuel by providing a point-of-sale control. Determining the moisture content of wood-fuel once it is lit and in use would be an unenforceable provision technically and also since it would pose a safety issue for field staff.
Including a trigger for the annual PM2.5 standard	The total number of No-Burn days forecast after triggering the proposed Basin-wide curtailment provisions of the initial contingency measure (at the 30 µg/m ³ threshold for any SRA provision) are estimated to exceed the number based on an annual design value. As such an annual design value exceedance threshold would lead to a lower number of forecast No-Burn days.
Recommend Specifying that only currently certified U.S. EPA wood-burning heaters may be installed in developments over 3,000 feet or higher above mean sea level	Proposed amendments would maintain and clarify the exclusion from Rule 445 applicability to areas of the Basin located 3,000 feet or higher above mean sea level. There have been no insignificant exceedances of the 24-hour PM2.5 standard in the last several years (and none in the 2018-19 season) in geographic areas located 3,000 feet or higher above mean sea level and emissions modeling shows measurable emissions reductions without including emissions from wood-burning devices located in these areas.

Potential Contingency Control Measure Provision	Analysis
<p>Recommend Specifying that only currently certified U.S. EPA wood-burning heaters may be installed in developments where there is no natural gas service within 150 feet of the property line</p>	<p>U.S. EPA certified wood-burning heaters are significantly more efficient, however prices can range anywhere from \$2,000 to \$8,000 per unit and require professional installation. Natural gas service is generally available in the more densely populated regions of the Basin, so that this will likely not be a cost-effective requirement or a significant source of emissions reductions²¹. Staff is considering expanding the existing Fireplace and Wood Stove Change Out incentive program to include additional zip codes. The program currently provides qualified applicants between \$200 to \$1,600 towards the purchase and installation of an approved wood-burning or gaseous-fueled device that replaces an existing fireplace²².</p>
<p>Reducing the forecast threshold for No-Burn days to 20 µg/m³ mirroring the San Joaquin Valley Air Pollution Control District (SJVAPCD) Rule 1409 5.7.1</p>	<p>The rule amendments primarily impact residential wood-burning and will provide significant emission reduction at the proposed limits. The 24-hour standard is currently at 35 µg/m³. A No-Burn threshold at 20 µg/m³ will result in minimal, if any, emission reductions on peak PM2.5 days when the ambient PM2.5 concentration exceeds 35 µg/m³.</p>

PROPOSED AMENDMENTS TO RULE 445

Based on the analysis of the potential control measures above the proposed amendments incorporate the requirements of the CFR as follows:

- Subsequent to rule adoption by the Governing Board contingency provisions will automatically take effect upon a final determination of either a failure to attain or a failure to comply with requirements in subdivision (f) of the proposed rule;
- Control measures under the proposed rule achieve emissions reductions not otherwise relied upon in the current control strategy by incrementally lowering the No-Burn day threshold with both incremental and cumulative emissions reductions quantified;
- There are specific trigger mechanisms for the proposed contingency measures and the schedule for implementation in paragraph (f)(1) of the proposed rule which lists the four (4) requirements or contingency measure triggers in subparagraphs (f)(1)(A) through (D) pursuant to 40 CFR § 51.1014(a). There is no set order in which these contingency triggers may potentially be activated. However, as each contingency trigger is activated the increasingly more stringent Basin-wide No-Burn thresholds in subparagraphs (f)(2)(A)

21 <https://www.socalgas.com/stay-safe/pipeline-and-storage-safety/natural-gas-pipeline-map>.

22 South Coast AQMD. Wood Stove & Fireplace Change-Out Incentive Program <http://www.aqmd.gov/home/programs/community/community-detail?title=wood-device-incentive-program>.

through (D) are automatically implemented. Based on the proposal, and upon the final determination by U.S. EPA of a failure by South Coast AQMD to attain the 24-hour PM2.5 standard by the December 31, 2019 attainment date the first proposed contingency measure would be automatically triggered. While failing to “attain the applicable PM2.5 NAAQS by the applicable attainment date” is the fourth contingency trigger (D) in paragraph (f)(1) when the final determination of failure with the provision is made it triggers the first contingency measure (A) in paragraph (f)(2).

- The first contingency measure automatically lowers the ambient PM2.5 24-hour forecast threshold for calling a No-Burn day from the current 30 to the more stringent 29 $\mu\text{g}/\text{m}^3$. Staff does not anticipate any additional contingency triggers in paragraph (f)(1) will be activated, however, upon a final determination by U.S. EPA of a failure to attain any second requirement the next most stringent contingency measure would be triggered. As an example, assume that subsequent to triggering the initial contingency measure at 29 $\mu\text{g}/\text{m}^3$, there is a final determination of a failure to “meet any RFP requirement in an attainment plan approved in accordance with §_51.1012” pursuant to subparagraph (f)(1)(A) which is the first trigger in paragraph (f)(1) of the proposed rule. This event would trigger the second, and next most stringent, contingency measure in subparagraph (f)(2)(B) automatically lowering the ambient PM2.5 24-hour forecast threshold for calling a No-Burn day from 29 to 28 $\mu\text{g}/\text{m}^3$. Any subsequent, third, final determination of a failure to comply would trigger the third and next most stringent 27 $\mu\text{g}/\text{m}^3$ forecast threshold and in the unlikely event that a fourth final determination of a failure to comply with any of the contingency triggers is made the forecast threshold would automatically be lowered to 26 $\mu\text{g}/\text{m}^3$.

Staff is proposing to strengthen the mandatory wood-burning curtailment provision of the rule in order to achieve additional PM2.5 emission reductions from the operation of wood-burning devices. The proposed amendments would generally reduce emissions by increasing the number of No-Burn days and expanding the affected geographic area thereby decreasing both the number of days and number of wood-burning devices allowed to operate during the wood-burning season (defined as November, 1 through to the last day in February of the following year). Proposed amendments to Rule 445 are shown in Table 5, as follows:

Table 5 – Proposed Amendments to Rule 445

Proposed Rule Reference	Proposed Amendment
(c)(3) - Daily PM2.5 Air Quality Forecast	This definition clarifies that for the purposes of Rule 445 a daily PM2.5 ambient concentration is used for forecasting whether a No-Burn day should be declared. Also, that this daily forecast is based on an average forecast modeled using a 24 consecutive hour period from midnight to the subsequent midnight. Once forecast, the daily forecast number remains static for that day. Conversely, the hourly PM2.5 forecast may vary hourly depending on ambient conditions. The hourly air quality forecast may be used to for example better determine optimal times for exercising or other outdoor activities on any given

Proposed Rule Reference	Proposed Amendment
	<p>day whereas the daily PM2.5 ambient concentration is used for the purpose of forecasting No-Burn days pursuant to Rule 445.</p> <p>Text: <u>DAILY PM2.5 AIR QUALITY FORECAST means the predicted ambient average PM2.5 concentration, for the entire consecutive 24-hour period, beginning at midnight of the current day and ending upon the subsequent midnight.</u></p>
<p>(c)(6) - Mandatory Winter Burning Curtailment</p> <p>[This provision of the rule is moved from the definitions to the implementation section of the rule]</p>	<p>Mandatory wood-burning curtailment provisions are currently covered in subdivision (e) of Rule 445. Since this provision is a rule requirement related to ambient PM2.5 concentration threshold triggers it is removed from the definitions section and dove-tailed into the existing mandatory wood-burning curtailment provision in subdivision (e). In addition, this re-write facilitates having all the requirements for the mandatory wood-burning curtailment program in one rule subdivision that immediately precedes the proposed subdivision on contingency measures, and to which for contingency purposes, subdivision (e) refers.</p> <p>Text: MANDATORY WINTER BURNING CURTAILMENT (A) — Means any calendar day or consecutive calendar days during the wood burning season so declared to the public by the Executive Officer when ambient levels of particulate matter of 2.5 microns in size or less (PM2.5) is forecast to exceed 30 µg/m3 for a specific source/receptor area. (B) — Applies to the entire South Coast Air Basin whenever a PM2.5 level of greater than 30 µg/m3 is predicted for a source receptor area containing a monitoring station that has recorded a violation of the federal 24-hour PM2.5 National Ambient Air Quality Standard for either of the two previous three-year design value periods. The design value is the three-year average of the annual 98th percentile of the 24-hour values of monitored ambient PM2.5 data</p>
<p>(c)(12) – PM2.5</p>	<p>The definition of PM2.5 previously contained in the definition of Mandatory Winter Burning Curtailment as a parenthetical is re-written as a stand-alone definition. The definition and meaning of PM2.5 remain unchanged.</p> <p>Text: <u>PM2.5 means particulate matter with an aerodynamic diameter less than 2.5 microns.</u></p>

Proposed Rule Reference	Proposed Amendment
(c)(16) – Source Receptor Area (SRA)	<p>Formally defines source receptor in the rule. The map shown in the proposed rule as Attachment 1 is listed in this report as Appendix B.</p> <p>Text: <u>SOURCE RECEPTOR AREA (SRA) means any of the numbered areas in the Basin as shown on the map in Attachment 1.</u></p>
(c)(19) – U.S. EPA Certified Wood-Burning Heater	<p>The reference to the latest U.S. EPA wood-burning device performance and emission standards is updated as follow:</p> <p>Text: <u>U.S. EPA CERTIFIED WOOD-BURNING HEATER means any device certified by the U.S. EPA to meet the performance and emission standards as defined in Title 40 Code of Federal Regulations, Part 60, Subpart AAA, February 28, 1988March 16, 2015, or any subsequent revision.</u></p>
(e) – Wood-Burning Season Mandatory Burning Curtailment	<p>Subsequent to a determination by U.S. EPA, pursuant to 40 CFR § 51.1014(a) of non-attainment with either a referenced PM2.5 standard or reporting requirement the No-Burn day parameters in contingency subdivision (f) of the proposed rule become effective. Note that the current rule only requires curtailment in the SRA for which an exceedance is forecast if there is no DV exceedance. However, it has proven to be difficult to call an SRA only No-Burn day, therefore the rule is being amended to call a Basin-wide No-Burn day in all cases of a forecast threshold exceedance. The proposed contingency measures will continue the trend of increased emissions reductions as discussed below. The term “winter” is removed since in the Basin this is a period of time that spans mid-December through mid-March while the Woodwood-Burning-burning Season <u>season</u> runs from November 1 thru to the end of February. Clarification is provided that provisions of the rule are not applicable in areas located 3,000 feet or more above mean sea level.</p> <p>Text: <u>Wood-Burning Season Mandatory Winter Burning Curtailment (No-Burn day) No person shall operate an indoor or outdoor wood-burning device, portable outdoor wood-burning device, or wood-fired cooking device on a calendar day during the wood-burning season so declared to the public by the Executive Officer to be a mandatory winter wood-burning curtailment (No-Burn) day during the wood burning season when a mandatory winter burning curtailment based on the specified geographic area below 3,000 feet above mean sea level and applicable daily PM2.5 air quality forecast as follows: is forecast for the specific region where the device is located, or on a Basin-wide basis as defined in paragraph (c)(6).</u></p> <p><u>(1) Basin-wide if the daily PM2.5 air quality forecast for any source receptor area exceeds 30 µg/m³, or</u></p>

Proposed Rule Reference	Proposed Amendment																
	<p><u>(2) subsequent to a determination by U.S. EPA, pursuant to 40 CFR § 51.1014(a) of a failure to comply with either a referenced PM2.5 standard or reporting requirement; the applicable daily PM2.5 air quality forecast as set forth in subdivision (f) Contingency Measures.</u></p>																
<p>(f) – Contingency Measures</p>	<p>Under the current rule provisions, a Basin-wide No-Burn ban is only declared if an exceedance is forecast for an SRA that contains a monitor that has not met the 24-hour PM2.5 standard over the past two immediately preceding 3-year periods. SRAs are shown on the map in Appendix B. A small number of SRAs such as 12, 23 and 33 typically have had design values that have not-attained the 24-hour standard over the two immediately preceding design value periods. A fair number of exceedances are often forecast for other SRAs which based on the current rule language would trigger a curtailment in the SRA-only. Table 6 shows that under the current rule, about a fifth of the time the SRA <u>only</u> would be required to curtail:</p> <p>Table 6 – Exceedances in DV and non-DV Monitor SRAs</p> <table border="1" data-bbox="448 905 1446 1094"> <thead> <tr> <th>Year</th> <th>Number of DV Exceedance Days</th> <th>Number of SRA (non-DV) Exceedance Days</th> <th>SRA Only Percentage</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>19</td> <td>6</td> <td>24%</td> </tr> <tr> <td>2018</td> <td>24</td> <td>6</td> <td>20%</td> </tr> <tr> <td>2019</td> <td>17</td> <td>4</td> <td>19%</td> </tr> </tbody> </table> <p>The proposed amendments would strengthen the No-Burn provision by expanding the geographic area impacted from individual SRAs to Basin-wide in all cases when any SRA, regardless of design value exceedance, is forecast to exceed the compliance threshold.</p> <p>In addition to expanding the geographic area the triggering threshold for forecasting a No-Burn day would be lowered incrementally based on missed milestones or attainment dates as specified in 40 CFR § 51.1014(a). Proposed amendments to Rule 445 would increase the scope and expected number of mandatory winter wood-burning curtailment days, based on either a failure to attain the PM2.5 24-hour or annual average NAAQS, or upon a failure to meet any associated reporting requirements, by the applicable due dates.</p> <p>Text: <u>f) Contingency Measures</u></p> <p><u>(1) Upon the issuance of a final determination by U.S. EPA, pursuant to 40 CFR § 51.1014(a), that the South Coast Air Basin has failed to comply with the following requirements by the applicable date to:</u></p> <p><u>(A) meet any Reasonable Further Progress (RFP) requirement in an attainment plan approved in accordance with § 51.1012;</u></p>	Year	Number of DV Exceedance Days	Number of SRA (non-DV) Exceedance Days	SRA Only Percentage	2017	19	6	24%	2018	24	6	20%	2019	17	4	19%
Year	Number of DV Exceedance Days	Number of SRA (non-DV) Exceedance Days	SRA Only Percentage														
2017	19	6	24%														
2018	24	6	20%														
2019	17	4	19%														

Proposed Rule Reference	Proposed Amendment
	<p>(B) <u>meet any quantitative milestone in an attainment plan approved in accordance with § 51.1013;</u></p> <p>(C) <u>submit a quantitative milestone report required under § 51.1013(b); or,</u></p> <p>(D) <u>attain the applicable PM2.5 NAAQS by the applicable attainment date,</u> <u>the contingency measure(s) specified in paragraph (f)(2) shall be implemented, sequentially and in the order of stringency.</u></p> <p>(2) <u>A Basin-wide, mandatory wood-burning curtailment during the wood-burning season if the daily PM2.5 air quality forecast for any SRA exceeds:</u></p> <p>(A) <u>29 µg/m³, upon a final determination of a failure to comply with any of the provisions of paragraph (f)(1);</u></p> <p>(B) <u>28 µg/m³, upon a final determination of a failure to comply with any two of the provisions in paragraph (f)(1);</u></p> <p>(C) <u>27 µg/m³, upon a final determination of a failure to comply with any three of the provisions in paragraph (f)(1); and</u></p> <p>(D) <u>26 µg/m³, upon a final determination of a failure to comply with any four of the provisions in paragraph (f)(1).</u></p>
<p>(g) - Exemptions</p>	<p>Clarification that the exemption reference remains unchanged due to the relabeling of subdivision (f) to (g) and that there are no other changes in exemptions in relation to subdivision (f).</p> <p>Text: (7) The provisions of subdivisions (e) and (f) shall not apply under the following circumstances</p>
<p>Other</p>	<p>Other minor amendments include typographical corrections and clarifications (e.g., wood burning is corrected to wood_burning).</p>

EMISSION REDUCTION

Appendix A provides a detailed methodology for the estimated PM2.5 emission reductions from the proposed rule. The methodology is based on a statistical analysis of relevant historical daily PM2.5 concentrations in the Basin. Since Rule 445 prohibits the installation of wood-burning devices in new construction, and wood-burning devices already installed have significantly extended useful lifetimes, the baseline emissions from the 2016 AQMP are used to estimate the emission reductions for the proposed amended rule. The methodology evaluates the additional PM2.5 emission reductions associated with the Basin-wide curtailment as well as the increased number of No-Burn days as the curtailment threshold is lowered. Table 5 of Appendix A shows the additional emission reductions from the Basin-wide curtailment at 30 µg/m³ and for each proposed decrease in the curtailment threshold. The current rule only requires curtailment in the

specific SRA for which the daily PM_{2.5} air quality is forecast to exceed 30 µg/m³. Basin-wide curtailment is only required if the exceedance is forecast for an SRA containing a monitoring station that has recorded a violation of the federal 24-hour PM_{2.5} National Ambient Air Quality Standard for either of the two previous three-year design value periods²³. ~~However, in practice, No-Burn days are typically declared Basin-wide since it is challenging to announce No-Burn days for specific SRAs only.~~ Under the proposed amendments, the curtailment will be implemented Basin-wide when the daily PM_{2.5} air quality forecast for any SRA exceeds 30 µg/m³, ~~due to difficulties with SRA-specific outreach.~~ The emission reduction from the current rule provisions is estimated to be 139.7 TPY. The Basin-wide curtailment at the current threshold of 30 µg/m³ instead of SRA-specific curtailment in the proposed amendment will result in an additional 25.4 TPY. After triggering the first contingency measure the curtailment threshold will automatically decrease to 29 µg/m³ resulting in an estimated additional emission reduction of 46.3 TPY. While it is not anticipated that any additional contingency measures will be triggered, if that occurs, additional emission reductions are anticipated as the curtailment threshold is lowered as shown in Table 5 of Appendix A.

AFFECTED SOURCES

An estimated 1.4 million²⁴ wood-burning devices are subject to the provisions of Rule 445. The number of affected sources is not anticipated to change greatly since wood-burning devices have lengthy useful lifetimes and Rule 445 prohibits the installation of wood-burning devices in new developments. Rather it is anticipated that the proposed amendments will decrease the number of days that the devices can be operated resulting in emissions reductions.

No additional costs are expected to be incurred. Provisions of the proposed amended rule would extend the prohibition on use of wood-burning devices to additional days almost exclusively for ambiance use of these devices. Wood-burning devices that are the sole source of heat for a dwelling or structure are specifically exempted from the No-Burn mandate.

PUBLIC PROCESS

PAR 445 is being developed through a public process. A Public Workshop was held on February 27, 2020, with close of comments on March 13, 2020 and the proposal was presented at the Stationary Source Committee on March 20, 2020.

SOCIOECONOMIC ASSESSMENT

PAR 445 would affect commercial firewood sellers in the Basin and the general public. Commercial firewood sellers belong to the industry of fuel dealers (NAICS 454319). Based on a South Coast AQMD staff survey, there are about 86 commercial firewood sellers in the Basin, out of which 31 are located in Los Angeles County, 24 in Orange County, 16 in Riverside County, and

23 Design value is the three-year average of the annual 98th percentile of the 24-hour values of monitored ambient PM_{2.5} data.

24 James E. Houck and Brian N. Eagle, "Residential Wood Combustion Emission Inventory South Coast Air Basin and Coachella Valley Portion of Salton Sea Air Basin 2002 Base Year" Based on a 2002, www.omni-test.com, October 24, 2006, <http://www.omni-test.com/publications/SCAQMD-RWC4.pdf>.

the remaining 15 in San Bernardino County. Additionally, PAR 445 would affect the general public who use wood-burning fireplaces and other wood-burning devices.

The cost impacts of Basin-wide curtailment on firewood sellers are expected to be minimal because the additional number of No-Burn days due to this proposed amendment is expected to be small (about 12 days) during the wood-burning season. The majority of commercial firewood sellers are expected to be small facilities. A lack of data on number of employees and gross annual sales of the affected commercial firewood sellers precludes staff from determining their small business status. Cost impacts to the general public are also expected to be minimal as wood-burning in the South Coast AQMD is done mainly for aesthetic purposes and there are cost-effective alternatives to burning wood for heating.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Pursuant to the California Environmental Quality Act (CEQA), the South Coast AQMD, as Lead Agency, has prepared a Notice of Exemption pursuant to CEQA Guidelines Section 15062 - Notice of Exemption for the proposed project. Proposed Amended Rule 445 has been reviewed 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. Since Proposed Amended Rule 445 is comprised of administrative amendments that codify an existing South Coast AQMD practice and would not cause any physical changes that would adversely affect any environmental topic area, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. In addition, the proposed project is considered an action to protect or enhance the environment pursuant to CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment. Further, there is no substantial evidence indicating that any of the exceptions to the categorical exemption apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions. If the project is approved, the Notice of Exemption will be electronically filed with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties State Clearinghouse to be posted on their CEQAnet Web Portal. Once the Notice of Exemption is posted, members of the public may access it via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, the Notice of Exemption will be electronically posted on the South Coast AQMD’s webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notice/ceqa-notice/notices-of-exemption/noe---year-2020>. The electronic filing and posting of the Notice of Exemption is being implemented in accordance with Governor Newsom’s Executive Order N-54-20 issued on April 22, 2020 for the State of Emergency in California as a result of the threat of COVID-19.

CONCLUSION

PAR 445 amendments are necessary to promulgate contingency measures required to take effect without further action upon a final determination by U.S. EPA that the Basin has failed to attain standards or comply with any of the milestones by the applicable due dates as set forth in 40 CFR § 51.1014. Specifically, it is anticipated that U.S. EPA likely will determine that the 2006 24-hour PM_{2.5} NAAQS (35 µg/m³) was not attained by the December 31, 2019 attainment deadline. The

proposed amendments accomplish this mandate by incrementally lowering the wood-burning curtailment threshold for each determination and also expand the applicability of the curtailment Basin-wide in all cases of a forecast exceedance. The proposed amendments would become effective, after adoption by the Governing Board, without any further action, and are anticipated to result in additional No-Burn days during the wood-burning season. PM_{2.5} emissions reductions beyond those achieved based on the current rule are estimated at 46.3 TPY after triggering the first contingency by lowering the No-Burn day threshold to 29 µg/m³. The proposed amendments are anticipated to have negligible cost impacts and no significant adverse environmental impacts.

DRAFT FINDINGS UNDER CALIFORNIA HEALTH AND SAFETY CODE SECTION 40727

Requirements to Make Findings

California Health and Safety Code Section 40727 requires that prior to adopting, amending or repealing a rule or regulation, the South Coast AQMD 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.

Necessity

Proposed Amended Rule 445 is needed to promulgate contingency measures required to be put into effect should the South Coast Air Basin fail to attain the NAAQS for PM_{2.5}, as required by Title 40 of the Code of Federal Regulations (CFR) Section 51.1014.

Authority

The South Coast AQMD Governing Board has authority to adopt Proposed Amended Rule 445 pursuant to the California Health and Safety Code Sections 39002, 40000, 40001, 40440, 40702, 40725 through 40728, and 41508 and 40 CFR Section 51.1014.

Clarity

Proposed Amended Rule 445 is written or displayed so that its meaning can be easily understood by the persons directly affected by it. The addition of definitions will improve the clarity.

Consistency

Proposed Amended Rule 445 is in harmony with and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations.

Non-Duplication

Proposed Amended Rule 445 will not impose the same requirements as any existing state or federal regulations. The proposed amended rule is necessary and proper to execute the powers and duties granted to, and imposed upon, the South Coast AQMD.

Reference

By adopting Proposed Amended Rule 445 the South Coast AQMD Governing Board will be implementing, interpreting or making specific the provisions of the Title 40 CFR Section 51.1014.

COMPARATIVE ANALYSIS

Under California Health and Safety Code Section 40727.2, the South Coast AQMD is required to perform a comparative written analysis when adopting, amending, or repealing a rule or regulation.

The comparative analysis is relative to existing federal requirements, existing or proposed South Coast AQMD rules and air pollution control requirements and guidelines which are applicable to wood-burning devices. The proposed amendments to Rule 445 would not conflict with existing federal requirements for wood-burning devices in U.S. EPA’s New Source Performance Standards (NSPS). Existing Rule 444 regulates only open burning, and does not conflict with or have any overlapping requirements with the proposed amendments to Rule 445. See Table 7 for the comparative analysis by rule element with the NSPS.

Table 7 – PAR 445 Comparative Analysis

Rule Element	PAR 445	U.S. EPA NSPS 40 CFR pt. 60, Sub. AAA
Purpose	To reduce the emission of particulate matter from wood-burning devices.	To establish the best system of emission reduction for new residential wood heaters.
Applicability	Manufacturers, sellers, installers of wood-burning devices; commercial firewood sellers; owners or operators of wood-burning devices.	Manufacturers, sellers, testers, owners, installers and operators of wood heaters.
New Installations of wood-burning devices	Prohibits permanent installation of wood-burning devices into any new development.	None
Wood-burning devices offered for Sale / Manufactured / Installed	Prohibits sale, offer, supply, or offer to install indoor or outdoor wood-burning device unless: (A) A U.S. EPA Certified wood-burning heater; or (B) A pellet-fueled wood-burning heater; or (C) A masonry heater; or (D) A dedicated gaseous-fueled fireplace.	Establishes manufacturer certification; requires certified manufacture in some instances.
Prohibited Fuel	Prohibits burning any product not intended for use as fuel in a wood-burning device including, but not limited to: • garbage • treated wood	Prohibits burning in an affected wood heater: (1) Residential or commercial garbage; (2) Lawn clippings or yard waste;

Rule Element	PAR 445	U.S. EPA NSPS 40 CFR pt. 60, Sub. AAA
	<ul style="list-style-type: none"> • particle board • plastic products • rubber products • waste petroleum products • paints coatings or solvents • coal 	<p>(3) Materials containing rubber, including tires;</p> <p>(4) Materials containing plastic;</p> <p>(5) Waste petroleum products, paints or paint thinners, or asphalt products;</p> <p>(6) Materials containing asbestos;</p> <p>(7) Construction or demolition debris;</p> <p>(8) Paper products, cardboard, plywood, or particleboard. The prohibition against burning these materials does not prohibit the use of fire starters made from paper, cardboard, sawdust, wax and similar substances for the purpose of starting a fire in an affected wood heater;</p> <p>(9) Railroad ties, pressure-treated wood or pallets;</p> <p>(10) Manure or animal remains;</p> <p>(11) Salt water driftwood or other previously salt water saturated materials;</p> <p>(12) Unseasoned wood;</p> <p>(13) Any materials that are not included in the warranty and owner's manual for the subject wood heater; or</p>

Rule Element	PAR 445	U.S. EPA NSPS 40 CFR pt. 60, Sub. AAA
		(14) Any materials that were not included in the certification tests for the subject wood heater.
Averaging Provisions	None	None
Operating Parameters	Wood-burning devices may not be used when <u>a</u> No-Burn Day is declared.	The user of an affected residential wood heater must operate in a manner consistent with the owner’s manual. The owner’s manual must clearly specify that operation in a manner inconsistent with the owner’s manual would avoid the warranty.
Monitoring, Reporting, Recording keeping	None	None

REFERENCES

South Coast AQMD, 2008. Staff Report: Proposed Rule 445 – Wood Burning Devices. South Coast Air Quality Management District, March 2008.

South Coast AQMD, 2013. Staff Report: Proposed Amended Rule 445 – Wood Burning Devices. South Coast Air Quality Management District, May 2013.

South Coast AQMD, 2017. Final 2016 Air Quality Management Plan. South Coast Air Quality Management District, March 2017.

Board Letter Proposed Amendments to Rule 4901– Wood Burning Fireplaces and Wood Burning Heaters. San Joaquin Valley Air Pollution Control District, June 2019.

Staff Report Regulation 6; Particulate Matter and Visible Emissions, Rule 3: Wood Burning Devices. Bay Area Air Quality Management District, September 2015.

APPENDIX A - EMISSION REDUCTIONS EXPECTED FROM THE RULE 445 AMENDMENT

1. Baseline Emissions

Annual average PM_{2.5} emissions developed for the 2016 AQMP were utilized to estimate reductions expected from the proposed amended Rule 445. Two emission categories subject to the rule are Residential Wood combustion for Wood Stoves and Fireplaces. The total PM_{2.5} emissions from the two categories are 4.944 tons per day in 2017 in annual average emissions. The rule baseline emissions do not change in future years due to full implementation of the current rule in year 2015.

The rule baseline emissions were allocated to each Source Receptor Area (SRA), using a spatial allocation factor which is developed based on the U.S. Census American Community Survey (ACS) data regarding fuel type used to heat households. ACS is conducted every year to update a portion of the population. Excluding mountainous areas with altitude higher than 3000 ft, the basin-wide total emissions subject to the rule is 4.416 TPD in annual average emissions.

Wood-burning season daily emissions were estimated using the methodology included in the South Coast AQMD staff report¹. 69% of PM_{2.5} emissions is estimated to occur during wood-burning season months (November through February) according to CARB's temporal allocation factors². In addition, a 75 percent compliance rate was assumed as indicated in the staff report. Table 1 below provides a step-by-step calculation of an average winter day emission.

Table 1. Estimate of 2017 Winter Day Emissions for Wood-Burning Devices

2017 Annual Average Day (tons per day)	Emissions below 3000 ft altitude (tons per day)	Days per year	Annual Total Emissions (tons)	Percent of Emissions Occurring During Wood-Burning Season Months (%)	Wood-Burning Season Emissions (tons)	Number of Days in the Wood-Burning Season (Nov to Feb)	Wood-Burning Season Daily Emissions (tons per wood Wood-burning Season day)
4.944	4.416	365	1611.84	69	1112.17	120	9.268

¹ South Coast AQMD Governing Board Agenda No. 37, March 7, 2008, Staff Report.

² CARB Methodology Updates: Residential Wood Combustion, 2015. Available at https://ww3.arb.ca.gov/ei/areasrc/fullpdf/full17-1_2011.pdf.

2. Emission Reductions from the Existing Rule

Rule 445, amended in March 2013, has two mechanisms to mandate residential wood-burning curtailment. One is a curtailment for a specific SRA where the SRA is forecast to have PM_{2.5} concentrations higher than 30 µg/m³. The other is a Basin-wide curtailment when an SRA which is forecasted to exceed 30 µg/m³ of PM_{2.5} has recorded a violation of the federal 24-hour PM_{2.5} National Ambient Air Quality Standard (NAAQS) of 35 µg/m³ for either of the two previous three-year design value periods. The design value (DV) is the three-year average of the annual 98th percentile of the 24-hour values of monitored ambient PM_{2.5} data. Federal Reference Method (FRM) data were used to determine DVs. During the two 3-year periods (2015-2017 and 2016-2018), three monitoring stations showed DVs exceeding 35 µg/m³, the 2006 24-hour PM_{2.5} NAAQS. They are Compton, Mira Loma, and Freeway 60 near-road sites, located in SRA 12, 23 and 33, respectively.

Under the March 2013 amendment, if any of the three sites were forecasted to have a daily PM_{2.5} average higher than 30 µg/m³, a Basin-wide curtailment would be triggered. Continuous PM_{2.5} measurements taken by Beta Attenuation Method (BAM) indicate that there are 79 days in which any of the three stations had high PM readings exceeding the threshold. Note that the District's daily air quality forecast, which wood-burning curtailment is based on, utilizes BAM, not FRM. 79 occurrences in four years is equal to 19.75 day per year on average. The emission reductions from the 19.75-day Basin-wide curtailment are 137 tons per year (0.376 tons per day), using the wood-burning season-day average emission and 75% of compliance assumption.

Table 2. Reductions from Basin-wide curtailment

Wood-Burning Season Daily Emissions (Tons per Wood-Burning Season Day)	Number of Curtailment Days	Compliance Rate (%)	Total Reductions from the curtailment (Tons per Year)
9.268	19.75	75	137.3

While high PM_{2.5} levels were mostly recorded at the three monitors, 29 occurrences of an SRA specific exceedance were identified during the four-year period. This does not include the three SRAs that triggered the 79 days of Basin-wide curtailment. This SRA count is a cumulative accounting of all SRAs, except the three SRAs, including multiple SRAs on a single day.

Reductions from an SRA specific curtailment were estimated with SRA-specific emissions multiplied by the number of high PM days occurring at the specific SRA and 75% compliance rate. High PM day means that BAM reading of PM_{2.5} concentration is higher than 30 µg/m³. For example, SRA4, South Coast LA, recorded 12 high PM days during the four-year period. PM_{2.5} emissions of 0.459 TPD allocated for SRA4 was multiplied by 3 days and 75% compliance to calculate reductions per year. Repeating the calculation for the 29 high PM occurrences, reductions

due to an SRA specific curtailment is estimated to be 2.396 TPY in annual average emissions. Table 3 lists SRAs that recorded high PM days and its associated PM_{2.5} emissions.

Combining the basin-wide and SRA specific curtailments, total reductions from the existing rule are 139.7 TPY (0.376 TPD) in annual average emissions.

Table 3. Reductions Associated with Curtailment at an Individual SRA

	High PM Days per year (4-year Average)	Emissions below 3000ft Altitude per SRA (Tons per Year)	Wood- Burning Season Daily Emission per SRA (Tons per Day)	Reduction due to curtailment (Tons per Year)
SRA1	0.50	87.546	0.503	0.189
SRA2	0.25	76.252	0.438	0.082
SRA3	0.50	110.405	0.635	0.238
SRA4	3.00	79.863	0.459	1.033
SRA6	0.75	85.430	0.491	0.276
SRA7	0.50	78.287	0.450	0.169
SRA8	0.25	37.784	0.217	0.041
SRA13	0.25	22.508	0.129	0.024
SRA15	0.25	19.049	0.110	0.021
SRA16	0.25	29.930	0.172	0.032
SRA17	0.50	134.823	0.775	0.291
SRA29	0.00	12.934	0.074	0.000
Total	7.25	-	-	2.396

3. Emission Reductions from the Proposed Amendment

The proposed amendments include five measures designed to reduce emissions and to comply with the contingency measure requirements listed in 40 CFR § 51.1014(a). The following sections provides emission reductions associated with each of the measures.

According to subparagraph (f)(2)(A) of the proposed amendment, an SRA-specific curtailment is suggested to expand to the entire Basin. BAM data taken in the last four-year period indicates 95 days that any SRA in the Basin exceeded the 30 µg/m³ threshold. This would be 23.75 days of Basin-wide curtailment days per year, bringing approximately 165.1 TPY reductions, with 25.4 TPY net additional reduction from the existing rule.

Net additional emission reductions associated with subsequent lower thresholds are expected to be 20.9, 20.9, 13.9, and 19.1 TPY for the curtailment thresholds of 29, 28, 27, and 26 $\mu\text{g}/\text{m}^3$ respectively. These estimates are based on the number of high PM days exceeding the thresholds in the four-year analysis period. Emission reductions from the curtailment were calculated with the average-wood-burning season daily emissions provided in Table 2 and 75% compliance assumption. The number of high PM days occurred during the four-year period are provided in Table 4. Net emission reductions expected from the proposed rule amendment are summarized in Table 5.

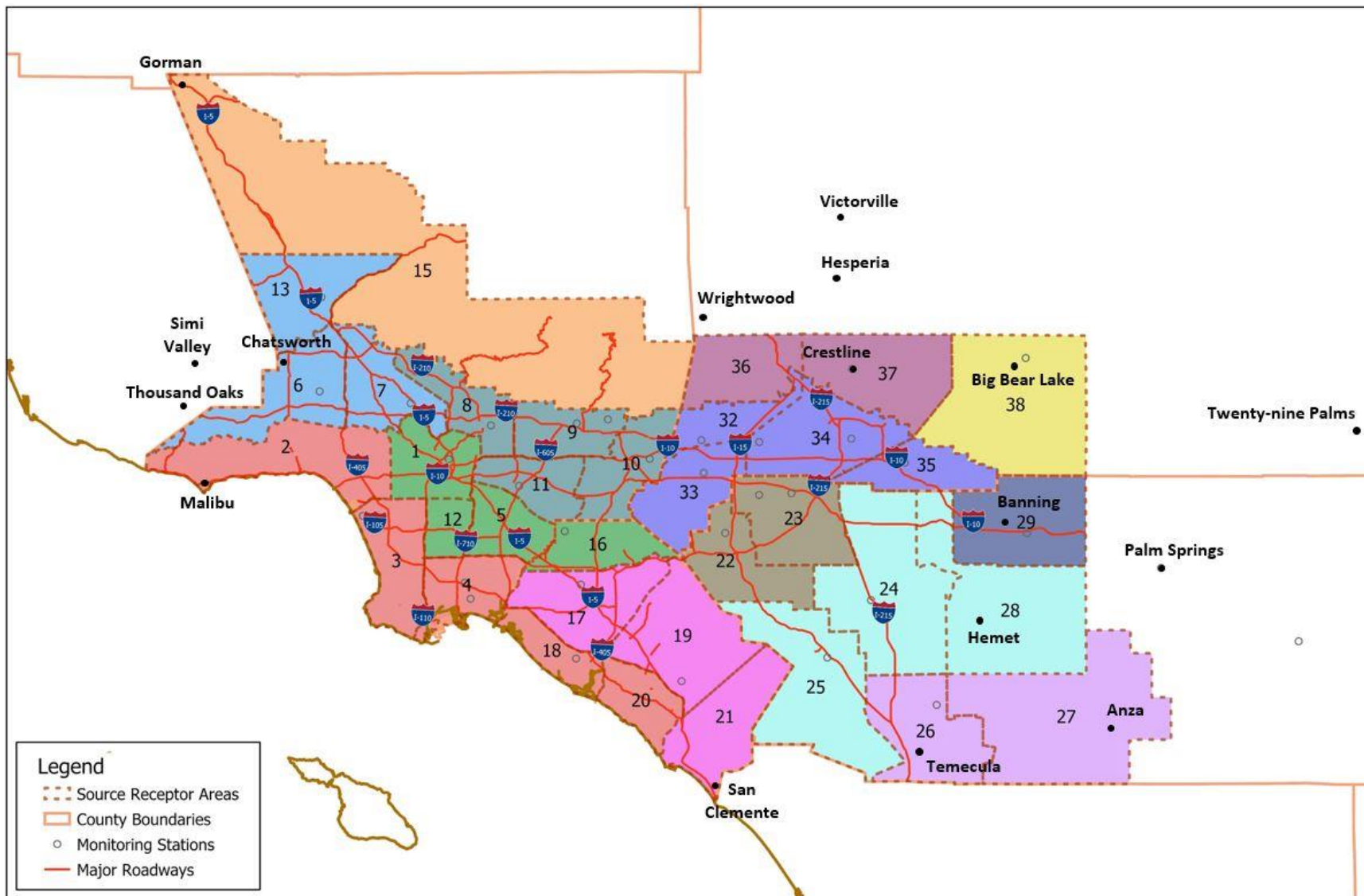
Table 4. Number of days exceeding proposed curtailment thresholds

Year	30 $\mu\text{g}/\text{m}^3$	29 $\mu\text{g}/\text{m}^3$	28 $\mu\text{g}/\text{m}^3$	27 $\mu\text{g}/\text{m}^3$	26 $\mu\text{g}/\text{m}^3$
2016	23	27	29	33	37
2017	24	26	30	31	33
2018	27	33	34	36	38
2019	21	21	26	27	30
Average	23.75	26.75	29.75	31.75	34.5

Table 5. PM_{2.5} emission reductions expected due to the proposed rule amendment (tons per year)

Category	Total Reduction	Additional Reductions beyond Current Rule	Incremental Reductions
Existing Rule	139.7		
Proposed amendment - Basin-wide expansion of 30 µg/m ³ threshold	165.1	25.4	25.4
Proposed amendment - Lowering Threshold to 29 µg/m ³	186.0	46.3	20.9
Proposed amendment - Lowering Threshold to 28 µg/m ³	206.8	67.1	20.9
Proposed amendment - Lowering Threshold to 27 µg/m ³	220.7	81.0	13.9
Proposed amendment - Lowering Threshold to 26 µg/m ³	239.8	100.1	19.1

APPENDIX B – SOURCE RECEPTOR AREAS (SRAS) IN THE SOUTH COAST AIR BASIN



Source Receptor Area (SRA) Map Index

	Coastal			San Bernardino Valley	
	Northwest Los Angeles County Coastal	2		Northwest San Bernardino Valley	32
	Southwest Los Angeles County Coastal	3		Southwest San Bernardino Valley	33
	South Los Angeles County Coastal	4		Central San Bernardino Valley	34
	North Orange County Coastal	18		East San Bernardino Valley	35
	Central Orange County Coastal	20			
	Metropolitan			Hemet/Elsinore Area	
	Central Los Angeles County	1		Perris Valley	24
	Southeast Los Angeles County	5		Lake Elsinore	25
	South Central Los Angeles County	12		Hemet-San Jacinto Valley	28
	Northern Orange County	16		Temecula/Anza Area	
	San Fernando Valley			Temecula Valley	26
	West San Fernando Valley	6		Anza Area	27
	East San Fernando Valley	7		San Gabriel Mountain	
	Santa Clarita Valley	13		San Gabriel Mountains	15
	San Gabriel Valley			San Bernardino Mountain	
	West San Gabriel Valley	8		West San Bernardino Mountains	36
	East San Gabriel Valley	9		Central San Bernardino Mountains	37
	Pomona-Walnut Valley	10		Big Bear Lake	
	South San Gabriel Valley	11		Big Bear Lake	38
	Inland Orange County			Banning Pass Area	
	Central Orange County	17		Banning Pass Area	29
	Saddleback Valley	19			
	Capistrano Valley	21			
	Riverside Valley				
	Corona-Norco Area	22			
	Metropolitan Riverside	23			

APPENDIX C

COMMENTS AND RESPONSE TO COMMENTS

Comment Email #1

Christine Vineyard
Vineyard.Christine@epa.gov

March 13, 2020

Dear Henry:

Thank you for another opportunity to comment on draft Rule 445, Wood-Burning Devices. We appreciate you incorporating many of our comments on the previous draft rule such as a definition for source-receptor area and updating the reference to the current New Source Performance Standard (NSPS). However, we still have the following concerns/comments on draft Rule 445, dated March 6, 2020, for your consideration:

- We recommend considering adding a provision for removal of fireplaces during remodel. See, e.g. SJVAPCD Rule 4901, section 5.3. 1-1
- We recommend considering extending the ~~wood~~ wood-burning season beyond November-February. For example, BAAQMD recently revised its wood-burning rule to provide for curtailments year round. SCAQMD notes that 70% of smoke is emitted on colder days but that indicates that there are emissions in warmer months. Even if wood-burning doesn't cause an exceedance by itself, decreasing the contribution from woodstoves during these months could reduce concentrations. 1-3
- We recommend considering removing the exemption for devices above 3000 feet and/or specifying that only wood-burning heaters (not fireplaces) are allowed under the exemption. SCAQMD notes that there have been no exceedances in areas located above 3000 feet and that measurable emissions reductions are achieved without including emissions from devices in these areas. If SCAQMD wishes to keep this exemption as written, we recommend providing an explanation of why emissions from devices at 3000+ feet are not expected to contribute to exceedances of either the 24-hour or annual NAAQS in other areas. 1-4
- We recommend considering lower curtailment thresholds. The San Joaquin Valley has basin-wide curtailments as low as 20 $\mu\text{g}/\text{m}^3$ for uncertified stoves. It is not clear why lowering the threshold could be cost prohibitive, as SCAQMD indicates. 1-5
- We recommend requiring removal or replacement of non-certified devices upon transfer or clarify and document why it would be "resource prohibitive" and therefore not feasible. See SJVACPD Rule 4901 section 5.2. 1-6

- We recommend considering requiring exempt households to have EPA-certified devices. See, e.g. BAAQMD Rule 6-3-110.] 1-7

If you have any questions, please do not hesitate to contact Christine Vineyard (415) 947-4125, or Doris Lo, Manager, Rules Office (415) 972-3959.

Response to Comment 1-1

Thank you for taking the time to review the proposed draft materials and for providing feedback.

Response to Comment 1-2

Regarding the remodeling provision in SJVAPCD Rule 4901 the staff report associated with the June 20, 2019 rulemaking states that installation of a U.S. EPA certified, gas-fueled, or electric device is required during a remodel of a fireplace or chimney that exceeds \$15,000 and also requires a building permit where the application for the permit is submitted after January 1, 2020. SJVAPCD Rule 4901 defines a remodel as a physical modification to a fireplace or chimney that impacts the physical structure of the fireplace or chimney, however aesthetic modifications that do not affect the physical structure of the fireplace are not considered a remodel, i.e. installing decorative stone/tile in front of fireplace. BAAQMDs Regulation 6 Rule 3 has a similar provision and the staff report associated with the ~~November 20, 2019~~October 21, 2015 rulemaking states that “Enforcement of this provision would be by the local city or county where the building permit is received”. There are over 160 incorporated cities in the jurisdiction of the South Coast AQMD with approximately 17 million inhabitants. As discussed in Table 4, staff does not have the necessary resources required for co-ordinating a residential level program that mandates replacement of residential fireplaces, even with a project cost minimum. Rule 445 already prohibits new fireplaces from being built or installed in new developments. The rule also already prohibits sale, supply, offer, or installation of a wood-burning device other than those specified. Rule 445, is more stringent in that it does not allow remodeling of existing wood-burning fireplaces. Fireplaces may be repaired where there is a health or safety concern. Replacement of existing units is limited to one of four approved wood-burning device types. Additionally, South Coast AQMD has incentivized the conversion of more than 10,000 fireplaces to gaseous fueled, where practicable, and continues to do so by providing up to \$1,600 per unit in areas that typically see the highest concentrations of ambient PM_{2.5}, to encourage voluntary conversion of existing wood-burning fireplaces. The program is currently being implemented with success and staff is exploring ways to expand eligibility criteria to encourage further voluntary participation.

Response to Comment 1-3

Expanding on the discussion in Table 4, there are a minimal number of exceedences during the non-wood-burning season months, the typical exception being July 4th. In addition, the exceedences outside the wood-burning season months are unlikely to affect the 24-hour design values. The past three Basin maximum 24-hour design values were not affected by the few exceedences occurring outside the wood-burning season. Note that events (e.g., wildfires or July 4) that would reasonably be considered exceptional events were removed from this analysis. Climate in the Basin is typically more moderate than in the Bay Area and during the non-wood-burning season months, wood-burning devices are used mainly for ambience purposes. For example, based on NOAA data during the four month wood-burning season from November 2019 through February 2020 average

ambient temperatures in the Los Angeles Downtown Area were 64.9, 59.4, 60.9 and 62.6 degrees fahrenheit, respectively. In contrast, at San Francisco International Airport (BAAQMD) for the same time period temperatures were 56.4, 53.5, 52.1 and 55.3 degrees fahrenheit, respectively. Similarly, for the same time period temperatures in the Fresno area (SJVUAPCD) were 57.9, 51.0, 49.0 and 55.0 degrees fahrenheit, respectively. In both cases, significantly lower average temperatures than typically experienced in the South Coast Air Basin.

Furthermore, staff believes that extending the wood-burning season may inadvertently increase PM_{2.5} emissions. Governor Newsom's 2019 Executive Order N-16-19 is designed to reduce fuel loads through prescribed burns in a controlled manner. Prescribed burns are allowed on days where no exceedances are forecast under Rule 444 - Open Burning. Residential No-Burn days also trigger a prohibition on prescribed burns under 3,000 feet above mean sea level. An increase in the number of residential No-Burn days may create an undue burden on fire agencies and reduce the number of days suitable for prescribed burns, especially in the winter and early-spring months when prescribed burning is more common and atmospheric conditions are advantageous. A reduction in the prescribed burn acreage increases the potential of larger wildfires on No-Burn days due to higher fuel loads. This could lead to more exposure to PM_{2.5} during the No-Burn season and throughout the year. The mitigation of wildfires is not only critical to prevent excessive air pollution but also to prevent major economic loss and loss of life as evidenced by the 2019 Sandalwood wildfire in the area of Calimesa in Riverside county with an estimated 74 structures destroyed, 16 structures damaged, and 2 civilian fatalities. Staff also believes based on extensive experience with outreach that, a year round wood-burning season could result in a less effective program by de-sensitizing the public to such announcements.

Response to Comment 1-4

The only areas 3,000 ft or higher above mean sea level with large populations in the Basin are Idyllwild, Lake Arrowhead, and Big Bear. The only Federal Reference Method PM_{2.5} monitor located at 3,000 feet or higher above mean sea level in the South Coast Air Basin is in Big Bear. This monitor is well below the 24-hour PM_{2.5} standards. On days when meteorology is favorable for high PM_{2.5} concentrations, these areas are all downwind of monitors that do not attain the 24-hour or annual standards. Therefore, these areas are not expected to contribute to exceedances of the 24-hour or annual standards.

Response to Comment 1-5

Appendix VI-A: RACM/BACM Demonstration of the 2016 AQMP provides an analysis of why lowering the contingency threshold to 20 µg/m³ is more stringent than comparable existing programs in other jurisdictions. The SJVAPCD provision in Rule 4901 for episodic curtailment thresholds implements a two-tiered curtailment program. During a Level One Curtailment, which is triggered when PM_{2.5} concentrations are forecast to be between 20 and 65 µg/m³, operation of a wood-burning fireplace or an unregistered wood-burning heater is prohibited while properly operated wood-burning heaters that meet certification requirements (U.S. EPA Phase II-certified or equivalent) and have a current registration with SJVAPCD may be used. Only during a Level Two Curtailment, which is triggered when the 24-hour average PM_{2.5} concentration is forecast to be above 65 µg/m³ or PM₁₀ > 135 µg/m³, is operation of any wood-burning device prohibited. In contrast, South Coast AQMD Rule 445 wood-burning curtailment is mandatory whenever ambient PM_{2.5} concentrations are forecast to exceed 30 µg/m³. PAR 445 would also extend the No-Burn

ban to Basin-wide in all cases while the SJVUAPCD No-Burn thresholds are county based. The SCAQMD curtailment threshold applies to all solid fuel devices, including wood-based residential cooking devices regardless of certification. In 2016, 2017, 2018, and 20182019 PM2.5 24-hour average values in the Basin ~~did not exceed~~ 65 $\mu\text{g}/\text{m}^3$, on average less than two days during the wood-burning season and hence, ~~no~~ an insignificant number of Level Two Curtailments would have been called if SJVAPCD's two-tiered program had been implemented in the Basin, leading to an increase in ambient PM2.5 emissions. A two-tiered system as adopted in the SJVAPCD would also likely be unenforceable, since it would require staff to identify and monitor the use of a disparate population of devices. South Coast AQMDs current approach is more stringent and readily enforceable in that no wood-burning device may operate based on a single forecast threshold of 30 $\mu\text{g}/\text{m}^3$.

Response to Comment 1-6

The staff report associated with the SJVAPCD Rule 4901 June 20, 2019 rulemaking addressing compliance upon property sale or transfer states that “during the sale or transfer of all residential properties, the seller submit verification of compliance to the buyer and the District that wood-burning heaters on the property are compliant or exempt at the time of heater purchase/install or such devices have been rendered permanently inoperable.” As such this provision would only apply to wood-burning heaters and those that were not compliant at the time of purchase/install. Also as stated in Response 1-2, staff would not have the resources for the magnitude of a residential level program designed to ensure compliance with such a mandate, in the Basin. In addition, staff has faced strong resistance from trade and building association groups as well as realtor associations, to implementation of such a program, including the high cost of mandating and enforcing such a program. We also do not believe that such a provision is warranted given the clear downward trend in Basin-wide ambient PM2.5 concentrations and our estimates that the proposed amendments are sufficient to attain the standard.

Response to Comment 1-7

Households currently exempt from Rule 445 requirements include the following: where there is no existing infrastructure for natural gas service within 150 feet of the property line; locations 3,000 feet or more above mean sea level; requiring all wood-burning devices be U.S. EPA certified or equivalent when selling or transferring an existing development including Historical sites; low-income households; and sole source of heat. The exemption for wood-based fuel intended for the cooking, smoking, or flavoring of food is solely for the No-Burn advisory labeling. Ceremonial fires are regulated pursuant to the provisions of Rule 444 – Open Burning.

As discussed in Table 4, certified wood-burning heaters can range in price anywhere from \$2,000 to \$8,000 per unit and require professional installation. This would be a significant financial hardship for low income households and also those not within 150 feet of natural gas service or where the unit is the sole source of heat (which are generally located in more rural and economically disadvantaged areas in the Basin). Natural gas service is generally available in the more densely populated regions of the Basin, so that with the number of units required to switch over this will likely not be a cost-effective requirement or a significant source of emissions reductions as detailed in Table 4. Also as stated in Table 4, staff is exploring ways to expand the existing Fireplace and Wood Stove Change Out incentive program to include additional zip codes. The program currently provides qualified applicants between \$200 to \$1,600 towards the purchase

and installation of an approved wood-burning or gaseous-fueled device that replaces an existing fireplace. Similarly, the number of historical sites is likely not a significant emissions source. Units at these sites are subject to No-Burn day requirements. There may also be regulatory impediments to non-conforming structural modifications at such sites, including replacement of wood-burning devices. As discussed in Response 1-4 wood-burning devices located 3,000 feet or higher above mean sea level are not a significant source for attainment of the PM2.5 standards in the Basin. Response 1-2 details why a sale or transfer requirement for wood-burning devices would be unenforceable in the Basin.

Comment Email #2

Mary Giacoletti
mpowergiacoletti@gmail.com

March 11, 2020

Dear Mr. Pourzand,

I appreciate all efforts made by the AQMD staff in what must be a tremendous effort to keep us from polluting ourselves into oblivion.

I am particularly interested in the pollution generated by wood-burning, and feel, in that regard, that the AQMD could, and should, take a stronger stand.

2-1

In a new book on what he prefers to call Global Pollution, a Canadian writer points out the primary need to deal with wood-as-fuel in developing countries. More urgent than anything else, he states with a certain logical insistence.

Zero in on California, a state of wealth and privilege, and mostly good weather, and what do we see? Almost every real estate ad emphasizes, underlines, the luxury of wood-burning fireplaces. The more desirable homes have two or three and a wood-fired outdoor barbecue pit. New, upscale hotels are proposed and leading the parade of their amenities is the wood-fired oven, kept stoked 24-7 by the equally upscale chef.

2-2

Have we become as deprived, in our own ignorance, as poverty-stricken Nigerians who have nothing else than the primitive fire by which to cook?

There are few things more polluting than wood smoke. Two things, actually. Green waste smoke and dung-burning smoke. Coal is a bit cleaner.

2-3

The proposed amendments are too weak. Too weak for health. Too weak for common sense. I realize that there is an ardent wood-burning population out there and that you fear stepping on the toes of liberty. The first liberty, however, is to breathe.

2-4

On behalf of all those who want to breathe, whether they know it or not, I suggest the following:

1. Upon the sale of any property that uses a wood-burning device, replace device(s) with an equivalent natural gas device.
2. Have no exemptions, such as low-income, 3000 feet, ceremonial, no natural gas (there is electric, solar). Everyone should have equal responsibility for keeping the air clean.

2-5

2-6

- | | | |
|--|---|------|
| 3. Follow the saner standards of the Bay Area with a year-round wood-burning curtailing, and that of the San Joaquin Valley with a No-Burn threshold level of 20 micro-grams per cubic meter, not the proposed 29. |] | 2-7 |
| 4. Educate the children, so that eventually we will have no gratuitous burning. |] | 2-8 |
| 5. Discard the cowardly word "ambience," behind which hides a ton of harm. (Actually 4.944 tons a day.) |] | 2-9 |
| 6. Seasoned, treated, oil-coated, pine cones, garbage: How can anyone know for sure who is burning what? |] | 2-10 |
| 7. The amount of smoke to which Californians are being exposed should simply not be allowed. |] | 2-11 |
| Thank you for allowing me to comment. |] | 2-11 |

Mary Giacoletti 9349 Jasper Way, San Simeon, CA 93452
 (805) 215-0003 mpowergiacoletti@gmail.com

Response to Comment 2-1

Thank you for your recognition regarding our efforts to reduce ambient PM2.5 concentrations. The proposed amendments are designed to achieve further emission reductions as we work toward attainment with the 2006 hourly and 2012 annual health based National Ambient Air Quality Standards (NAAQS) in the South Coast Air Basin. Regarding wood-as-fuel in developing countries our rulemaking is limited to the jurisdiction of the South Coast AQMD.

Response to Comment 2-2

In regards to new developments within the South Coast Air Basin, Rule 445 generally prohibits the installation of residential indoor and outdoor wood-burning devices in new developments below 3,000 feet above mean sea level. For those communities above 3,000 feet, Rule 445 also limits the sale and installation of wood-burning devices to U.S. EPA Certified wood-burning heaters, pellet-fueled wood-burning heaters, masonry heaters, or dedicated gaseous-fueled fireplaces which are cleaner or as clean burning as the existing device. These sale and installation provisions limit the proliferation of non-compliant wood-burning devices at all developments in the District, including existing developments.

Response to Comment 2-3

In order to avoid excess smoke/visible emissions Rule 445(d)(3) specifically prohibits the burning of any product not intended for use as a fuel and that is not seasoned wood.

Response to Comment 2-4

Numerous studies have been conducted on the link between exposure to ambient particulates and health risks. The PM2.5 NAAQS adopted by U.S. EPA are health protective based, and both the short-term exposure (24-hour average) and long-term exposure (annual average) PM2.5 standards have been revised downwards as the health science has evolved. Prior to the adoption of any rules or regulations the South Coast AQMD conducts extensive public outreach including public

noticing of meetings, working group and stake holder meetings, public workshops and consultation meetings, and committee meetings during which testimony is received from all stakeholders and interested parties. The South Coast AQMD Governing Board then takes appropriate action on the rule or regulation at a publicly held hearing on the matter. Adopted rules and regulations represent the most reasonable and cost-effective ways for achieving emissions reductions and compliance goals. Specifically with respect to PAR 445, these amendments will help South Coast AQMD to reduce PM emissions to a level that is at or below the national air quality standard, a standard which is set to be health-protective.

Response to Comment 2-5

See response to comment 1-2.

Response to Comment 2-6

See response to comment 1-4 regarding exemption of wood-burning devices located at 3,000 feet or higher above mean sea level. A total solar (off-the-grid) solution is likely not technically feasible for all households. An exemption is provided for low income households to avoid financial hardship. Ceremonial fires are covered under the provisions of Rule 444 – Open Burning.

Response to Comment 2-7

See responses to comments 1-3 and 1-5.

Response to Comment 2-8

As detailed in the staff report PM emission inventories have declined significantly within the last two decades. In addition, South Coast AQMD conducts extensive education and outreach. The Why Healthy Air Matters (WHAM) Program is South Coast AQMD's high school air quality education program. The WHAM Program utilizes Kids Making Sense®, a Science, Technology, Engineering and Math (STEM) based educational curriculum that teaches students about air quality issues. Also as discussed in the Executive Summary, staff conducts extensive outreach to ensure that the public and other stakeholders are aware of wood-burning curtailment requirements. In addition to the South Coast AQMD Check Before You Burn web page with program information including links and videos and the Check Before You Burn map, information regarding No-Burn days is disseminated through e-mail notifications and South Coast AQMD social media. There is also a Check-Before-You-Burn program toll-free informational phone number at 1-866-066-3293. For more information refer to the South Coast AQMD web address at: <http://www.aqmd.gov/home/programs/community/community-detail?title=check-before-you-burn>.

Response to Comment 2-9

Instances of unlawful burning, in the Basin, of products not intended to be used as a fuel should be reported to the South Coast AQMD. Complaints should be called in to 1-800-CUT-SMOG.

Response to Comment 2-10

Staff agrees and has endeavored to craft rules and regulations, including PAR 445 with provisions that significantly mitigate particulate matter and smoke emissions.

Response to Comment 2-11

Thank you for participating in the public process.

Comment Email #3

Mary Giacoletti
mpowergiacoletti@gmail.com

March 13, 2020

I should be clear it's not just fossil fuels. Burning anything, so it could be indoor pollution from cook stoves. It could be burning agricultural waste. It could be burning wood. It could be wildfire. Air pollution is strongly associated with people's risk of getting pneumonia and getting sicker when they do get pneumonia. We don't really have much in the way of evidence to show that connection with the COVID epidemics.

3-1

Given what we know now, it would be very surprising to find that air pollution didn't affect the risk of people either getting the disease or getting sicker when they do get the disease.

3-2

Why is that?

We **have lots of research that shows** that air pollution, particularly particulate matter air pollution, increases the risk of people getting sick with bacterial and viral pathogens that cause pneumonia, and that people who are exposed to more air pollution get sicker when they get exposed to those kinds of pathogens.

3-3

Sent from my iPhone

Response to Comment 3-1

South Coast AQMD has numerous rules and regulations for the control of air emissions from a variety of sources including agricultural, commercial cooking and other sources of air contaminants. See <http://www.aqmd.gov/home/rules-compliance/rules> for specific information. Health studies have shown a significant association between exposure to particle pollution and health risks, including premature death. The proposed amendments are designed to reduce PM2.5 air pollution and thereby decrease health impacts.

Response to Comment 3-2

As detailed in this report, the NAAQS for PM are based on numerous health studies, including those that evaluate PM2.5 impacts on infection risk, and how people with existing respiratory diseases may be more susceptible to the negative health effects of PM2.5. The objective of the proposed amendments is to further reduce ambient PM2.5 levels to help in attaining these health-based standards and improve public health outcomes.

Response to Comment 3-3

See response to comment 3-2-

ATTACHMENT G



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 445 – WOOD-BURNING DEVICES

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (South Coast AQMD), as Lead Agency, has prepared a Notice of Exemption pursuant to CEQA Guidelines Section 15062 – Notice of Exemption for the project identified above.

To satisfy United States Environmental Protection Agency (U.S. EPA) contingency measure requirements in accordance with the emission reduction strategy in the South Coast AQMD's 2016 Air Quality Management Plan Control Measure BCM-09 – Further Emission Reductions From Wood-Burning Fireplaces and Wood Stoves, amendments to Rule 445 are proposed that would: 1) automatically and incrementally lower the threshold limit for declaring a wood-burning curtailment (No-Burn day) for the entire South Coast Air Basin (Basin) for each subsequent final determination by the U.S. EPA of a failure to meet an applicable Clean Air Act milestone; and 2) reduce ambient emissions of particulate matter with an aerodynamic diameter of 2.5 microns or less (PM_{2.5}) by expanding the criteria for Basin-wide No-Burn days. Other minor proposed amendments include additional definitions of terms used in the rule, and revisions to improve rule implementation and clarify existing requirements.

The proposed project has been reviewed 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. Since Proposed Amended Rule 445 is comprised of administrative amendments that codify an existing South Coast AQMD practice and would not cause any physical changes that would adversely affect any environmental topic area, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. In addition, the proposed project is considered an action to protect or enhance the environment pursuant to CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment. Further, there is no substantial evidence indicating that any of the exceptions to the categorical exemption apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions. If the project is approved, this Notice of Exemption will be electronically filed with the State Clearinghouse to be posted on their CEQAnet Web Portal. Once the Notice of Exemption is posted, members of the public may access it via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, this Notice of Exemption will be electronically posted on the South Coast AQMD's webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notices/ceqa-notices/notices-of-exemption/noe---year-2020>. The electronic filing and posting of the Notice of Exemption is being implemented in accordance with Governor Newsom's Executive Order N-54-20 issued on April 22, 2020 for the State of Emergency in California as a result of the threat of COVID-19.

Any questions regarding this Notice of Exemption should be directed to Ryan Bañuelos (c/o Planning, Rule Development and Area Sources) at the above address or at (909) 396-3479. Any questions regarding Proposed Amended Rule 445 should be directed to Henry Pourzand at (909) 396-2414.

Date: May 1, 2020

Signature: _____

A handwritten signature in black ink, appearing to read "Barbara Radlein", written over a horizontal line.

Barbara Radlein
Program Supervisor, CEQA
Planning, Rule Development, and Area Sources

**NOTICE OF EXEMPTION FROM THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

To: Governor's Office of Planning and Research -
State Clearinghouse
1400 Tenth St, Suite 222
Sacramento, CA 95814-5502

From: South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Project Title: Proposed Amended Rule 445 – Wood-Burning Devices

Project Location: The project location is the portion within the South Coast Air Quality Management District (South Coast AQMD) jurisdiction which includes the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties).

Description of Nature, Purpose, and Beneficiaries of Project: To satisfy United States Environmental Protection Agency (U.S. EPA) contingency measure requirements in accordance with the emission reduction strategy in the South Coast AQMD's 2016 Air Quality Management Plan Control Measure BCM-09 – Further Emission Reductions From Wood-Burning Fireplaces and Wood Stoves, amendments to Rule 445 are proposed that would: 1) automatically and incrementally lower the threshold limit for declaring a wood-burning curtailment (No-Burn day) for the entire South Coast Air Basin (Basin) for each subsequent final determination by the U.S. EPA of a failure to meet an applicable Clean Air Act milestone; and 2) reduce ambient emissions of particulate matter with an aerodynamic diameter of 2.5 microns or less (PM_{2.5}) by expanding the criteria for Basin-wide No-Burn days. Other minor proposed amendments include additional definitions of terms used in the rule, and revisions to improve rule implementation and clarify existing requirements.

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) – Common Sense Exemption

CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment

Reasons why project is exempt: Pursuant to the California Environmental Quality Act (CEQA), South Coast AQMD, as Lead Agency, has reviewed Proposed Amended Rule 445 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. Since Proposed Amended Rule 445 is comprised of administrative amendments that codify existing South Coast AQMD practice and would not cause any physical changes that would adversely affect any environmental topic area, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. In addition, the proposed project is considered an action to protect or enhance the environment pursuant to CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment. Further, there is no substantial evidence indicating that any of the exceptions to the categorical exemption apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions.

Date When Project Will Be Considered for Approval (subject to change):

South Coast AQMD Governing Board Hearing: June 5, 2020; South Coast AQMD Headquarters

CEQA Contact Person:	Phone Number:	Email:	Fax:
Mr. Ryan Bañuelos	(909) 396-3479	rbañuelos@aqmd.gov	(909) 396-3982

Rule Contact Person:	Phone Number:	Email:	Fax:
Mr. Henry Pourzand	(909) 396-2414	hpourzand@aqmd.gov	(909) 396-3324

Date Received for Filing: _____

Signature: _____

(Signed Upon Board Approval)

Barbara Radlein
Program Supervisor, CEQA
Planning, Rule Development, and Area Sources



ATTACHMENT H

PROPOSED AMENDED RULE (PAR) 445 WOOD-BURNING DEVICES

Governing Board Meeting

June 5, 2020

Rule 445 – Wood-Burning Devices

- Applies to residential fireplaces or wood-burning stoves
- Intended to help reduce ambient fine particulate (PM_{2.5}) levels
 - ▶ Increased mortality
 - ▶ Cardiovascular and respiratory impacts
- Key to attainment of health based National Ambient Air Quality Standards (NAAQS)
 - ▶ Approximately 20% of area-wide PM_{2.5} is from wood-burning devices
 - ▶ Currently nonattainment for the 2012 annual and 2006 24-hour PM_{2.5} NAAQS

Requirements & Exemptions

Requirements

- New developments
- Existing devices
- Seasoned wood fuel
- Non-wood fuel burning prohibition
- Wood-burning curtailment

“No-Burn” day

- ▶ Unhealthful levels of ambient PM2.5 forecast
- ▶ Wood-burning prohibited
- ▶ Source Receptor Area or Basin-wide

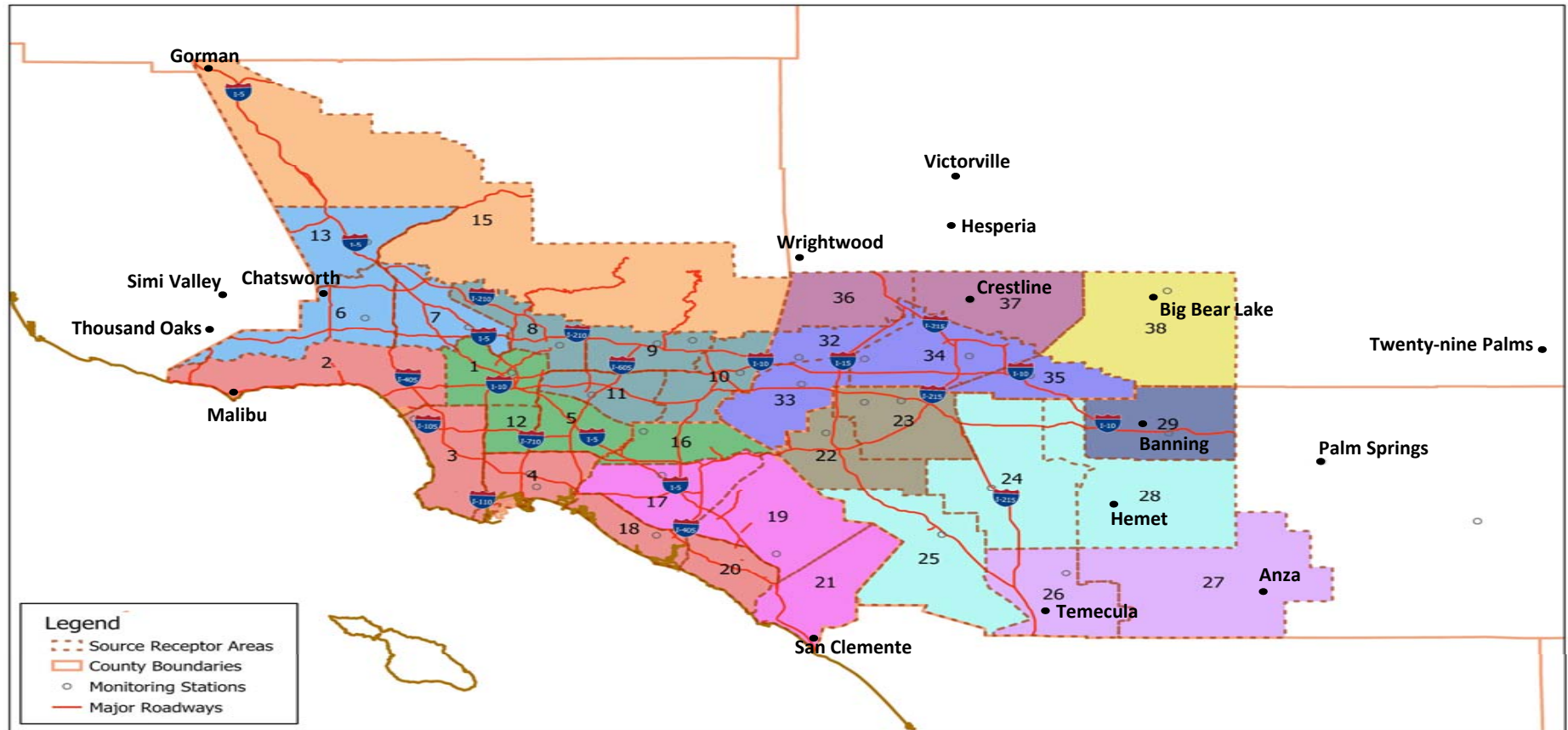
Exemptions

- Sole source of heat
- Low-income households
- No natural gas service within 150 feet
- $\geq 3,000$ feet above mean sea level
- Ceremonial Fires exempted under Rule 444 – Open Burning

Reason for Proposed Amendment

- Implement control contingency measure BCM-09 from 2016 AQMP
 - ▶ Further reduce PM2.5 emissions from wood-burning devices
- Address CAA contingency measure requirements for PM2.5
 - ▶ Requires specific measures in case of a failure to comply
 - ▶ Specified in 40 CFR Section 51.104(a)
- Proposed amendment would add contingency measures increasing number of No-Burn days

Basin-wide Source Receptor Areas (SRAs)



PM2.5 National Ambient Air Quality Standards (NAAQS)

- Health based revisions

Adopted	Standard	Measuring Period	South Coast AQMD Status
1997	65 $\mu\text{g}/\text{m}^3$	24-Hour Average	Attained
	15 $\mu\text{g}/\text{m}^3$	Annual Average	
2006	35 $\mu\text{g}/\text{m}^3$	24-Hour Average	Attainment Due December 31, 2019
2012	12 $\mu\text{g}/\text{m}^3$	Annual Average	Attainment Due December 31, 2021

May not have been met by the deadline

Rule 445(c)(6) Current No-Burn Day Provision

- During wood-burning season – November through February
- Triggered when PM_{2.5} levels forecast > 30 $\mu\text{g}/\text{m}^3$ for a specific source/receptor area
- Applies Basin-wide if PM_{2.5} levels > 30 $\mu\text{g}/\text{m}^3$ predicted for a source/receptor area with monitoring data showing an exceedance of the 24-hour PM_{2.5} NAAQS in either of the two previous three year design value periods.

Proposed “No-Burn” Day Amendments

- Clarification that devices $\geq 3,000$ feet above mean sea level are exempt
- Clarification that the wood-burning season is November through February inclusive and not just winter
- If, any SRA forecast to exceed $30 \mu\text{g}/\text{m}^3$ during the wood-burning season, then Basin-wide No-Burn day declared
- Subsequent to a final determination by U.S. EPA of a failure to attain PM_{2.5} requirements pursuant to 40 CFR § 51.1014(a) No-Burn day threshold lowered according to subdivision (f)

Proposed Contingency Measures PAR 445(f)

- Mirrors requirements in 40 CFR §51.104(a)
- Upon a final determination by U.S. EPA that the Basin has failed to:
 - ▶ Meet any Reasonable Further Progress (RFP) requirement;
 - ▶ Meet any Quantitative Milestone;
 - ▶ Submit a Quantitative Milestone report; or
 - ▶ Attain the applicable PM_{2.5} NAAQS by the deadline
- Triggers incremental reduction in No-Burn threshold as follows:
 - 29 $\mu\text{g}/\text{m}^3$ for any failure;
 - 28 $\mu\text{g}/\text{m}^3$ for a second failure;
 - 27 $\mu\text{g}/\text{m}^3$ for a third failure; and
 - 26 $\mu\text{g}/\text{m}^3$ for a fourth failure

Estimated PM_{2.5} Emission Reductions

No-Burn Day Threshold Mandatory Basin-wide Curtailment ($\mu\text{g}/\text{m}^3$)	Total Additional Reductions Beyond Current Rule (TPY)
30	25.4
29	46.3
28	67.1
27	81.0
26	100.1

Recommended Actions

- Determine that the proposed amendments to Rule 445 – Wood-Burning Devices, are exempt from the requirements of the California Environmental Quality Act; and
- Amend Rule 445 – Wood-Burning Devices

[↑ Back to Agenda](#)

BOARD MEETING DATE: June 5, 2020

AGENDA NO. 27

PROPOSAL: Determine That Proposed Amendments to Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces, Are Exempt from CEQA and Amend Rule 1117

SYNOPSIS: The adoption Resolution for the 2016 AQMP directed staff to achieve additional NO_x reductions and to transition the RECLAIM program to a command-and-control regulatory structure as soon as practicable. Proposed Amended Rule (PAR) 1117 applies to container glass and sodium silicate production facilities. PAR 1117 will establish NO_x and SO_x emission standards for container glass melting and sodium silicate furnaces, update monitoring, reporting, and recordkeeping requirements, establish provisions for idling, startup, and shutdown of these furnaces, and remove obsolete provisions. PAR 1117 also includes NO_x emission limits for auxiliary combustion equipment associated with container glass melting operations.

COMMITTEE: Stationary Source, April 17, 2020, Reviewed

RECOMMENDED ACTIONS:

Adopt the attached Resolution:

1. Determining that the proposed amendments to Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces, are exempt from the requirements of the California Environmental Quality Act; and
2. Amending Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces.

Wayne Natri
Executive Officer

Background

Rule 1117 - Emissions from Oxides of Nitrogen from Glass Melting Furnaces was adopted on February 5, 1982 and was amended once on January 6, 1984. Rule 1117 established NO_x emission limits for glass melting furnaces. Facilities in the NO_x RECLAIM program are currently exempt from the NO_x emission limits in Rule 1117.

During the adoption of the 2016 AQMP, the Resolution directed staff to modify Control Measure CMB-05 to achieve an additional five tons per day of NO_x emission reductions and to transition the NO_x RECLAIM program to a command-and-control regulatory structure requiring BARCT as soon as practicable, but no later than 2025. In addition, California State Assembly Bill (AB) 617, which was approved in July 2017, requires that BARCT be implemented for facilities in the state greenhouse gas cap-and-trade program by December 31, 2023. As facilities transition out of NO_x RECLAIM, a command-and-control rule that establishes BARCT emission limits will be needed for facilities conducting glass melting and sodium silicate operations.

PAR 1117 is a command-and-control rule for RECLAIM facilities that operate container glass melting furnaces and associated combustion equipment, and sodium silicate furnaces. Two RECLAIM facilities that will be covered by PAR 1117 include: one container glass manufacturer and one sodium silicate manufacturer. The proposed emission limits reflect current operations at these facilities, so no additional control equipment or additional costs associated with implementing PAR 1117 are expected. Equipment at these two facilities will be required to meet a NO_x and SO_x emission standard for furnaces and associated combustion equipment, and monitoring, reporting, and recordkeeping requirements contained in PAR 1117. In addition, PAR 1117 will address operational concerns related to idling, startup, and shutdown of container glass melting and sodium silicate furnaces. Existing provisions that are no longer applicable will be removed.

Public Process

The development of PAR 1117 was conducted through a public process. One working group meeting was held on August 1, 2019, at which facility representatives, along with other interested parties, were in attendance.

As part of this rulemaking process, staff had numerous individual meetings with affected stakeholders and conducted multiple site visits at both facilities. Since this rule affects only two facilities, staff determined that it would be more beneficial and efficient to address specific issues with the facilities individually in lieu of conducting multiple working group meetings. A Public Workshop was held on March 19, 2020 via videoconference.

Proposed Amendments

PAR 1117 establishes NO_x and SO_x emission limits that are representative of BARCT for container glass melting furnaces and associated combustion equipment, and sodium silicate furnaces. In response to the 2015 BARCT shave of the NO_x RECLAIM allocations, both facilities installed air pollution control equipment on their furnaces in 2017. The container glass facility installed a combination of oxy-fueled burners and a ceramic catalyst filtration system and the sodium silicate facility installed a ceramic catalyst filtration system. As a result, the BARCT analysis was based on the emission limits achieved by both of these facilities as they are the lowest emission limits for container glass melting and sodium silicate furnaces in the nation. PAR 1117 establishes a NO_x emission standard of 0.75 lb. of NO_x per ton of glass pulled on a rolling 30-day average for container glass melting furnaces and 0.50 lb. of NO_x per ton of product pulled on a rolling 30-day average for sodium silicate furnaces, as well as a SO_x emission standard of 1.1 lbs. of SO_x per ton of material pulled on a rolling 30-day average for both container glass melting and sodium silicate furnaces. A rolling 30-day averaging meets the industry standard for this type of operation and it also provides an adequate period of time for facilities to address operational variability. Consistent with NO_x emission limits established by Rule 1147 – NO_x Reduction from Miscellaneous Sources for similar equipment, PAR 1117 also establishes a NO_x emission standard of 30 ppmvd NO_x at 3% O₂ or 0.036 lb. per MMBTU of heat input for auxiliary combustion equipment associated with container glass furnaces.

PAR 1117 also includes provisions to reduce emissions from idling, startup, and shutdown of furnaces that takes into consideration the size, operational needs, and limitations of the pollution control technology. PAR 1117 revises definitions, updates monitoring, reporting, and recordkeeping requirements, removes obsolete requirements, and adds provisions to improve clarity.

Emission Reductions

Based on a baseline of 0.72 tons per day in 2016, implementation of PAR 1117 would result in the reduction of NO_x emissions by 0.57 tons per day based on the pollution controls installed at both facilities. The NO_x emission reductions will be submitted into the State Implementation Plan since the two facilities are currently subject to RECLAIM and will now be subject to a new command-and-control emission limit. PAR 1117 would not impose a more stringent SO_x limit than is already required to be achieved.

Key Issues

Throughout the rulemaking process, staff has worked closely with stakeholders to address their comments and issues regarding the proposed emission standards, averaging times, monitoring, reporting, and recordkeeping requirements, and emissions testing requirements. Staff is not aware of any remaining key issues.

California Environmental Quality Act

Proposed Amended Rule 1117 has been reviewed pursuant to California Environmental Quality Act (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. The proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption and is included as Attachment H to this Board letter. If the project is approved, the Notice of Exemption will be electronically filed with the State Clearinghouse to be posted on their CEQAnet Web Portal. Once the Notice of Exemption is posted, members of the public may access it via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, the Notice of Exemption will be electronically posted on the South Coast AQMD’s webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notices/ceqa-notices/notices-of-exemption/noe---year-2020>. The electronic filing and posting of the Notice of Exemption is being implemented in accordance with Governor Newsom’s Executive Order N-54-20 issued on April 22, 2020 for the State of Emergency in California as a result of the threat of COVID-19.

Socioeconomic Analysis

Based on cost data provided by the affected facilities, the cost-effectiveness for installation of pollution controls that meet the NO_x limits of PAR 1117 is \$22,700 per ton of NO_x reduced. The cost-effectiveness reflects the cost previously incurred by the facilities when new pollution control equipment was installed in 2017. Since both facilities have already installed pollution controls on their furnaces and PAR 1117 allows the glass melting facility to meet the NO_x emission limit for their auxiliary combustion equipment when the burners are replaced, there are no additional costs associated with implementing PAR 1117. As a result, no socioeconomic analysis is required under California Health and Safety Code Sections 40440.8 and 40728.5.

AQMP and Legal Mandates

Pursuant to Health & Safety Code Section 40460 (a), the South Coast AQMD is required to adopt an AQMP demonstrating compliance with all federal regulations and standards. The South Coast AQMD is required to adopt rules and regulations that carry out the objectives of the AQMP. PAR 1117 will partially implement control measure CMB-05 – Further NO_x Reductions from RECLAIM Assessment in the 2016 AQMP, will recognize 0.57 tons per day of NO_x emissions, and is needed to help facilitate the transition of the NO_x RECLAIM program to a command-and-control regulatory structure.

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 1117
- G. Final Staff Report
- H. Notice of Exemption
- I. Board Meeting Presentation

ATTACHMENT A

SUMMARY OF PROPOSAL

Proposed Amended Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces

Applicability

- Applies to facilities that operate container glass melting furnaces or sodium silicate furnaces

Emissions Limits

- 0.75 lb of NO_x per ton of glass pulled for container glass melting furnaces based on a rolling 30-day average;
- 0.50 lb of NO_x per ton of product pulled for sodium silicate furnaces based on a rolling 30-day average;
- 1.1 lbs of SO_x per ton of material pulled for container glass melting and sodium silicate furnaces based on a rolling 30-day average; and
- 30 ppmvd NO_x at 3% O₂ or 0.036 lb per MMBTU of heat input for auxiliary combustion equipment associated with container glass furnaces

Idling, Startup, and Shutdown

- A furnace shall not be operated for more than:
 - 240 consecutive hours per event and 960 cumulative hours in any rolling 365-day period during periods of idling;
 - 720 hours per startup period; and
 - 240 hours per shutdown period
- Emissions control equipment to be used when furnace exhaust gas temperature is greater than or equal to 450° F

Monitoring, Reporting, and Recordkeeping

- Maintain daily records of operation time, quantity of product, and pollutant mass emission rates
- For RECLAIM facilities, continue monitoring, reporting, and recordkeeping pursuant to the requirements of Regulation XX, until the facility becomes a Former RECLAIM facility

Exemptions

- Reduces production level required to qualify for exemption from less than or equal to 15 lbs per hour of NO_x to less than 100 tons of product pulled per calendar year

ATTACHMENT B

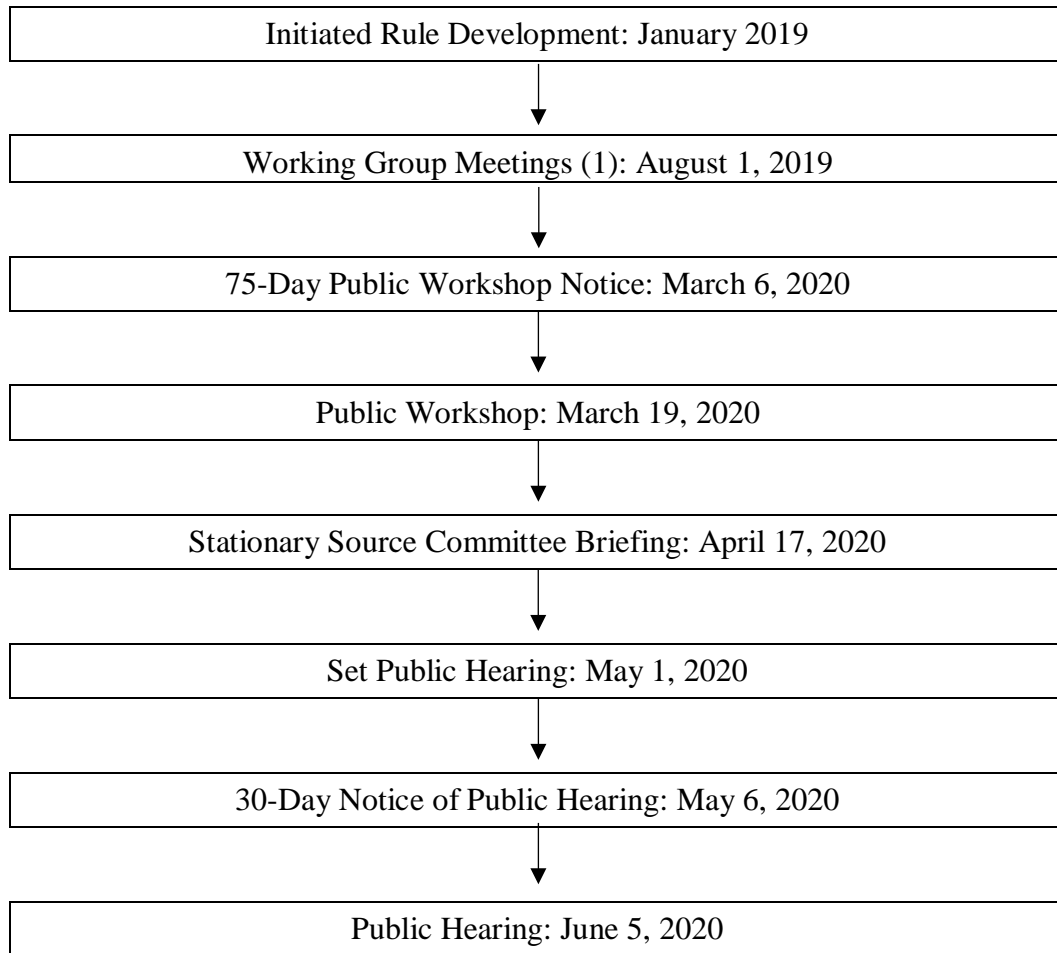
KEY ISSUES AND RESPONSES

Proposed Amended Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces

Throughout the rulemaking process, staff has worked closely with stakeholders from the two affected facilities and with various other stakeholders to address their comments and resolve any key issues. Staff is not aware of any remaining key issues.

**ATTACHMENT C
RULE DEVELOPMENT PROCESS**

Proposed Amended Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate
Furnaces



Seventeen (17) months spent in rule development.

One (1) Public Workshop.

One (1) Stationary Source Committee Meeting.

One (1) Working Group Meeting.

ATTACHMENT D

KEY CONTACTS LIST

Proposed Amended Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces
(listed alphabetically)

- Fives Group
- Latham & Watkins, LLP
- Owens-Illinois
- PQ Corporation
- Tri-Mer Corporation
- U.S. EPA

ATTACHMENT E

RESOLUTION NO. 20-____

A Resolution of the Governing Board of the South Coast Air Quality Management District (South Coast AQMD) determining that Proposed Amended Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces, is exempt from the requirements of the California Environmental Quality Act (CEQA).

A Resolution of the South Coast AQMD Governing Board amending Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces.

WHEREAS, the South Coast AQMD Governing Board finds and determines that Proposed Amended Rule 1117 is considered a “project” pursuant to CEQA per 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 South Coast AQMD has had its regulatory program certified pursuant to Public Resources Code Section 21080.5 and CEQA Guidelines Section 15251(l) and has conducted a CEQA review and analysis of Proposed Amended Rule 1117 pursuant to such program (South Coast AQMD Rule 110); and

WHEREAS, the South Coast AQMD Governing Board finds and determines 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 1117 is exempt from CEQA; and

WHEREAS, the South Coast AQMD Governing Board finds and determines that, because the proposed project would not cause any physical changes that would affect any environment topic area, it can be seen with certainty that there is no possibility that Proposed Amended Rule 1117 may have any significant effects on the environment, and is therefore exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption; and

WHEREAS, the South Coast AQMD staff has prepared a Notice of Exemption for Proposed Amended Rule 1117 that is completed in compliance with CEQA Guidelines Section 15062 – Notice of Exemption; and

WHEREAS, the South Coast AQMD staff conducted a public workshop on March 19, 2020 regarding Proposed Amended Rule 1117; and

WHEREAS, Proposed Amended Rule 1117 and supporting documentation, including but not limited to, the Notice of Exemption and Final Staff Report, were presented to the South Coast AQMD Governing Board and the South Coast AQMD Governing Board has reviewed and considered this information, as well as has taken and considered staff testimony and public comment prior to approving the project; and

WHEREAS, the South Coast AQMD 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 any modifications to Proposed Amended Rule 1117 since the notice of public hearing was published, are not so substantial as to significantly affect the meaning of the proposed amended rule 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 rule, (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 Rule 1117 is exempt from CEQA; and

WHEREAS, Proposed Amended Rule 1117 will 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 South Coast AQMD 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 Final Staff Report; and

WHEREAS, the South Coast AQMD Governing Board has determined that a need exists to amend Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces to continue with the transition of facilities in the RECLAIM program to a command-and-control regulatory structure by establishing Best Available Retrofit Control Technology (BARCT) to meet the commitments of Control Measure CMB-05 of the Final 2016 Air Quality Management Plan; and

WHEREAS, the South Coast AQMD Governing Board obtains its authority to adopt, amend, or repeal rules and regulations from Sections 39002, 40000, 40001, 40440, 40702, 40725 through 40728, 41508, and 41700 of the Health and Safety Code; and

WHEREAS, the South Coast AQMD Governing Board finds that there is an ozone problem that Proposed Amended Rule 1117 will alleviate and will promote the attainment or maintenance of state or federal ambient air quality standards; and

WHEREAS, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 1117 is written and displayed so that its meaning can be easily understood by persons directly affected by it; and

WHEREAS, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 1117 is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations; and

WHEREAS, the South Coast AQMD Governing Board has determined that Proposed Amended Rule 1117 does not impose the same requirements as any existing state or federal regulations, and the proposed amended rule is necessary and proper to execute the powers and duties granted to, and imposed upon, the South Coast AQMD; and

WHEREAS, the South Coast AQMD Governing Board, in amending Rule 1117, references the following statute which the South Coast AQMD hereby implements, interprets or makes specific: Assembly Bill 617, Health and Safety Code Sections 39002, 40001, 40702, 40440(a), and 40725 through 40728.5; and

WHEREAS, Health and Safety Code Section 40727.2 requires the South Coast AQMD to prepare a written analysis of existing federal air pollution control requirements applicable to the same source type being regulated whenever it adopts, or amends a rule, and the South Coast AQMD's comparative analysis of Proposed Amended Rule 1117 is included in the Final Staff Report; and

WHEREAS, the South Coast AQMD Governing Board finds that Proposed Amended Rule 1117 does not significantly affect air quality or emissions limitations, and therefore a socioeconomic impact assessment, pursuant to Health and Safety Code Sections 40440.8, 40728.5, or 40920.6 is not required; and

WHEREAS, the public hearing has been properly noticed in accordance with all provisions of Health and Safety Code Section 40725; and

WHEREAS, the South Coast AQMD Governing Board has held a public hearing in accordance with all provisions of law; and

WHEREAS, the South Coast AQMD specifies the Planning and Rules Manager of Rule 1117 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

NOW, THEREFORE BE IT RESOLVED, that the South Coast AQMD Governing Board does hereby determine, pursuant to the authority granted by law, that Proposed Amended Rule 1117 is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. This information was presented to the South Coast AQMD Governing Board, whose members exercised their independent judgment and reviewed, considered and approved the information therein prior to acting on Proposed Amended Rule 1117; and

BE IT FURTHER RESOLVED, that the South Coast AQMD Governing Board does hereby adopt, pursuant to the authority granted by law, Proposed Amended Rule 1117 as set forth in the attached, and incorporated herein by reference; and

BE IT FURTHER RESOLVED, that the South Coast AQMD Governing Board requests that Proposed Amended Rule 1117 be submitted into the State Implementation Plan; and

BE IT FURTHER RESOLVED, that the Executive Officer is hereby directed to forward a copy of this Resolution and Proposed Amended Rule 1117 and supporting documentation to the California Air Resources Board for approval and subsequently submitted to the U.S. Environmental Protection Agency for inclusion into the State Implementation Plan.

DATE: _____

CLERK OF THE BOARDS

ATTACHMENT F

(Adopted February 5, 1982)(Amended January 6, 1984)(PAR 1117 June 5, 2020)

PROPOSED AMENDED RULE 1117 EMISSIONS OF OXIDES OF NITROGEN FROM CONTAINER GLASS MELTING AND SODIUM SILICATE FURNACES

(a) Purpose

The purpose of this rule is to limit emissions of Oxides of Nitrogen (NOx) and Oxides of Sulfur (SOx) from facilities producing container glass and sodium silicate.

(b) Applicability

The provisions of this rule shall apply to the owner or operator of a RECLAIM facility or Former RECLAIM facility that operates a container glass melting furnace and associated auxiliary combustion equipment or that operates a sodium silicate furnace.

(a)(c) Definitions

(1) AUXILIARY COMBUSTION EQUIPMENT means, for the purposes of this rule, any combustion equipment associated with the conveyance system or annealing equipment used in the container glass production process.

~~(1)~~ Container Glass CONTAINER GLASS MELTING FURNACE means any
2) furnace used to melt material in the production of food and beverage type containers manufactured by pressing, blowing in molds, drawing, rolling, or casting glass. Container glass does not include glass tableware or flat glass that is used in windows, windshields, plate glass, etc., which is produced by the float, sheet, rolled, or plate glass process.

(3) CULLET means recycled and scrap glass which is added to the formulation being charged to a container glass melting furnace.

(4) DAY means the continuous 24-hour period from 12:00 am through 11:59 pm.

~~(2)~~ Flat Glass means glass that is used in windows, windshields, plate glass, etc., and which is produced by the float, sheet, rolled, or plate glass process.

~~(3)~~ Pull is the term applied to the removal of glass from a glass melting furnace, generally expressed in tons.

~~(4)~~ Cullet is scrap glass which is added to the formulation being charged to a furnace.

(5) FORMER RECLAIM FACILITY means a facility, or any of its successors, that was in the Regional Clean Air Incentives Market as of January 5, 2018, as

- established in Regulation XX, that has received a final determination notification, and is no longer in the RECLAIM program.
- ~~(5)~~ Furnace-FURNACE is means, for the purpose of this rule, either a container glass
(6) melting furnace or sodium silicate furnace.
- ~~(6)~~ Furnace Rebuild is any change in furnace design configuration which requires a
change in the Permit to Operate.
- ~~(7)~~ Idling-IDLING is means the operation of a furnace at less than 25 percent of the
production capacity as stated on the Permit to Operate and where the furnace is
not undergoing startup or shutdown.
- ~~(8)~~ NOx EMISSIONS means the sum of nitric oxides and nitrogen dioxides emitted,
calculated as nitrogen dioxide.
- ~~(9)~~ PRODUCTION CAPACITY means a container glass or sodium silicate pull limit
found in a Permit to Operate for the applicable furnace.
- ~~(10)~~ PULL or PULLED means the amount of product produced by a furnace, expressed
in short tons per day.
- ~~(11)~~ RECLAIM FACILITY means a facility, or any of its successors, that was in the
Regional Clean Air Incentives Market as of January 5, 2018, as established in
Regulation XX.
- ~~(9)~~ ShutdownSHUTDOWN is means that period of time during which a furnace is
12) allowed to cool from operating temperatures to a lower furnace temperature below
200°F.
- ~~(13)~~ SODIUM SILICATE FURNACE means any furnace used to melt material in the
production of various water-soluble substances obtained in the form of crystals,
glasses, powders, or aqueous solutions, used in a variety of industrial and
consumer products.
- ~~(14)~~ SOx EMISSIONS means sulfur dioxides emitted.
- ~~(8)~~ Start-upSTARTUP is means that period of time during which a furnace is heated
15) to operating temperatures from a lower furnace temperature below 200°F.
- ~~(9)~~ Shutdown is that period of time during which a furnace is allowed to cool from
operating temperature to a lower temperature.

- (10) ~~Energy Recovery is the use of waste heat from a permit unit in another permit unit on the same premises so that at least five percent of the total waste heat is recovered for useful purposes at the first stage of heat transfer.~~

~~(b)~~(d) Requirements

~~2~~

- (1) ~~After December 31, 1987, no person shall operate a furnace capable of discharging nitrogen oxides into the atmosphere unless such discharge of nitrogen oxides into the atmosphere is limited to no more than 5.5 pounds of nitrogen oxides per ton of glass pulled.~~
- (2) ~~After December 31, 1992, no person shall operate a furnace capable of discharging nitrogen oxides into the atmosphere unless such discharge of nitrogen oxides into the atmosphere is limited to no more than 4.0 pounds of nitrogen oxides per ton of glass pulled.~~
- (3) ~~The requirements of paragraphs (b)(1) and (b)(2) shall not apply to furnaces which comply with an alternative emissions control plan which satisfies all of the following requirements:~~
- (A) ~~The maximum emission of any air contaminant in any 24 hour period shall not exceed the emission of such air contaminant if the furnaces complied with (b)(1) and (b)(2).~~
- (B) ~~The furnaces are located within the same premises.~~
- (C) ~~Prior to its implementation, the control plan shall be approved, in writing, by the Executive Officer.~~
- (D) ~~The control plan shall be enforceable by the District and shall include methods acceptable to the Executive Officer for demonstrating compliance with the control plan on a daily basis.~~
- (E) ~~Continuous NOx monitors shall be required for each furnace included in a control plan.~~
- (F) ~~A modified alternative emission control plan shall be required prior to modification of any permit units subject to alternative emission control, or upon amendment of this rule. Such plan shall not include credit for those reductions required by amendments to this rule.~~

- (G) ~~The Permits to Operate for the equipment described in the control plan shall be surrendered and cancelled at the time new Permits to Construct or Operate are issued. Such new permits shall not be effective unless surrender of such existing permits has been made. If such new permits are denied, the existing permits surrendered pursuant to this section shall be reissued and restored to the same conditions which were applicable to the original permits prior to their surrender. The Executive Officer shall impose written conditions on any permits specifying emissions limits or other conditions as necessary.~~
- (H) ~~The person submitting the control plan shall maintain such records (for a period of two years) and submit such information on furnace operation, source tests, monitoring data, and other information as required by the Executive Officer to determine compliance with the control plan.~~
- (4) ~~For installations using energy recovery, the NO_x emission limit shall be based on the following equation:~~
- $$\text{Energy Recovery Based NO}_x \text{ Emission Limit} = \text{Emission Limit} \times A$$
- ~~Where: Emission Limit = lbs NO_x/ton of glass pulled per paragraphs (b)(1) and (b)(2)~~
- $$A = 1 + \frac{\text{Energy Recovered (BTU/hr)}}{\text{Furnace Heat Input (BTU/hr)}}$$
- (5) ~~The energy recovered shall not be required for compliance with any other District Rule, used as an offset pursuant to Regulation XIII, banked as an emission reduction credit, nor used for alternative emission control pursuant to paragraph (b)(3).~~
- (6) ~~Furnace heat input shall be based on the higher heating value of the fossil fuel fired and shall include the heat input due to electric boost.~~
- (1) Except during periods of idling, startup, or shutdown, the owner or operator of a container glass melting furnace shall not operate a furnace in a manner that exceeds:

- (A) 0.75 pound of NO_x per ton of glass pulled, averaged over a rolling 30-day period; and
 - (B) 1.1 pounds of SO_x per ton of glass pulled, averaged over a rolling 30-day period.
- (2) Except during periods of idling, startup, or shutdown, the owner or operator of a sodium silicate furnace shall not operate a furnace in a manner that exceeds:
- (A) 0.50 pound of NO_x per ton of product pulled, averaged over a rolling 30-day period; and
 - (B) 1.1 pounds of SO_x per ton of product pulled, averaged over a rolling 30-day period, if not fired on 100% natural gas.
- (3) Except when the exhaust emission control is in operation, the owner or operator shall not operate a furnace for more than:
- (A) 240 consecutive hours per event and 960 cumulative hours in any rolling 365-day period during periods of idling;
 - (B) 720 hours per startup period; and
 - (C) 240 hours per shutdown period.
- (4) During operation of a furnace including periods of idling, startup, or shutdown, the owner or operator of a furnace shall maintain in operation any exhaust emission control systems, including the injection of any associated chemical reagent into the exhaust stream to control NO_x, if the temperature of the gas to the inlet of the emission control system is greater than or equal to 450° F.
- (5) On or before [15 years after Date of Amendment], the owner or operator of a container glass facility shall not operate the auxiliary combustion equipment used in the manufacture of container glass, that exceeds a NO_x emission limit of 30 ppmvd at 3% O₂, dry or 0.036 lb/MMBTU heat input.

~~(e)~~(e) Compliance Determination

The owner or operator of a container glass melting furnace or sodium silicate furnace shall:

- (1) ~~For the purposes of this rule, nitrogen oxides shall be calculated as NO₂ on a dry basis, or by an alternative method requested by the operator and approved by the Executive Officer.~~

- ~~(2) All emission determinations shall be made in the as found operating condition, except no compliance determination shall be made during, startup, or shutdown, or under breakdown conditions.~~
- (1) Excluding emissions during periods of idling, startup or shutdowns, determine compliance with the emission limits in paragraphs (d)(1) and (d)(2) on a rolling 30-day average using a Continuous Emissions Monitoring System (CEMS), except if a furnace operates for fewer than 30 days, then compliance with the emission limits in paragraphs (d)(1) and (d)(2) will be determined based on the average for the actual days of operation. A facility owner or operator shall comply with the applicable monitoring, reporting, and recordkeeping requirements specified in:
 - (A) Rules 2011 and 2012 for RECLAIM facilities; or
 - (B) Rules 218 and 218.1 for former RECLAIM facilities.
- (2) Determine compliance with the NOx emission limits in paragraph (d)(5) for auxiliary combustion equipment by:
 - (A) Conducting a source test of the equipment per South Coast AQMD Method 100.1; or
 - (B) Providing certification from the original equipment manufacturer that the equipment is designed to meet the NOx emission limit.
- ~~(3) The averaging time for measurement of nitrogen oxides for compliance determination shall be 3 hours, except if an operator installs and maintains a continuous NOx monitor in accordance with conditions set forth by the Executive Officer, the averaging time may be extended to 24 hours.~~
- (4) The following expression shall be used to convert uncorrected observed volume in parts per million of NOx to pounds of NOx per ton of glass pulled at standard conditions of 68 degrees F and 29.92 inches of mercury:

$$\frac{(\text{PPMv NOx})(46 \text{ grams/mole})(1.56 \times 10^{-7})(\text{SDCFM})}{\text{Ton/hour of Glass Pulled}} = \frac{\text{Lbs NOx}}{\text{Ton of glass pulled}}$$

(f) Recordkeeping

The owner or operator of a container glass melting furnace or sodium silicate furnace shall:

- (1) Maintain daily records of:
 - (A) Total hours of operation;
 - (B) The quantity of product pulled from each furnace; and
 - (C) Pollutant emission rate in units of pound of pollutant per ton of product pulled, as applicable, on a rolling 30-day average.
- (2) Maintain all data, records, and other information required by this rule for at least five years and make available for inspection by the Executive Officer.
- (3) For RECLAIM facilities, continue to report, pursuant to the requirements of Regulation XX, until such time that the facility becomes a Former RECLAIM facility.

~~(d)~~(g) Exemptions

2

The provisions of this rule shall not apply to:

- (1) ~~Furnaces which are limited by Permit to Operate to 15 lbs/hour of NO_x or less~~ less than 100 tons of product pulled per calendar year as specified in a South Coast AQMD permit.
- (2) Glass remelt facilities using exclusively glass cullet, marbles, chips, or similar feedstock in lieu of basic glass-making raw materials.
- ~~(3) Furnaces used in the melting of glass for the production of glass tableware exclusively.~~
- ~~(4) Flat glass melting furnaces.~~
- ~~(5)~~ Furnaces used in the melting of glass for the production of fiberglass, which means material consisting of fine filaments of glass that are combined in yarn and woven or spun into fabrics, or that are used as reinforcement in other materials or in masses as thermal or as acoustical insulating products for the construction industry exclusively.
- ~~(6) Idling furnaces.~~

~~(f)~~ Effective Date

~~Any furnace rebuilt after July 1, 1983 shall comply with the provisions of paragraph (b)(1) of this rule upon commencement of operation. All other furnaces shall comply by December 31, 1987.~~

~~Any furnace rebuilt after December 31, 1987 shall comply with the provisions of paragraph (b)(2) of this rule upon commencement of operation. All other furnaces shall comply by December 31, 1992.~~

ATTACHMENT G

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Final Staff Report

Proposed Amended Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces

June 2020

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EXECUTIVE SUMMARY

The Regional Clean Air Incentives Market (RECLAIM) program was adopted in October 1993 under Regulation XX. RECLAIM is a market-based emissions trading program designed to reduce NO_x and SO_x emissions and includes facilities with NO_x or SO_x emissions greater than 4 tons per year. The 2016 Final Air Quality Management Plan (2016 AQMP) included Control Measure CMB-05: Further NO_x Reductions from RECLAIM Assessment (CMB-05) to ensure the NO_x RECLAIM program was achieving equivalency with command-and-control rules that are implementing Best Available Retrofit Control Technology (BARCT) and to generate further NO_x emission reductions at RECLAIM facilities. The adoption resolution for the 2016 AQMP directed staff to achieve five tons per day of 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 BARCT as soon as practicable. On July 26, 2017 the Governor approved California State Assembly Bill 617, which required air districts to develop, by January 1, 2019, an expedited schedule for the implementation of BARCT no later than December 31, 2023 for industrial facilities that are in the State greenhouse gas cap-and-trade program with priority given to older higher polluting sources that need to install BARCT.

As facilities transition out of NO_x RECLAIM, a command-and-control rule that includes NO_x emission standards that reflect BARCT will be needed for all equipment categories. Rule 1117 – Emissions of Oxides of Nitrogen from Glass Melting and Sodium Silicate Furnaces is a command-and-control rule for facilities that operate furnaces used in the production of glass and sodium silicate. Proposed Amended Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces (PAR 1117) will update the existing rule to reflect current technologically-achieved emission levels that represent BACRT for NO_x and SO_x. PAR 1117 will also address operational concerns related to idling, startup, and shutdown of container glass melting and sodium silicate furnaces by including provisions and limitations for these unique situations. In addition, provisions that are no longer applicable will be removed.

Of the facilities in RECLAIM, two facilities will be affected by PAR 1117: one container glass manufacturer and one sodium silicate manufacturer. There are two furnaces operated at the container glass facility and one furnace operated at the sodium silicate facility that will be subject to PAR 1117. In addition, PAR 1117 will also incorporate the auxiliary combustion equipment associated with the container glass manufacturing lines. Initially, Rule 1117 applied to the container glass manufacturing process but did not apply to the sodium silicate process. However, with the transition of RECLAIM to a command-and-control regulatory structure, sodium silicate manufacturing has been included into PAR 1117 since its manufacturing process is similar to container glass.

In 2017, both container glass and sodium silicate facilities installed new air pollution control devices (APCDs) on each of their furnaces. Although the APCDs were installed prior to the adoption of PAR 1117, their impact on reducing NO_x and SO_x emissions will be evaluated and included as part of the rule development process to ensure NO_x and SO_x emission limits are met on an ongoing basis. Based on the success demonstrated in reducing NO_x and SO_x emission levels, PAR 1117 will reduce the NO_x limit from the current rule level of 4.0 lbs of NO_x per ton of glass

pulled to 0.75 lbs of NO_x per ton of glass pulled for container glass furnaces and 0.50 lbs of NO_x per ton of product pulled for sodium silicate furnaces. PAR 1117 will also establish a SO_x emission level where no limit had been included previously in the rule. The SO_x emission level for container glass furnaces and the sodium silicate furnace will be established at 1.1 lbs of SO_x per ton of glass pulled based on current permitted conditions contained in the container glass facility's Permit to Operate and on a level representing Best Available Control Technology limits.

A cost-effectiveness analysis was completed for the NO_x reduction associated with the 2017 installation of the APCDs at both the container glass and sodium silicate facilities, as well as future requirements pertaining to container glass auxiliary combustion equipment. The NO_x emission reductions are 0.57 tpd and an overall cost-effectiveness of \$22,700 per ton of NO_x reduced was determined for the proposed emission limits. Although additional benefits from the reduction of other pollutants are expected, these other reductions were not considered at this time.

CHAPTER 1: BACKGROUND

BACKGROUND

REGULATORY HISTORY

AFFECTED FACILITIES AND EQUIPMENT

PUBLIC PROCESS

BACKGROUND

In October 1993, Regulation XX- RECLAIM was adopted. The purpose of the RECLAIM program was to provide industry with a flexible, market-based approach to reduce NO_x and SO_x emissions. Participants were initially allocated RECLAIM Trading Credits (RTCs) based on emissions from their highest production level from 1989 to 1992. With the adoption of RECLAIM, furnaces that had been regulated under Rule 1117 were exempt from NO_x emission standards.

Over the life of RECLAIM, allocations have been reduced twice, requiring businesses to either reduce emissions through installation of pollution controls or replacement if equipment or processes change; or purchase RTCs. In response to concerns regarding actual emission reductions and implementation of BARCT under RECLAIM, Control Measure CMB-05 of the 2016 AQMP committed to an assessment of the RECLAIM program in order to achieve further NO_x emission reductions of five tons per day, including actions to transition the program and ensure future equivalency to command-and-control regulations. During the adoption of the 2016 AQMP, the adoption 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 BARCT-level controls as soon as practicable.

In addition, on July 26, 2017, Governor Brown signed AB 617 which addressed non-vehicular air pollution. AB 617 was companion legislation to AB 398 which extended California's cap-and-trade program for reducing greenhouse gas emissions from stationary sources. RECLAIM facilities that are part of the cap-and-trade program are now also subject to the requirements of AB 617. AB 617 requires an expedited schedule for implementing BARCT for cap-and-trade facilities. Under AB 617, the State's air districts were to develop a schedule by January 1, 2019 for the implementation of BARCT no later than December 31, 2023. The highest priority would be given to older, higher polluting units that would need to install retrofit controls.

The October 5, 2018 amendment to Rule 2001 established procedures for facilities to opt out of RECLAIM provided the equipment at the facility met specified criteria.

Staff has been in discussions with the United States Environmental Protection Agency (USEPA) on all elements of transitioning RECLAIM sources to a command-and-control regulatory structure to ensure that the rules relating to the transition would be approved into the State Implementation Plan (SIP). USEPA expressed concern over facilities exiting RECLAIM before all command-and-control and New Source Review (NSR) requirements had been adopted to clearly demonstrate equivalency to the replaced program. Therefore, USEPA has recommended keeping facilities in RECLAIM until all the rules associated with the transition have been adopted and approved into the SIP.

As a result, on July 12, 2019, the opt-out provision was removed from Rule 2001 in consideration of USEPA's recommendation, and now prohibits facilities from exiting the RECLAIM program. Until facilities exit RECLAIM, they will continue to be subject to all RECLAIM requirements including Rule 2005 – New Source Review for RECLAIM, for permitting of new or modified NO_x sources that undergo emission increases. In addition, these facilities will also be required to

comply with all the requirements in adopted and amended command-and-control rules that apply to RECLAIM facilities, including the implementation schedules and any NO_x or SO_x limitations. Staff will continue to work with USEPA on NSR for former RECLAIM facilities as well as on all the relevant command-and-control rules for the RECLAIM transition.

As facilities transition out of RECLAIM, a command-and-control rule that includes NO_x and SO_x emission standards that reflect BARCT will be needed. PAR 1117 is a command-and-control “landing” rule for RECLAIM facilities that operate container glass melting and associated combustion equipment, and sodium silicate furnaces. Equipment at existing RECLAIM facilities will be required to comply with the emission standards and with monitoring, reporting, and recordkeeping requirements contained in PAR 1117. In addition, PAR 1117 will address operational concerns related to idling, startup, and shutdown of container glass melting and sodium silicate furnaces by including provisions and limitations for these situations. Existing provisions that are no longer applicable will be removed.

REGULATORY HISTORY

On February 5, 1982, the South Coast AQMD Governing Board adopted Rule 1117 – *Emissions of Oxides of Nitrogen from Glass Melting Furnaces*. The rule was subsequently amended once on January 6, 1984. The rule set a single limit for NO_x emissions at 4.0 lbs NO_x per ton of glass pulled effective after December 31, 1992. However, the rule exempted furnaces used in the production of glass tableware, flat glass, or fiberglass.

The rule also allowed for the use of an alternative emissions control plan and an energy recovery NO_x emissions factor. In addition, compliance determination was made using a three-hour averaging procedure unless a continuous emissions monitoring system was installed, in which case a 24-hour averaging could then be used.

In December 2015, Regulation XX was amended to implement Control Measure CMB-01 of the 2012 Air Quality Management Plan and to further reduce NO_x from RECLAIM facilities. The amendment implemented NO_x BARCT for various pieces of equipment. As part of the BARCT assessment, container glass melting and sodium silicate furnaces were evaluated and it was determined to be feasible to reduce NO_x emissions by 80%, which was also verified by a third-party consultant. In response to the required NO_x allocation reduction, both container glass and sodium silicate facilities installed air pollution control equipment to comply with this requirement.

AFFECTED FACILITIES AND EQUIPMENT

PAR 1117 impacts two facilities: a container glass and sodium silicate manufacturing facility. Both facilities are in the RECLAIM program and upon transitioning out of RECLAIM into a command-and-control regulatory structure, they will become former RECLAIM Facilities. There are no other facilities operating within the jurisdiction of the South Coast AQMD that are equipped with container glass melting or sodium silicate furnaces or similarly purposed equipment that would be subject to this proposed amended rule.

The container glass facility makes containers used in the food and beverage industries. It operates two container glass melting furnaces. Each furnace is rated at 68 MMBTU/hr and is equipped with oxy-fueled burners. The container glass facility also operates two manufacturing lines that each consists of a main melting furnace where molten glass is produced and auxiliary combustion equipment to keep the material flowing to pour stations where the bottles are formed. Once the bottles are formed, they are transported to smaller furnaces for annealing. The annealing step relieves any residual internal stress introduced in the manufacturing process which improves the durability of bottles. Typically, once the facility starts up, the container glass melting furnaces operate continuously for years at a time.

The sodium silicate facility produces a sodium silicate material in either solid or aqueous solution that is used in a variety of industrial or consumer products. It operates one furnace rated at 56.6 MMBTU/hr and is equipped with low-NOx burners. The sodium silicate furnace is a cross-fired regenerative furnace that cycles its firing from one side to the other, reversing direction on a periodic basis. The back-and-forth operation of this furnace allows for waste heat to be recovered and be used to preheat combustion air, improving efficiency and allowing for higher operating temperatures. Unlike the container glass facility, the sodium silicate facility operates for limited manufacturing runs of up to several months with significant down time in between runs where the furnace is not in operation.

PUBLIC PROCESS

The development of PAR 1117 was conducted through a public process. One Working Group meeting was held on August 1, 2019. Working Group meetings typically include staff and representatives from affected businesses, environmental groups, public agencies, consultants, and other interested parties. The purpose of the Working Group meetings is to discuss details of proposed amendments and to listen to concerns and issues with the objective to build consensus and to resolve key issues.

Staff has had meetings with stakeholders and has conducted multiple site visits at both facilities as part of this rulemaking process. Since this rule affects only two facilities, staff determined that it would be more beneficial and efficient to address specific issues with the facilities individually in lieu of conducting multiple working group meetings. A public workshop was held on March 19, 2020. Due to unique circumstances associated with COVID-19, the public workshop was held via videoconference. The purpose of the public workshop was to present the preliminary staff report and proposed rule language to the general public and to stakeholders, as well as to solicit feedback.

CHAPTER 2: BARCT ASSESSMENT

INTRODUCTION

BARCT ANALYSIS APPROACH

INTRODUCTION

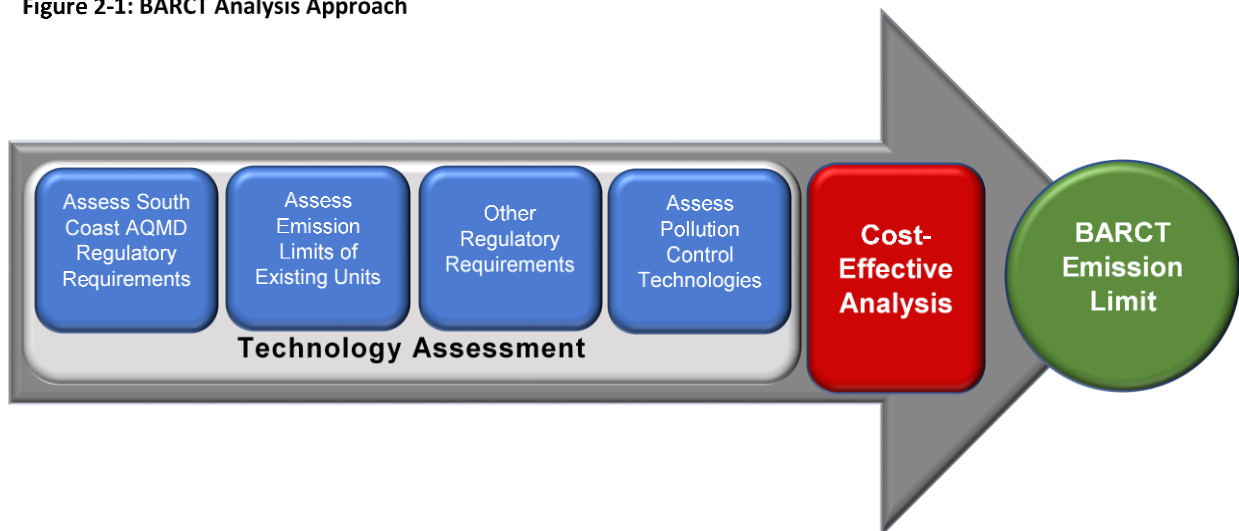
Staff conducted an assessment of the NO_x and SO_x emission limit under Rule 1117 to determine if it is still representative of BARCT for similar types of combustion equipment. BARCT analyses are periodically performed for equipment categories to assess technological changes that may reflect a lower emission limit. Rule 1117 was adopted in 1982 and last amended in 1984. Since that time, NO_x emission limits for similar types of combustion equipment generally have been established lower than the current limit contained in Rule 1117. The lower limits have been due to the evolution of burner design and the addition of emission control systems.

Under California Health and Safety Code § 40406, BARCT is defined as:

“... an emission limitation that is based on the maximum degree of reduction achievable, taking into account environmental, energy, and economic impacts by each class or category of source.”

The BARCT assessment for this rule development consisted of a multi-step analysis. The first four steps represent the technology assessment. First, staff evaluated current South Coast AQMD regulatory requirements, then assessed emission limits for existing units and then surveyed other air districts and agencies outside of the South Coast AQMD’s jurisdiction to identify emission limits that exist for similar equipment. In the final step of the technology assessment, staff assessed pollution control technologies to determine what degree of reduction could be achievable for the affected sources. A cost-effectiveness analysis is then conducted. Based on the evaluation of the information, initial BARCT emission limits are recommended.

Figure 2-1: BARCT Analysis Approach



BARCT ANALYSIS APPROACH

Assessment of Current South Coast AQMD Regulatory Requirements

For this first step of the BARCT analysis, staff reviewed both existing South Coast AQMD Rule 1117 and recent permitting activities. Last amended in 1984, Rule 1117 currently limits NO_x emissions to 4.0 lbs of NO_x per ton of glass pulled and has no SO_x emission limits. Although Rule 1117 applies to glass melting furnaces, it exempts emissions from furnaces used to melt glass to produce glass tableware, flat glass, and fiberglass. Rule 1117 specifically does not include, nor does it explicitly preclude, the operation of a sodium silicate furnace. There are currently no glass melting furnaces outside of RECLAIM that are subject to Rule 1117.

Container Glass

The current Rule 1117 NO_x emission limit for container glass melting furnaces is 4.0 pounds of NO_x per ton of glass pulled and has been in effect since December 31, 1992. In 2015, a BARCT assessment that included operations from container glass melting was conducted as part of the NO_x RECLAIM amendments. In that assessment, staff concluded that an 80% NO_x emission reduction or a target of 0.24 pound per ton of glass produced was feasible and cost effective. Furthermore, staff's conclusion was confirmed by a contracted third-party consultant. Based on the 2015 BARCT assessment, the current NO_x limit in Rule 1117 is not representative of what has been demonstrated in for glass melting furnaces.

Currently, Rule 1117 does not have a SO_x emission limit for container glass melting furnaces. However, in anticipation of a future transition of the RECLAIM SO_x program to a command-and-control regulatory structure, PAR 1117 is including a SO_x limit during this rulemaking effort.

Sodium Silicate

Rule 1117 currently does not include a NO_x emission limit for sodium silicate furnaces. In 2015, a BARCT assessment that included operations from sodium silicate furnaces was conducted as part of the NO_x RECLAIM amendments. In that assessment, staff concluded that an 80% NO_x emission reduction or a target of 1.28 pound per ton of product pulled was feasible and cost effective. Furthermore, staff's conclusion was confirmed by a contracted third-party consultant.

Currently, Rule 1117 does not have a SO_x emission limit for sodium silicate furnaces. However, in anticipation of a future transition of the RECLAIM SO_x program to a command-and-control regulatory structure, PAR 1117 is including a SO_x limit during this rulemaking effort. The furnace at the sodium silicate facility is currently included in the SO_x RECLAIM program because it used to emit SO_x.

Assessment of Emission Limits of Existing Units

The current permit for the container glass facility contains a NO_x emission limit of 1.5 lbs NO_x per ton of glass pulled. The permit limit was predicated on the addition of a post-combustion control system designed to provide at least an 80% reduction of NO_x emissions in the exhaust gas exiting from the furnace. The post-combustion control system that was selected and installed was a ceramic-based catalyst system manufactured by Tri-mer. Additional consideration in selecting

the permit limit was also influenced by what other air districts and jurisdictions had determined to be attainable.

The container glass facility's permit also contains a SO_x emission limit of 1.1 lbs of SO_x per ton of glass pulled. The SO_x emission limit was established based on Best Available Control Technology (BACT) limits and by what other air districts and jurisdictions have determined to be attainable. Staff intends to incorporate the current SO_x emission limit as established by the container glass facility permit as well as in other jurisdictions into the proposed amended rule, which would be representative of current BARCT.

In contrast to the container glass facility's permit, the sodium silicate facility's Title V permit does not specify either a NO_x or a SO_x emission limit, but it does contain a throughput limit. Although not subject to a NO_x emission limit, the sodium silicate facility installed a Tri-mer system similar to the container glass installation to reduce NO_x emissions. Although the sodium silicate facility is included in the SO_x RECLAIM program, it was exempt from reporting any SO_x emissions because it uses 100% natural gas in its furnace and processes non-sulfate containing materials. Previously, the sodium silicate facility had the ability to fuel its furnace with No. 2 fuel oil, which resulted in SO_x emissions, but it has since changed its fuel to exclusively natural gas and has removed all infrastructure to support the fuel oil system. In addition, the sodium silicate furnace no longer processes sulfate-containing material which was a source of process SO_x. Because the furnace burns only natural gas and does not have process related SO_x emissions, it is not considered a SO_x source.

In general, since the installation of the Tri-mer systems, significant reductions in NO_x emissions have been observed at both the container glass and sodium silicate facilities. In contrast to NO_x emissions, staff has not observed significant SO_x reductions, due in part because NO_x reduction was the primary driver behind the installation of the emission controls equipment and because there is no SO_x data from the sodium silicate facility. These observations and their significance will be discussed further under the section assessing air pollution control technologies.

Other Regulatory Requirements

For this BARCT assessment, staff compared Rule 1117 emission limits to limits for glass melting equipment in other air districts within California and jurisdictions outside of California.

In its initial review, staff noted that some air districts and jurisdictions distinguished between the type of glass manufacturing. For example, San Joaquin Valley Air Pollution Control District (SJVAPCD) Rule 4354 – *Glass Melting Furnaces* established emission limits for the production of either container glass, flat glass, or fiberglass (see Table 2-1). Similarly, State of Pennsylvania Code 25, Section 129 – *Standards for Sources Control of NO_x Emissions from Glass Melting Furnaces* also established limits based on different glass production operations, distinguishing between container glass, fiberglass, flat glass, and pressed or blown glass (see Table 2-2).

In contrast to the SJVAPCD and the State of Pennsylvania, Bay Area Air Quality Management District (BAAQMD) Regulation 9, Rule 12, Section 9-12-301 – *Nitrogen Oxides from Glass Melting Furnaces* made no distinction in the type of glass manufacturing for its NO_x emission

limit. The BAAQMD set a NO_x emission limit of 5.5 lbs of NO_x per short ton of glass pulled, averaged over any consecutive 3-hour period, making no distinction in the type of glass manufacturing.

Table 2-1: SJVAPCD Rule 4354 NO_x Emission Limits (lbs NO_x per ton glass produced)	
Container Glass	1.5 ^B
Fiberglass	1.3 ^{A,C} 3.0 ^{A,D}
Flat Glass (Standard Option)	3.7 ^A 3.2 ^B
Flat Glass (Enhanced Option)	3.4 ^A 2.9 ^B
^A Block 24-hour average ^B Rolling 30-day average ^C Not subject to California Public Resources Code Section 19511 ^D Subject to California Public Resources Code Section 19511	

Table 2-2: Pennsylvania Code 25, Section 129 NO_x Emission Limits^A (lbs NO_x per ton glass produced)	
Container Glass	4.0
Fiberglass	4.0
Flat Glass	7.0
Pressed or Blown Glass	7.0
All Other Glass	6.0
^A Rolling 30-day average	

In addition to comparing NO_x emission limits set by other air districts and jurisdictions, staff also reviewed permits issued to glass melting facilities across the country to identify NO_x emission limits for comparable operations. In one example, staff noted that a furnace operated at the Gallo Glass Company located in Modesto, California is permitted not to exceed 1.4 lbs NO_x per ton of glass pulled. At this location, Gallo manufactures container glass and although it is within the jurisdiction of the SJVAPCD, the Gallo NO_x emission limit was set lower than what is established in the SJVAPCD Rule 4354.

After reviewing other permits issued to glass melting facilities across the country, staff also evaluated actions taken by USEPA to identify other NO_x emission limits established for comparable operations. Staff noted that in a settlement agreement with the Durand Glass Manufacturing Company which operates a tableware glass manufacturing facility in Millville, New Jersey, Durand was required to meet a NO_x emission limit of 1.2 lbs of NO_x per ton of glass produced on a 30-day rolling average and 1.0 lbs of NO_x per ton of glass produced on a 365-day rolling average.

As was noted earlier, the South Coast AQMD permit for the sodium silicate facility does not have a NO_x emission limit specifically written into it. However, staff noted that at other domestic Title V-permitted facilities operated by the same corporation that produces sodium silicate, NO_x emission limits are included within the respective facility permit. For example, at two sodium silicate facilities, one operating in Baltimore, Maryland and another in Chester, Pennsylvania, the sodium silicate melting furnaces have permitted limits of 5.73 lbs of NO_x per ton produced and 6.0 lbs of NO_x per ton produced, respectively.

Assessment of Pollution Control Technologies

Current air pollution control technology for glass melting and sodium silicate furnaces can be divided into three commercially available systems. Each one will be described in the following sections:

- Regenerative burners
 - Oxy-fueled burner technology
 - Selective Catalytic Reduction (SCR), and
 - Ceramic Catalyst Filtration (CCF)
-
- *Regenerative burners*

Glass melting furnaces can be configured in a standard configuration where burners are mounted in a side-port arrangement on both sides, and are fired continuously. Alternatively, a cross-fired regenerative furnace cycles its firing from one side to the other, reversing direction on a periodic basis. The cyclic operation of this furnace allows for waste heat to be recovered and used to preheat combustion air for the opposing side's burners, improving efficiency and allowing for lower NO_x emissions.

- *Oxy-fueled Burner Technology*

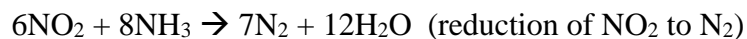
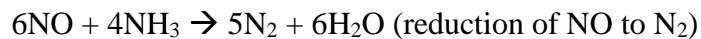
Oxy-fueled combustion is a NO_x reduction technology that uses oxygen-enriched air to combust fuel, instead of ambient air. By increasing the concentration of oxygen in the combustion air, two benefits are noted. The first is that the amount of fuel used in the combustion process can be reduced. Reducing the amount of fuel used can lead to less NO_x emissions. Oxygen combusts with fuel releasing energy to heat the glass making or sodium silicate process. By having more oxygen in a given volume of air, oxy-rich air requires less overall air volume needed in the combustion

process compared with ambient air. In the combustion process, some of the energy released is used to also heat the overall volume of gas. Reducing the overall volume of air then in turn reduces the amount of fuel used. The second effect is that by increasing the concentration of oxygen in air, other constituents like nitrogen are displaced. With less nitrogen in air, less NO_x from combustion is produced.

Typical NO_x conversion efficiencies for oxy-fueled burners varies depending on operation and configuration. Although NO_x reduction may be beneficial, costs associated with oxygen enrichment may make this option expensive relative to other technologies because of the additional equipment costs associated with the construction and operation an onsite plant to supply the oxygen.

- *SCR*

SCR is a commercially available air pollution control technology used to reduce NO_x emissions from combustion sources. The SCR process works by chemically converting NO_x into nitrogen and water vapor. Ammonia or a similar reagent is injected into the exhaust of a combustion source. The exhaust then passes through a fixed catalyst bed where NO_x reacts with ammonia and is converted into nitrogen and water vapor as illustrated by the following equations:



The catalyst is typically designed in a honey-combed lattice structure embedded with active metal-oxides sites. Catalyst efficiency relies on good dispersion, mixing, optimal temperature range, and catalyst activity. However, catalyst activity can be adversely affected by poisoning of the active sites from contaminants such as sulfur, by thermal sintering due to high temperature, or by plugging from particulate matter (PM) and salts. Typical conversion efficiencies for SCR systems can range between 90 – 95% for NO_x. Although NO_x conversion can be high using an SCR system, capital investment, operating cost, and increased reagent usage may make this option less cost-effective compared to other emission control technologies. Additionally, consideration is required for the minimization of any excess unreacted ammonia past the SCR catalyst, otherwise known as ammonia slip.

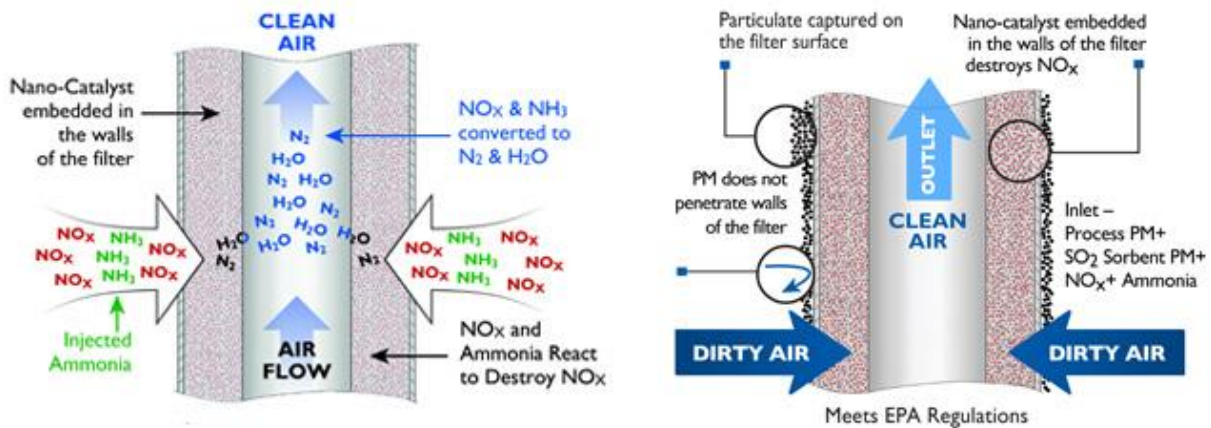
- *Ceramic Catalyst Filtration (CCF)*

CCF is a commercially available air pollution control system used to reduce NO_x emissions from combustion sources. It is similar to SCR technology in that a reagent is injected into the exhaust gas from a combustion source. The exhaust then passes through a fixed catalyst bed where NO_x reacts with ammonia and is converted into nitrogen and water vapor. Like an SCR, the catalyst bed is impregnated with metal oxides (See Figure 2-2). Unlike an SCR, however, the catalyst bed is configured into a cylindrical, ceramic filter element. Multiple filter elements are then arranged in an enclosed structure where the gas mixture passes through the element walls.

Typical NO_x conversion efficiencies for CCF systems are comparable to traditional SCR systems. In addition to NO_x reduction, CCF systems can be designed to remove other air pollutants such as SO_x and PM. Although NO_x conversion can be high using a CCF system, capital investment, operating cost, and increased reagent usage may make this option less cost-effective compared to other emission control technologies. However, the potential to remove pollutants in addition to NO_x may make this option attractive to install.

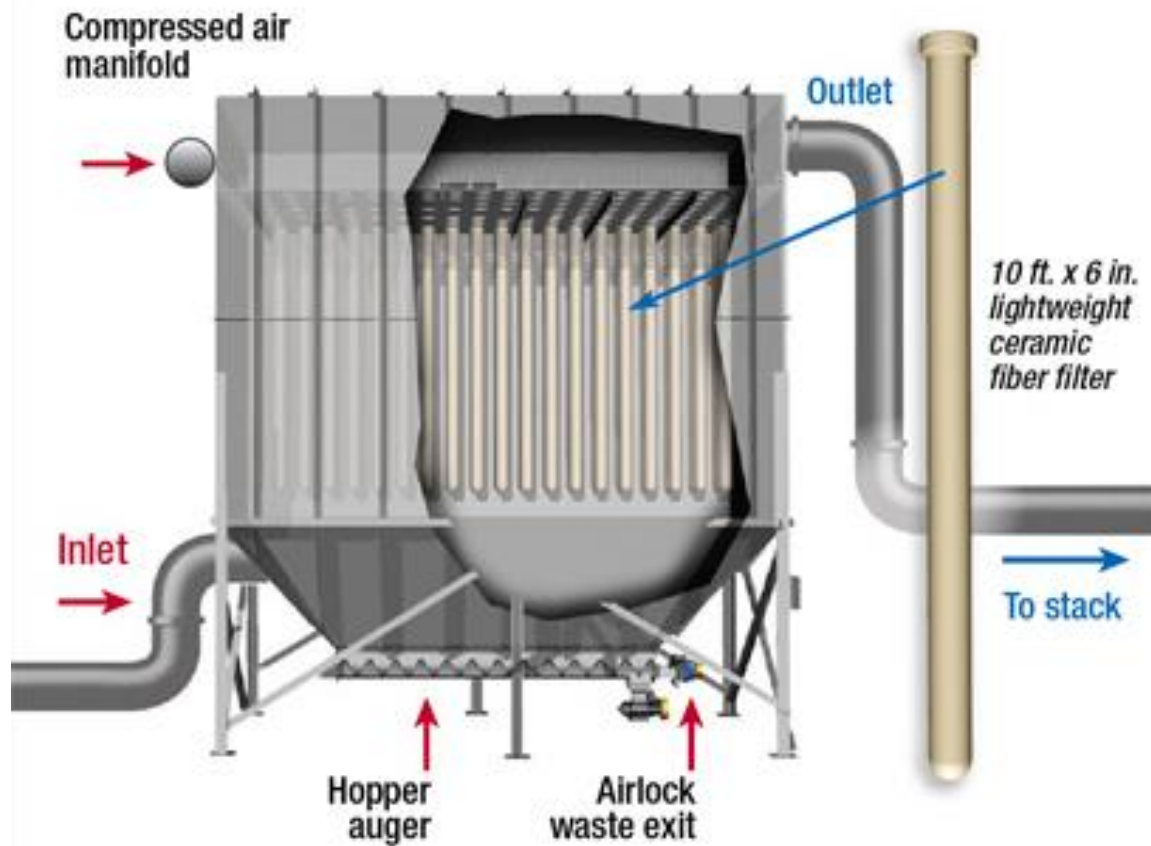
The sodium silicate facility uses regenerative burners in conjunction with the CCF system. The container glass facility utilizes oxy-fueled burners in conjunction with the CCF system. Staff did not identify any other facility that utilizes a combination of two different air pollution control equipment as seen at the container glass facility. Both facilities have achieved significantly lower NO_x emissions through the utilization of the combined technologies

Figure 2-2: Ceramic Filter Control System*



* Image courtesy of Tri-mer Corporation

Figure 2-3: Tri-mer Ultracat Control System Baghouse*



* Image courtesy of Tri-mer Corporation

Cost-Effectiveness Analysis

Staff conducted a cost-effectiveness analysis based on the installation of the CCF systems and the operation of the air pollution control equipment and the reduction of NO_x emissions. The overall cost-effectiveness was calculated to be \$22,700 per ton of NO_x reduced. Refer to Chapter 4 – Impact Assessment for additional details.

BARCT Emission Limit

Container Glass

Staff analyzed NO_x emission data from 2016 through 2019 from the container glass melting furnaces at the affected facility. This analysis covered the time prior to and after the installation of the CCF pollution control equipment. Based on the emissions data, the container glass melting

furnaces are meeting at least an 80% reduction in NOx emissions and are sustaining operation at less than 0.25 pound of NOx per ton of glass pulled. Relying on what has been demonstrated in the operation of the container glass melting furnaces, staff initially recommended a NOx emission limit of 0.25 pounds of NOx per ton of glass pulled, averaged over a rolling 30-day period. Staff received stakeholders' concerns that the proposed limit of 0.25 pound of NOx per ton of glass pulled did not provide sufficient operational flexibility to account for equipment aging and associated performance degradation. In response to these concerns, staff extended their review of the facility's NOx emissions to include CEMS data reported to the South Coast AQMD from 2004 through 2015. Based on this additional review of twelve years of data, staff determined a NOx increase due to aging of approximately 0.017 pound of NOx per year per furnace. Over the course of fifteen years, this accounted for an average total increase of 0.30 pound of NOx per ton per ton of glass pulled per furnace. To provide operational flexibility and a sufficient compliance margin for potential NOx increases due to the aging of a furnace, staff revised its initial proposal from 0.25 pounds of NOx per ton of glass pulled to 0.75 pounds of NOx per ton of glass pulled. Additional detail how the NOx BARCT emission limit was established is provided in Appendix B.

To establish a SOx BARCT limit, staff determined that the emission limit contained in the permit to operate for the container glass melting furnaces of 1.1 pound of SOx per ton of glass pulled represents current BARCT limits.

Sodium Silicate

Staff analyzed NOx emission data from 2016 through 2019 from the sodium silicate furnace at the affected facility. This analysis covered the time prior to and after the installation of the CCF emissions control equipment. Based on the emissions data (see Appendix B), the sodium silicate furnace is meeting at least an 80% reduction in NOx emissions and is sustaining operation at less than 0.50 pounds of NOx per ton of glass pulled. Relying on what has been demonstrated in the operation of the sodium silicate furnace, staff is recommending a NOx emission limit of 0.50 pound of NOx per ton of product pulled, averaged over a rolling 30-day period.

Comparing the manufacturing of sodium silicate versus the manufacturing of container glass, staff notes that the sodium silicate manufacturing is a batch process versus a continuous, multi-year operation for the container glass manufacturing process. Since the sodium silicate furnace does not operate continuously for more than a few months at a time, staff considers that the effects of aging of the furnace and associated exhaust emissions control equipment can be addressed by the facility with repairs or upgrades between operational cycles. At this time, analysis of the emissions data and evaluation of the operational cycle does not indicate any potential NOx emissions increases for the sodium silicate furnace.

Although, the sodium silicate furnace is currently not a SOx source, staff intends to place a SOx emission limit in the event that the furnace operates on any fuel other than natural gas or produces process SOx. It is staff's intent to propose the same BARCT SOx emission limit as has been determined for container glass melting furnaces.

CHAPTER 3: PROPOSED AMENDMENTS TO RULE 1117

INTRODUCTION

PROPOSED AMENDMENTS TO RULE 1117

INTRODUCTION

PAR 1117 is a landing rule to transition facilities in RECLAIM to a command-and-control regulatory structure. It establishes NO_x and SO_x emission limits for container glass melting and sodium silicate furnaces and auxiliary combustion equipment used in the container glass manufacturing process. The proposed amendments establish Best Available Retrofit Control Technology (BARCT) emission limits for glass melting and sodium silicate furnaces.

PROPOSED AMENDMENTS TO RULE 1117

Rule 1117 was adopted on February 5, 1982 and was amended once on January 6, 1984. As part of this rulemaking effort, the rule not only will be revised to reflect BARCT NO_x and SO_x emission levels but it will also be amended to expand the applicability to include sodium silicate furnaces, to include new operational requirements, and address both NO_x and SO_x emissions. New sections and definitions are also added for clarity. Some provisions will be deleted as they are no longer applicable or relevant. Including a SO_x emission limit as part of this rulemaking, helps to address the future transition of the SO_x RECLAIM program. The rule title will be revised to: Emissions from Container Glass Melting and Sodium Silicate Furnaces.

New Purpose – Subdivision (a)

Previously, Rule 1117 did not have a subdivision that described the purpose of the rule. Consistent with other source-specific rules, a purpose was added. PAR 1117 adds the following language for the purpose of the rule.

- The purpose of this rule is to limit emissions of Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x) from facilities producing container glass and sodium silicate.

New Applicability – Subdivision (b)

Previously, Rule 1117 did not have a subdivision that described the applicability of the rule. Consistent with other source-specific rules, applicability was added to PAR 1117. Sodium silicate furnaces and auxiliary combustion equipment associated with container glass melting furnaces are proposed to be included in this rule. Currently, there are two facilities operating within the South Coast AQMD jurisdiction that PAR 1117 will apply to. Both facilities are currently in the RECLAIM program. The provisions of PAR 1117 will apply to these facilities while in RECLAIM and after they transition out of RECLAIM.

Although the operations at the two facilities are distinct enough to require different emission limits, it was determined that there was sufficient similarity to consolidate the sodium silicate furnace operation into PAR 1117 with the acknowledgement that there are distinct differences between the equipment, process, operation, and configuration.

PAR 1117 adds the following language to the applicability of the rule for clarity and for consistency with other South Coast AQMD rules.

- The provisions of this rule shall apply to the owner or operator of a RECLAIM facility or Former RECLAIM facility that operates a container glass melting furnace and associated auxiliary combustion equipment or that operates a sodium silicate furnace.

New and Modified Definitions – Subdivision (c)

Subdivision (c) was amended to reflect new and revised definitions and to delete obsolete terms. The definitions were rearranged to be in alphabetical order. The following new and modified definitions reflect the proposed changes.

- *AUXILIARY COMBUSTION EQUIPMENT means, for the purposes of this rule, any combustion equipment associated with the conveyance system or annealing equipment used in the container glass production process.*

This definition was added since the container glass facility operates other combustion sources related to the manufacturing process. The container glass production line also includes heated conveyance systems (forehearth/refiners) and annealing furnaces. It is the intent of staff to have this type of equipment covered in PAR 1117 to streamline compliance under one industry-specific rule.

- *CONTAINER GLASS MELTING FURNACE means any furnace used to melt material in the production of food and beverage type containers manufactured by pressing, blowing in molds, drawing, rolling, or casting glass. Container glass does not include flat glass that is used in windows, windshields, plate glass, etc., and which is produced by the float, sheet, rolled, or plate glass process.*

The definition for container glass melting furnaces was updated to differentiate this type of furnace from sodium silicate furnaces. It was also updated to list exclusions to the definition of container glass melting furnaces. By combining exclusions to flat glass and glass tableware operations, this revision allows the removal of these two processes from the exemption portion of the rule. Although other types of glass melting furnace operations existed under RECLAIM in the past, these facilities have since shut down.

- *CULLET means recycled and scrap glass which is added to the formulation being charged to a container glass melting furnace.*

This definition was modified to clarify that the addition of recycled and scrap glass applies to the container glass melting process.

- *DAY means the continuous 24-hour period from 12:00 am through 11:59 pm.*

This definition was added to clarify what is considered one day of operation. This becomes relevant when following the proposed averaging provisions in PAR 1117.

- *FORMER RECLAIM FACILITY means a facility, or any of its successors, that was in the Regional Clean Air Incentives Market as of January 5, 2018, as established in Regulation XX,*

that has received a final determination notification, and is no longer in the RECLAIM program.

This definition was added to clarify when a facility is no longer referenced as a “RECLAIM facility” which will occur once the facility transitions out of RECLAIM.

- *FURNACE means, for the purpose of this rule, either a container glass melting furnace or sodium silicate furnace.*

Unless specifically referenced as a “container glass melting furnace” or “sodium silicate furnace,” the term furnace will apply to both types of furnaces.

- *IDLING means the operation of a furnace at less than 25 percent of the production capacity as stated on the Permit to Operate and where the furnace is not undergoing startup or shutdown.*

Additional language was added to differentiate idling activities from startup and shutdown activities. The rule is being amended to restrict activities associated with idling, startup, and shutdown activities, which is detailed in another subdivision of PAR 1117. Examples of activities that may necessitate periods of idling can include: a product compositional change, a temporary pause in operation known as a “hot hold”, or short-term periods of time where a furnace is kept warm while maintenance of pollution control equipment is performed.

- *NO_x EMISSIONS means the sum of nitric oxides and nitrogen dioxides emitted, calculated as nitrogen dioxide.*

This definition was added for clarity.

- *PRODUCTION CAPACITY means a container glass or sodium silicate pull limit found in a Permit to Operate for the applicable furnace.*

This definition was added for clarity.

- *PULL or PULLED means the amount of product produced by a furnace, expressed in short tons per day.*

This definition was modified for clarity. The rule previously defined pull as a term applied to the removal of glass from a glass melting furnace, generally expressed in tons. Stakeholders expressed concerns that sodium silicate was different than glass and that the previous definition did not include the sodium silicate process. Staff revised the definition so that the term “product” would refer to either glass or sodium silicate.

- *RECLAIM FACILITY means a facility, or any of its successors, that was in the Regional Clean Air Incentives Market as of January 5, 2018, as established in Regulation XX.*

This definition was added for clarity. It defines what facilities are RECLAIM facilities.

- *SHUTDOWN* means that period of time during which a furnace is allowed to cool from operating temperatures to a furnace temperature below 200°F.

This definition was modified to add language to differentiate shutdown activities from idling and startup activities. Previously, the rule considered a shutdown to occur when a furnace was “allowed to cool from operating temperature to a lower temperature”. There was no consideration of what cooling to a lower temperature meant. In this revised definition, a shutdown is considered the process of cooling a furnace from an operating temperature with the intent of reaching a temperature near ambient air temperature. For example, an operator may cut production and furnace temperature, but still keep a furnace hot enough to ramp production back up. This “hot standby” or “hot hold” mode should not be considered a shutdown, but rather an idling activity. In addition, a shutdown period is considered to start when product from the furnace is no longer being pulled. Staff has defined the threshold temperature of 200°F based on stakeholder feedback.

- *SODIUM SILICATE FURNACE* means any furnace used to melt material in the production of various water-soluble substances obtained in the form of crystals, glasses, powders, or aqueous solutions, used in a variety of industrial and consumer products.

Previously, there had been no definition for a sodium silicate furnace. This definition was added to differentiate this type of furnace from container glass melting furnaces. The definition is referenced in part from the online Merriam Webster dictionary at:

<https://www.merriam-webster.com/dictionary/sodium%20silicate>.

- *SOx EMISSIONS* means sulfur dioxides emitted.

This definition was added for clarity.

- *STARTUP* means that period of time during which a furnace is heated to operating temperatures from a furnace temperature below 200°F.

The definition was modified to add language to differentiate startup activities from idling and shutdown activities. Previously, the rule considered a startup to occur when a furnace was “heated to operating temperature from a lower temperature”. There was no consideration of what heating to an operating temperature meant. In this revised definition, a startup is considered the process of heating a furnace with the intent of reaching an operating temperature starting from a temperature near ambient conditions. As mentioned previously, an operator may cut production but keep a furnace hot enough to ramp production back up. Ramping back up from this “hot standby” or “hot hold” mode should not be considered a startup but rather an idling activity. In addition, a startup is considered to end once product is being pulled from the furnace. Staff has defined the threshold temperature of 200°F based on stakeholder feedback.

- The definition for *ENERGY RECOVERY* was removed because it is no longer applicable. The definition for *FURNACE REBUILD* was also removed because the proposed amended rule no longer requires this distinction.

Revised Requirements – Subdivision (d)

- *Previous* (d)(1) – (d)(6)

The previous subparagraphs were no longer considered applicable and were removed and replaced with the following provisions.

- *New* (d)(1) – NO_x and SO_x emission limits for container glass melting furnaces

Based on staff’s BARCT assessment, PAR 1117 proposes the following NO_x emission limit for container glass melting furnaces:

(d)(1)(A) – Except during periods of idling, startup, or shutdown, the owner or operator of a container glass melting furnace shall not operate a furnace in a manner that exceeds:

0.75 pound of NO_x per ton of glass pulled, averaged over a rolling 30-day period

Based on staff’s BARCT assessment, PAR 1117 proposes the following SO_x emission limit for container glass melting furnaces:

(d)(1)(B) – Except during periods of idling, startup, or shutdown, the owner or operator of a container glass melting furnace shall not operate a furnace in a manner that exceeds:

1.1 pounds of SO_x per ton of product pulled, averaged over a rolling 30-day period

Currently, Rule 1117 sets the averaging time for compliance determination at 3 hours, except if an operator installs and maintains a continuous NO_x monitor, the averaging time may be extended to 24 hours. As staff reviewed emissions data, it was noted that a 24-hour averaging period may not be an adequate period of time for facilities to address operational variability. Therefore, staff looked at other jurisdictions for guidance on averaging times for compliance determination. In a majority of instances, staff found that a rolling 30-day averaging was common. In a few circumstances, a rolling 365-day averaging provision was also used as a complement to a 30-day rolling averaging provision. For example, the Durand Glass Manufacturing plant in Millville, New Jersey has a NO_x permitted limit of 1.2 pounds of NO_x per ton of glass pulled on a 30-day rolling average and a concurrent limit of 1.0 pounds of NO_x per ton of glass pulled on a 365-day rolling average. Based on the averaging periods in other jurisdictions and to recognize the operational variability of facilities, staff proposes that compliance determination be based on a rolling 30-day average.

Initially, staff considered an emission limit based on a concentration-based standard (parts per million by volume, dry). Staff reviewed how emissions are reported and regulated by other jurisdictions and found that the conventional reporting standard is pounds of pollutant per ton of glass pulled. PAR 1117 proposes to keep the emission compliance standard on a pounds of pollutant per ton of glass pulled basis, instead of changing to a concentration-based standard,

because it is consistent with how other jurisdictions establish emission limits for glass melting furnaces and provides an emission limit per amount of product produced.

- *New (d)(2)* – NO_x and SO_x emission limits for sodium silicate furnaces

Based on staff’s BARCT assessment, PAR 1117 proposes the following NO_x emission limit for sodium silicate furnaces:

(d)(2)(A) – Except during periods of idling, startup, or shutdown, the owner or operator of a sodium silicate furnace shall not operate a furnace in a manner that exceeds:

0.50 pound of NO_x per ton of product pulled, averaged over a rolling 30-day period

Based on staff’s BARCT assessment, PAR 1117 proposes the following SO_x limit for sodium silicate furnaces:

(d)(2)(B) – Except during periods of idling, startup, or shutdown, the owner or operator of a sodium silicate furnace shall not operate a furnace in a manner that exceeds:

1.1 pounds of SO_x per ton of product pulled, averaged over a rolling 30-day period, if not fired on 100% natural gas

The proposed provision for SO_x places a limit in the event that a fuel other than natural gas is used.

As discussed for container glass furnaces, similar averaging considerations were extended to sodium silicate furnaces. In addition, compliance determination on a pound per pollutant per ton of product pulled is similarly recommended.

- *New (d)(3)* – Operational restrictions

(d)(3)(A) – Idling

Previously, furnace idling had been exempt from Rule 1117. However, concern that furnace idling may lead to unrestricted emissions with no limitations prompted staff to consider provisions to limit emissions during furnace idling. Staff also recognized the need to provide operational flexibility for instances where a facility may require a temporary transitional period, where shutting down and restarting a furnace would be more emissive and may not be warranted. For example, a product change may necessitate a period of time of furnace idling as the manufacturing line transitions from one product to another.

Facilities idle their furnaces because it may be inefficient to shut down and start up the furnace again. Furthermore, this shutdown and startup process takes several days to complete and could result in greater emissions than furnace idling. In general, staff noted that idling is defined as the operation of a furnace at less than 25% of the permitted glass production capacity. In other jurisdictions, during idling, emissions are not counted towards complying with an emission limit. However, when regulated, idling emissions may be capped for a given operation. For

example, SJVAPCD Rule 4354 does not count idling emissions for compliance determination but it does limit idling emissions using the following formula:

$$E_{i,max} = E_i \times \text{Capacity}$$

where, $E_{i,max}$ = maximum daily emission of pollutant i during idling
 E_i = applicable emission limit
Capacity = furnace's permitted glass production rate

Similarly, in Title V permits issued to the PQ Corporation in Chester, Pennsylvania and the Gallo Glass Company in Modesto, California, NOx emissions are not counted towards compliance determination. However, emissions are limited during idling events such that PQ (Chester) and Gallo have idling NOx emission limits of 1,670 lbs/day and 780 lbs/day, respectively.

While there are examples of furnace idling emissions being regulated to a specified emission level, staff did not find examples where the length of idling time was regulated. Staff is concerned that a furnace may be at idling conditions for an undetermined length of time. To address this potential unlimited amount of idling time, PAR 1117 proposes the following provisions.

- Except when the exhaust emission control is in operation, the owner or operator shall not operate a furnace for more than: 240 consecutive hours per event and 960 cumulative hours in any rolling 365-day period during periods of idling.

Based on discussions with the affected facilities, a limit of 240 hours or 10 days of idling was established for a product transition event as well as scheduled idling events that occur annually. Moreover, setting a limit of 960 cumulative hours gives operators flexibility to have multiple idling events during a rolling 365-day period yet at the same time, limiting the emissions from this type of activity. Idling emissions are not to be counted towards compliance determination, which is consistent with other jurisdictions. PAR 1117 also would not count the time when the exhaust emission control system is in operation against the proposed 240 consecutive hours per idling event and 960 cumulative hours in any rolling 365-day period. If the exhaust emission control system is in operation, then emissions from the furnace are controlled, which addresses the concern of staff of uncontrolled emissions.

(d)(3)(B) – Startup

Under Rule 1117, there were no restrictions associated with starting up a furnace. PAR 1117 defines a startup as initiating furnace operation from a temperature of at least 200°F. The end of a startup period occurs once product is being pulled from the furnace. Concern that unlimited and unregulated startups may lead to unrestricted emissions with no limitations or cap has prompted staff to incorporate provisions to minimize emissions during furnace start up. At the same time, staff recognizes the need to provide flexibility to operators during startups.

In other jurisdictions, emissions during furnace startups are not counted towards complying with an emission limit. Under SJVAPCD Rule 4354, startups from a furnace rebuild are regulated on a case-by-case basis to maximum time between 70 – 100 days for a container glass melting furnace. There is, however, no restriction on the amount of time for a startup from a non-furnace rebuild startup event.

Staff is concerned that a furnace may be at startup conditions for an undetermined length of time. To address this unlimited amount of startup time, PAR 1117 proposes the following similar, but more restrictive provision than SJVAPCD's rule:

- Except when the exhaust emission control is in operation, the owner or operator shall not operate a furnace for more than: 720 hours per startup period.

Based on discussions with representatives of the container glass facility, setting a limit of 720 hours or 30 days for a furnace startup is appropriate based on normal startup procedures. Moreover, staff encourages the use of the associated exhaust emissions control equipment wherever appropriate. It is anticipated that within 30 days of the initiation of a startup, the associated emissions control equipment will be in service. Once the 30 day allotment for a startup is reached, subsequent emissions shall be counted towards and averaged over a rolling 30-day average. In addition, staff proposes to not count the time when the exhaust emission control system is in operation against the proposed 720 hours per startup event. If the exhaust emission control system is in operation, then emissions from the furnace are controlled, which addresses the concern of staff of uncontrolled emissions.

(d)(3)(C) – Shutdown

Rule 1117 currently has no restrictions associated with shutting down a furnace. Staff has proposed defining a shutdown as stopping furnace operation and cooling towards a temperature below 200°F. A shutdown period should be considered to be initiated once product from the furnace is no longer pulled. Concern that unlimited and unregulated startups may lead to unrestricted emissions with no limitations or cap has prompted staff to consider implementing measures to limit emissions from this type of activity. At the same time, staff recognizes the need to provide flexibility to operators during shutdowns.

In other jurisdictions, emissions during shutdowns are not counted towards complying with an emission limit. Under SJVAPCD Rule 4354, shutdowns are limited not to exceed 20 days once the furnace is below an idling threshold of 25% of the permitted glass production rate. PAR 1117 would require a similar but more restrictive limitation to the shutdown of a furnace:

- Except when the exhaust emission control is in operation, the owner or operator shall not operate a furnace for more than: 240 hours per shutdown period.

Although PAR 1117 allows less time for shutdowns than what is contained in SJVAPCD Rule 4354, 20 days in SJVAPCD Rule 4354 versus 10 days or 240 hours in PAR 1117, this amount of time is reasonable, based on discussions with the affected facilities. In addition, PAR 1117 does not count the time when the exhaust emission control system is in operation against the

proposed 240 hours per shutdown event. If the exhaust emission control system is in operation, then emissions from the furnace are controlled, which addresses the concern of staff of uncontrolled emissions.

- *New (d)(4)* – Operation of emission control equipment

When Rule 1117 was last amended in 1984, the glass melting and sodium silicate furnaces did not have any added emission control equipment like a CCF system. Since 2017, both the container glass and sodium silicate facilities installed CCF systems to control NO_x emissions. As a result, PAR 1117 includes a requirement that states:

- During operation of a furnace including periods of idling, startup, or shutdown, the owner or operator of a furnace shall maintain in operation any exhaust emission control systems, including the injection of any associated chemical reagent into the exhaust stream to control NO_x, if the temperature of the gas to the inlet of the emission control system is greater than or equal to 450°F.

This provision mirrors what has been observed in other jurisdictions. For example, in the SJVAPCD Rule 4354, during idling, startups, or shutdowns, the emission control system shall be in operation whenever technologically feasible.

Staff notes what is “technologically feasible” requires further clarification. Currently, the CCF systems are permitted to operate within a normal temperature operating window between 450°F and 900°F. The intent of this provision is to explicitly require that the emission control equipment be in operation and injecting ammonia or similar reagent when the temperature of the exhaust from the furnace to it is above a minimum operational temperature, even if the furnace is idling, in startup, or in the process of a shutdown.

- *New (d)(5)* – Auxiliary combustion equipment

One of the objectives of PAR 1117 is to provide container glass melting and sodium silicate facility operators with a single industry-specific rule that would encompass relevant combustion sources at their facilities. Staff recognized that the container glass facility’s process lines include such auxiliary combustion equipment. This subparagraph limits emissions from this equipment to emission levels currently established for comparable equipment regulated by South Coast AQMD Rule 1147 – NO_x Reductions from Miscellaneous Sources.

The conveyance system burners located along the forehearths and refiners coming out of the glass melting furnace for the production of container glass are numerous. They number in the hundreds and the types of burners are of a standard open flame type that have no viable method for emissions testing because they are not enclosed and vent to the atmosphere. The container glass facility underwent a rebuild on both of their furnace lines in 2017, so the proposed provision would require the replacement of these burners at the time of a subsequent furnace rebuild with burners that are certified by the manufacturer to meet either 30 ppm at 3% O₂ dry or 0.036 pound of NO_x per million BTU of heat input. Staff proposes at time interval of 15 years from the date of amendment.

Equipment manufacturers have stated that the ability to test and certify these types of burners could be achieved in the near future. Similarly, the container glass facility operates several annealing furnaces (Lehr furnaces) that are natural gas fired. It should be noted that the container glass facility also has installed Lehr ovens that are electric and not natural gas fired. The proposed provision would also require compliance with either NO_x limit by 15 years from the date of amendment.

Currently under RECLAIM, these combustion devices are only required to report their mass emissions by using a default emission factor of 130 lbs of NO_x per standard cubic foot, roughly equivalent to 101 ppm, corrected to 3% oxygen. This proposed provision would state:

- On or before [*15 years after Date of Amendment*], the owner or operator of a container glass facility shall not operate the auxiliary combustion equipment used in the manufacture of container glass that exceeds a NO_x emission limit of 30 ppmvd at 3% O₂, dry or 0.036 lb/MMBTU heat input.

Revised Compliance Determination – Subdivision (e)

- *Previous* (e)(1) and (e)(2)

The previous subparagraphs were no longer considered applicable and were removed and replaced with the following provisions.

- *New* (e)(1) – CEMS requirements

Staff recognizes that CEMS requirements differ between the RECLAIM program regulated by Rules 2011 and 2012 and a command-and-control regulatory structure regulated by Rules 218 and 218.1. This section is added to facilitate the transition of the applicable monitoring, reporting, and recordkeeping requirements specified in RECLAIM versus a command-and-control system. The provision reads:

The owner or operator of a container glass melting furnace or sodium silicate furnace shall:

- Excluding emissions during periods of idling, startup, or shutdown, determine compliance with the emission limits in paragraphs (d)(1) and (d)(2) on a rolling 30-day average using a Continuous Emissions Monitoring System (CEMS), except if a furnace operates for fewer than 30 days, then compliance with the emissions limits in paragraph (d)(1) and (d)(2) will be determined based on the average for the actual days of operation. A facility owner or operator shall comply with the applicable monitoring, reporting, and recordkeeping requirements specified in:
 - (A) Rules 2011 and 2012 for RECLAIM facilities; or
 - (B) Rules 218 and 218.1 for former RECLAIM facilities.

The current version of Rule 1117 requires a facility owner or operator to determine compliance with an emission limit averaged over a 3-hour period for a furnace not equipped with a NOx continuous monitor. For furnaces equipped with a NOx continuous monitor, averaging may be allowed over a 24-hour period. A 24-hour averaging basis to determine compliance was something that staff further evaluated.

Staff also reviewed emissions data for both the container glass and sodium silicate facilities from 2016 through 2019. In their review, staff had noticed spikes in the data corresponding to transient operational issues. Some of these issues were identified as actions taken to comply with a permitted ammonia limit. When staff applied a rolling 30-day averaging to the data, these transient spikes were not as significant as to affect the compliance determination.

Therefore, to provide the operator with flexibility to respond to transient operational issues, PAR 1117 includes a provision that requires compliance determination to be made on a 30-day rolling average basis. Averaging on a 30-day rolling average basis is consistent with how other jurisdictions determine compliance for similar processes and equipment. Moreover, recognizing that the sodium silicate facility operates a batch process where a rolling 30-day period may not be achievable, the provision also allows averaging over the actual days of operation.

Emissions from idling, startups, and shutdowns are not proposed to be included in the rolling 30-day average up to the proposed time limits for each type of event. For example, if a container glass melting furnace was operated at a pull rate of 20% of the limit set by its permit to operate and the exhaust emission control equipment was not in service, then this would be considered an event where the amount of time to idle would be restricted to no more than 240 consecutive hours. During this idling period, emissions would not be included in the rolling 30-day averaging. If the furnace was idling beyond 240 consecutive hours for the same event, then the emissions after 240 hours would be included in the rolling 30-day averaging.

- *New (e)(2) – Auxiliary equipment provision*

Included in subparagraph (d)(5), auxiliary combustion equipment will be covered under the provisions of PAR 1117. The proposed limits mirror what is currently contained in Rule 1147 and would have applied to this type of equipment. However, staff recognizes that there are challenges for the verification of the proposed limits. Specifically, there is concern with the configuration of the conveyance system at the container glass facility – it does not allow for accurate and verifiable emissions testing. What staff proposes, in lieu of a source test, is to accept certification from the original equipment manufacturer (OEM) that the burners used in the conveyance system have been tested and can meet the proposed emissions levels. For annealing furnaces that are combustion sources, this equipment can either be source tested to demonstrate compliance or the operator can provide OEM certification.

Once the equipment has met the verification requirement under this subparagraph, there is no additional testing that would be required.

New Recordkeeping – Subdivision (f)

PAR 1117 adds a recordkeeping section to this rule so that records to demonstrate the pounds of pollutant per ton of product pulled are maintained. These records include the total hours of operation, the quantity of product pulled from each furnace, and the requirement that the pollutant emission rate be kept on a pounds of pollutant per ton of product pulled, as applicable, on a rolling 30-day average. Here, it should be noted that product refers to either container glass product or sodium silicate product. Currently, NO_x and SO_x are the pollutants regulated by PAR 1117; however, in the case of the sodium silicate facility, the SO_x limit would not apply if it continues to operate on 100% natural gas.

In addition, a provision requiring a facility owner or operator to retain all data, records, and other information required by this rule for at least five years and make available for inspection by the Executive Officer is added. For current RECLAIM facilities, any reporting requirements under Regulation XX will still be in effect until the facility exits the RECLAIM program.

Revised Exemptions – Subdivision (g)

Rule 1117 previously listed exemptions under subdivision (d). With the addition of new subdivisions, the exemptions sections is now listed under subdivision (g).

- *Revised (g)(1)* – Reduce applicability threshold to provide relief only to small operators

Currently, the rule exempts furnaces which are limited by their permit to operate to 15 lbs of NO_x per hour which equates to 360 lbs of NO_x per day. With the addition of the CCF systems, the NO_x emission levels from the container glass melting and sodium silicate furnaces have been observed to be under this threshold.

PAR 1117 proposes to change the exemption to apply to furnaces that are limited to less than 100 tons of product per year as specified in a South Coast AQMD permit. Staff does not anticipate the owner of a RECLAIM facility or Former RECLAIM facility to construct or operate a container glass melting or sodium silicate furnace below this production level.

The proposed exemption threshold of 100 tons of product per year would be equivalent to 0.046 lbs of NO_x per hour at the current NO_x emission level of 4.0 lbs of NO_x per ton of product pulled.

Calculation:

$$\frac{100 \text{ tons of product pulled}}{\text{year}} \times \frac{1 \text{ year}}{365 \text{ days}} \times \frac{1 \text{ day}}{24 \text{ hours}} \times \frac{4.0 \text{ lbs of NO}_x}{\text{ton of product pulled}} = 0.046 \text{ lb of NO}_x \text{ per hour}$$

- *Previous (g)(3) and (g)(4)* – Remove glass tableware and flat glass exemptions

These two exemptions were removed from this section and incorporated in the definition for container glass furnace for exclusion.

- *Revised (g)(5)* – Revision of fiberglass exemption

Additional description of what is fiberglass was added for clarity.

- *Previous (f)(6)* – Remove idling exemption

As stated earlier, staff is concerned that idling should not be allowed to occur for an unlimited amount of time. Provisions have been included to regulate what is considered idling and how long idling would be allowed to occur.

CHAPTER 4: IMPACT ASSESSMENTS

INTRODUCTION

EMISSION REDUCTIONS

COST-EFFECTIVENESS

SOCIOECONOMIC ASSESSMENT

CALIFORNIA ENVIRONMENTAL QUALITY ACT ANALYSIS

**DRAFT FINDINGS UNDER CALIFORNIA HEALTH AND SAFETY
CODE SECTION 40727**

COMPARATIVE ANALYSIS

INTRODUCTION

In December 2015, Regulation XX was amended to implement Control Measure CMB-01 of the 2012 Air Quality Management Plan and to further reduce NO_x from RECLAIM facilities. The amendment implemented NO_x BARCT for various pieces of equipment by reducing RECLAIM allocations for certain facilities. As part of the BARCT assessment, container glass melting and sodium silicate furnaces were required to reduce NO_x emissions by 80%. Subsequently, Control Measure CMB-05 of the 2016 AQMP required the RECLAIM program to achieve further NO_x emission reductions of five tons per day and to include actions to transition the program to a command-and-control regulatory structure as soon as feasible but no later than 2025.

In 2017, the container glass and sodium silicate facilities installed air pollution control equipment in response to CMB-01. Since the installation of the control equipment, there has been a NO_x reduction of at least 80% from the furnaces at both facilities. The costs of installation and operation of the control equipment from the 2017 installation of pollution control equipment will be used to calculate the cost-effectiveness of PAR 1117.

EMISSION REDUCTIONS

In 2017, both facilities installed air pollution control equipment for each of their furnaces. At the container glass facility, a combination of oxy-fueled burners and a ceramic catalyst filtration system was installed. Staff did not identify any other facility that utilizes a combination of two different air pollution control equipment as seen at the container glass facility. At the sodium silicate facility, a ceramic catalyst filtration system was installed. As a result, NO_x emissions have been reduced by approximately 0.65 tons per day for furnaces at both facilities based on NO_x emissions data for calendar years 2016 and 2018.

In 2016, the total NO_x emissions from the two furnaces at the container glass facility and the one furnace at the sodium silicate facility were 0.693 tons per day (tpd). At the limits proposed by PAR 1117, the expected remaining NO_x emission levels for the three furnaces is 0.14 tpd. This reduction in NO_x emissions represents a decrease of 0.56 tpd when compared to 2016 NO_x emissions.

For the auxiliary combustion equipment, staff also reviewed NO_x reductions based on equipment that would meet the NO_x emission limits established in PAR 1117 paragraph (d)(5). Currently, the auxiliary combustion equipment is classified as RECLAIM process units and are allowed to report emissions based on a NO_x default emission factor of 130 lb/mm³scf of gas fired (or approximately 101 ppmvd). The combined annual NO_x emissions based on fuel usage from this equipment is 7.5 tons per year or 0.021 tpd. Therefore, the emission reductions for the auxiliary equipment would be 0.015 tpd. The basis of reduction in NO_x emissions assumes a starting concentration level of 101 ppmvd and an ending concentration level of 30 ppmvd.

The NO_x emission reductions that will be achieved with PAR 1117 for all affected equipment total 0.57 tpd.

Table 4-1: Comparison of NOx Emissions (tons/day)			
	2016 Baseline*	At Proposed Limit (Remaining)	Emission Reductions
Container Glass Furnaces	0.58	0.12	0.46
Sodium Silicate Furnace	0.12	0.02	0.10
Container Glass Auxiliary Equipment	0.021	0.006	0.015
Total	0.72	0.15	0.57
* Based on audited RECLAIM NOx emissions data			

COST-EFFECTIVENESS

Staff conducted a cost-effectiveness analysis for the installation and operation of the control equipment and the reduction in NOx emissions observed after installation. To assist in the analysis, actual cost information for the installation and operation of the CCF system was requested and received from both the container glass and the sodium silicate facilities. In addition, the operational costs associated with the oxygen plant located at the container glass facility were included as an on-going cost to reflect the costs to operate both emissions control technologies.

Capital costs included cost for the emissions control system, infrastructure, engineering services, and installation costs. Annual operating costs included estimates for electricity, natural gas, oxy-fuel generation for container glass only, reagent, operation and maintenance, waste disposal, system costs, and replacement elements for the CCF system.

The operating cost for the oxygen plant at the container glass facility was included in the analysis. Adding this operational cost increased the annual costs from \$620,000 to \$6 million for the container glass facility. The installed cost for an oxygen production plant was not included, and staff notes that this added installation cost, if factored in, would also have increased the cost-effectiveness for the container glass facility.

In the calculation, staff assumed a uniform series present worth factor (PWF) at a 4% interest rate and a 25-year equipment life expectancy. The uniform series present worth factor for these assumption is 15.622.

$$PWV = TIC + (PWF \times AC)$$

PWV = present worth value (\$)

TIC = total installed cost (\$)

AC = annual cost (\$)

PWF = uniform series present worth factor (15.622)

Table 4-2: PAR 1117 Cost-Effectiveness Analysis					
Category	TIC (\$ MM)	AC (\$ MM)	PWV (\$ MM)	NOx Reductions (tpd)	CE (\$/ton)
Glass Melting (Container Glass)	19.0	6.0	112.7	0.46	26,600
Sodium Silicate Manufacturing	4.0	0.10	5.56	0.10	6,600
Auxiliary Equipment (Container Glass)	N/A	N/A	N/A	0.015	N/A
Total				0.57	22,700

Since the auxiliary combustion equipment for container glass is expected to be replaced upon the next furnace rebuild, this is not expected to incur any incremental cost associated with PAR 1117.

The overall cost-effectiveness for PAR 1117 is calculated to be approximately \$22,700 per ton of NOx reduced.

SOCIOECONOMIC ASSESSMENT

The two facilities affected by PAR 1117 are both categorized within the manufacturing sector. More specifically, one facility is classified under the North American Industry Classification System (NAICS) code 327213 – Glass Container Manufacturing, and the remaining facility is classified under NAICS code 325180 - Other Basic Inorganic Chemical Manufacturing. Based on available facility data on revenue and employees¹, neither of these facilities meet the criterion to be classified as a small business as defined by the Small Business Administration, federal Clean Air Act Amendments, or the South Coast AQMD.

The two affected facilities have previously implemented controls and are currently operating in compliance with the PAR 1117 proposed emission limits. Staff anticipates that facilities will not incur any additional future capital or recurring costs due to the adoption of PAR 1117. As a result,

¹ Dun & Bradstreet Enterprise Database, 2019.

no adverse socioeconomic impacts are expected, and therefore, no socioeconomic analysis is required under California Health and Safety Code Sections 40440.8 and 40728.5.

CALIFORNIA ENVIRONMENTAL QUALITY ACT ANALYSIS

Proposed Amended Rule 1117 has been reviewed pursuant to California Environmental Quality Act (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. Since the proposed project does not contain any project elements requiring physical modifications that would cause an adverse effect on the environment, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. 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 electronically filed with the State Clearinghouse to be posted on their CEQAnet Web Portal. Once the Notice of Exemption is posted, members of the public may access it via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, the Notice of Exemption will be electronically posted on the South Coast AQMD’s webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notices/ceqa-notices/notices-of-exemption/noe---year-2020>. The electronic filing and posting of the Notice of Exemption is being implemented in accordance with Governor Newsom’s Executive Order N-54-20 issued on April 22, 2020 for the State of Emergency in California as a result of the threat of COVID-19.

DRAFT FINDINGS UNDER CALIFORNIA HEALTH AND SAFETY CODE SECTION 40727

Requirements to Make Findings

California Health and Safety Code Section (H&SC) 40727 requires that prior to adopting, amending or repealing a rule or regulation, the South Coast AQMD 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.

Necessity

PAR 1117 is needed for equipment under the RECLAIM program that will be transitioning to a command-and-control regulatory structure to establish NOx and SOx emission limits for furnaces and auxiliary combustion equipment that are representative of BARCT, as well as monitoring, reporting, and recordkeeping requirements. PAR 1117 is needed to meet the requirements of AB 617, which requires an expedited schedule for implementing BARCT for cap-and-trade facilities and to develop a schedule by January 1, 2019 for the implementation of BARCT no later than December 31, 2023. PAR 1117 is also needed as it is in part implementing Control Measure CMB-

05: Further NOx Reductions from RECLAIM Assessment (CMB-05) to ensure the NOx RECLAIM program is achieving equivalency with command-and-control rules that are implementing Best Available Retrofit Control Technology (BARCT) and to generate further NOx emission reductions at RECLAIM facilities.

Authority

The South Coast AQMD obtains its authority to adopt, amend, or repeal rules and regulations pursuant to H&SC Sections 39002, 39616, 40000, 40001, 40440, 40702, 40725 through 40728, 40920.6, and 41508.

Clarity

PAR 1117 is written or displayed so that their meaning can be easily understood by the persons directly affected by them.

Consistency

PAR 1117 is in harmony with and not in conflict with or contradictory to, existing statutes, court decisions or state or federal regulations.

Non-Duplication

PAR 1117 will not impose the same requirements as any existing state or federal regulations. The proposed amended rules are necessary and proper to execute the powers and duties granted to, and imposed upon, the South Coast AQMD.

Reference

In amending these rules, the following statutes which the South Coast AQMD hereby implements, interprets or makes specific are referenced: H&SC Sections 39002, 40001, 40702, 40440(a), and 40725 through 40728.5.

COMPARATIVE ANALYSIS

Under H&SC Section 40727.2, the South Coast AQMD is required to perform a comparative written analysis when adopting, amending, or repealing a rule or regulation. The comparative analysis is relative to existing federal requirements, existing or proposed South Coast AQMD rules and air pollution control requirements and guidelines which are applicable to container glass melting and sodium silicate furnaces.

Staff reviewed existing federal requirements that regulate glass melting furnaces to compare these requirements with PAR1117. Based on the review, staff determined that PAR 11117 does not conflict with any NOx or SOx emission limits or recordkeeping requirement established in the

Code of Federal Regulations (CFRs) for glass manufacturing facilities. In general, the CFRs do not regulate NO_x or SO_x emissions. See Table 4-3.

Table 4-3: Comparative Analysis of PAR 1117 with the Code of Federal Regulations (CFR)				
CFR Title	Part	Subpart	Title of Regulation	Pollutant (s) Regulated
40	60	CC	Standard of Performance for Glass Melting Furnaces	Particulate matter
40	63	SSSSSS	National Emission Standards for Hazardous Air Pollutants for Glass Manufacturing Area Sources	Particulate matter and metal
41	61	N	National Emission Standard for Inorganic Arsenic Emissions from Glass Manufacturing Plants	Arsenic

Staff also reviewed other South Coast AQMD rules relative to PAR 1117. No conflicts were noted between the two.

Table 4-4: Comparative Analysis of PAR 1117 with Existing South Coast AQMD Rules		
Rule Element	PAR 1117	RECLAIM
Applicability	<ul style="list-style-type: none"> • Container glass melting furnaces • Container glass auxiliary combustion equipment • Sodium silicate furnaces 	Facilities regulated under the NO _x and SO _x RECLAIM program (SCAQMD Reg. XX)
Requirements	<ul style="list-style-type: none"> • Container glass melting furnaces NO_x: 0.25 lb/ton pulled SO_x: 1.1 lb/ton pulled • Container glass auxiliary combustion equipment 30 ppmvd @ 3% O₂ • Sodium silicate furnaces NO_x: 0.50 lb/ton pulled SO_x: 1.1 lb/ton (if not on 100% natural gas) 	<ul style="list-style-type: none"> • Major Source NO_x/SO_x: None • Process Unit NO_x: 130 lb/mm scf
Reporting	<ul style="list-style-type: none"> • Maintain data to be used for compliance determination 	<ul style="list-style-type: none"> • Daily electronic reporting for major sources • Monthly to quarterly reporting for large sources and process units • Quarterly Certification of Emissions Report and Annual Permit Emissions Program for all units
Monitoring	<ul style="list-style-type: none"> • A continuous in-stack NO_x monitor subject to: <ul style="list-style-type: none"> ➤ South Coast AQMD Rules 2011 and 2012 for RECLAIM facilities 	<ul style="list-style-type: none"> • A continuous in-stack NO_x monitor for major sources Source testing once every 5 years for process units

	<ul style="list-style-type: none"> ➤ South Coast AQMD Rules 218 and 218.1 for former RECLAIM facilities 	
Recordkeeping	<ul style="list-style-type: none"> • All data required by this rule shall be maintained for at least five years and made available for inspection by the Executive Officer 	<ul style="list-style-type: none"> • Quarterly log for process units • < 15-min. data = min. 48 hours; ≥ 15-min. data = 3 years (5 years if Title V) • Maintenance & emission records, source test reports, RATA reports, audit reports and fuel meter calibration records for Annual Permit Emissions Program = 3 years (5 years if Title V)

APPENDIX A: LIST OF FACILITIES AFFECTED BY PAR 1117

Two facilities are affected by PAR 1117: Owens-Illinois located in Vernon, California and the PQ Corporation located in South Gate, California.

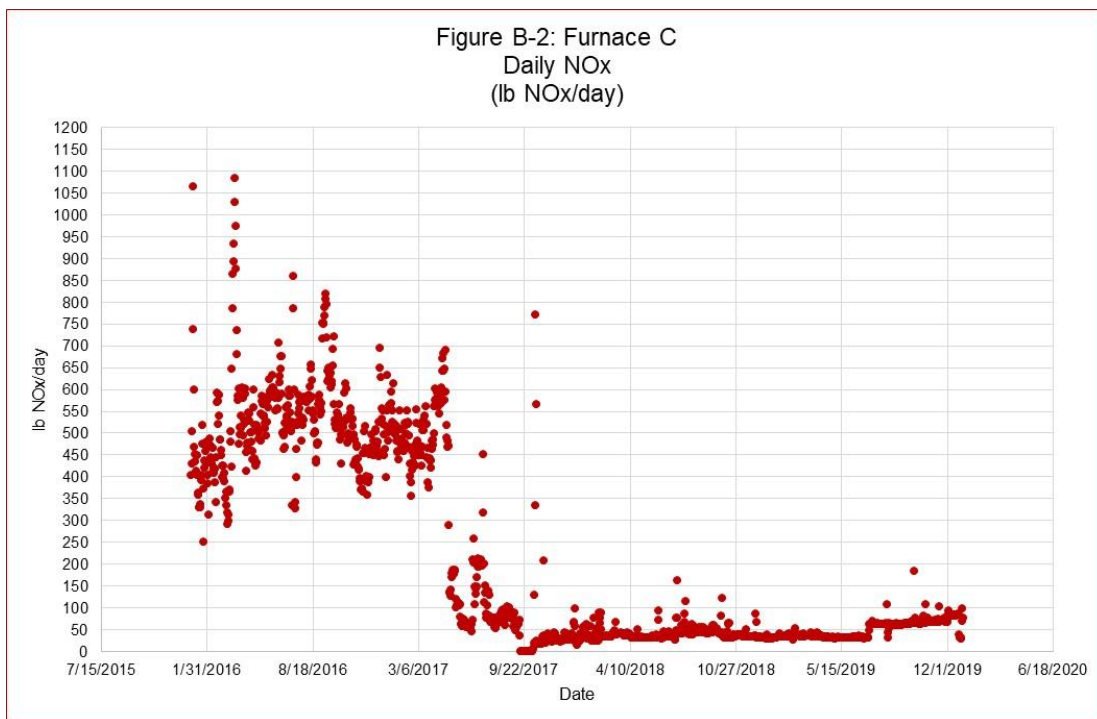
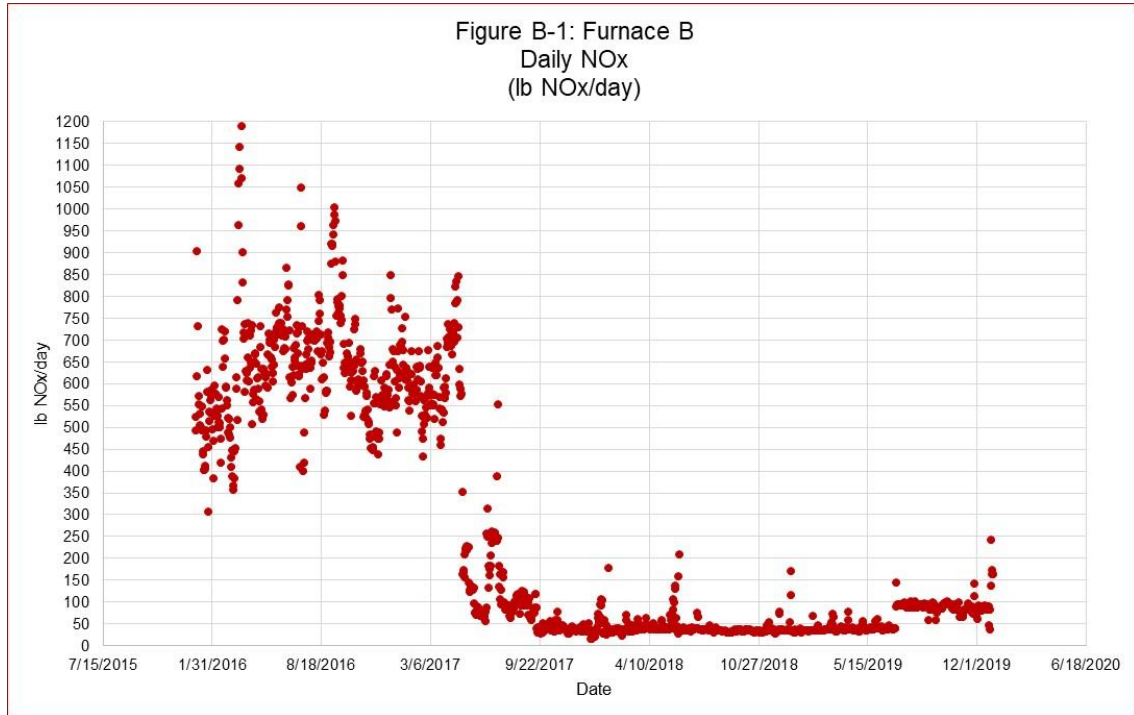
Table A-1: Facilities Affected by PAR 1117

ID	Facility Name
7427	Owens-Illinois
11435	PQ Corporation

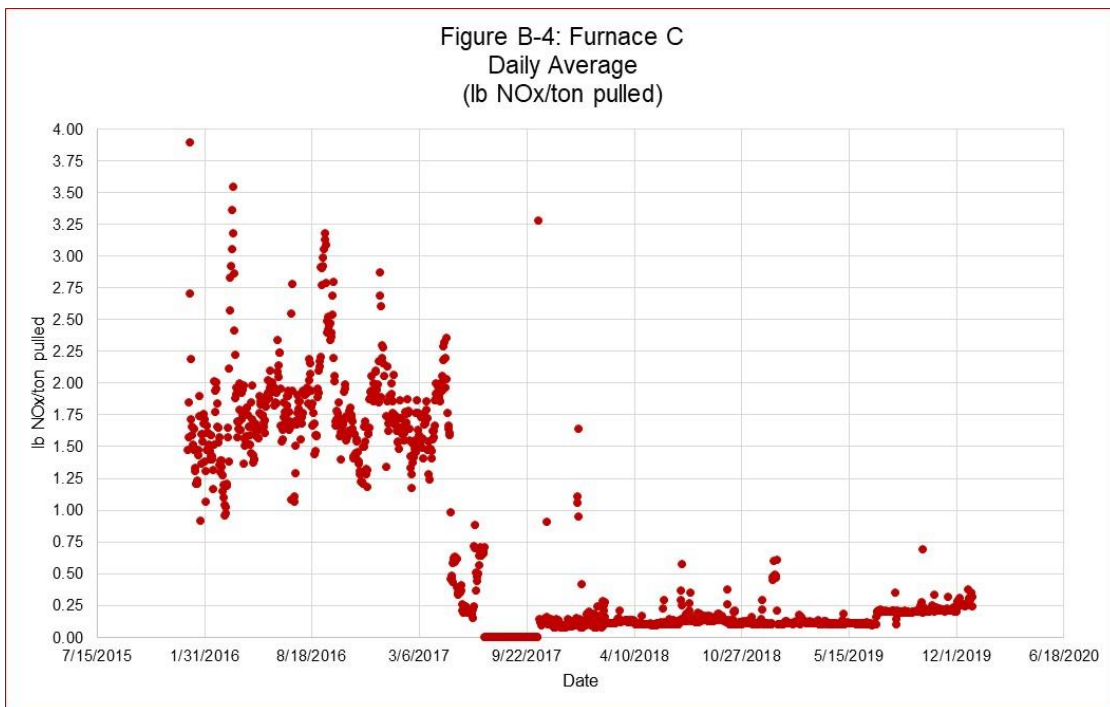
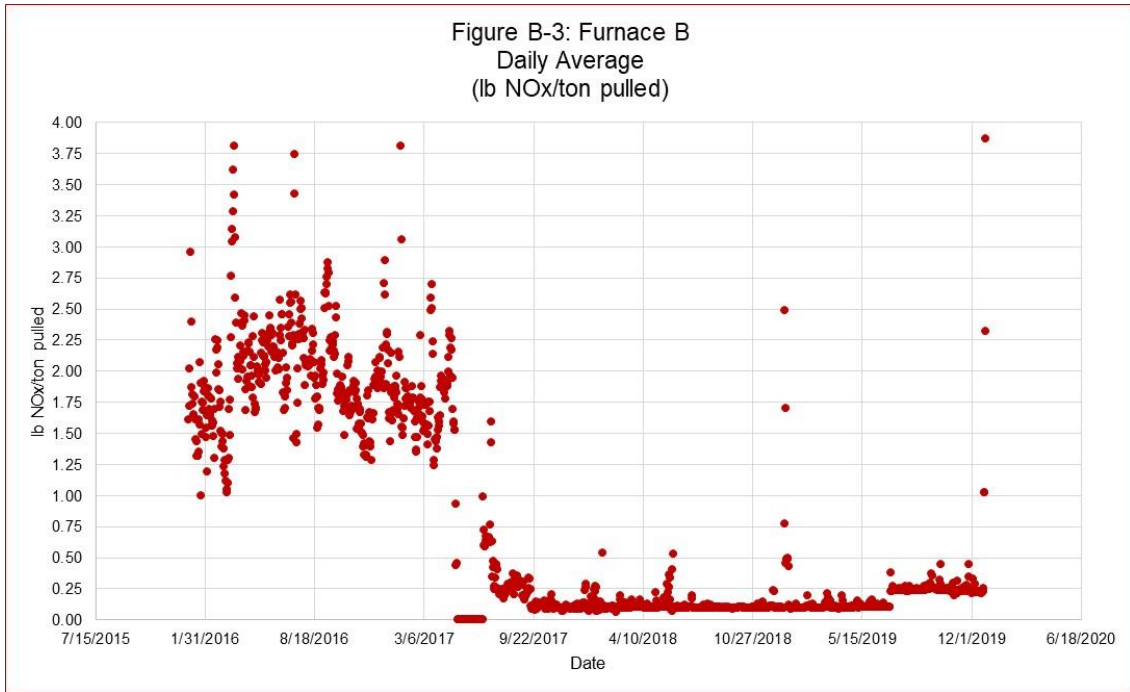
APPENDIX B: EMISSION LIMIT DETERMINATION

Presentation of NOx Emissions from Furnace Operations

Figures B-1 and B-2 illustrate the NOx emissions on a lbs per day basis reported by the container glass facility for its container glass melting furnaces from CY 2016 to CY 2019.



Figures B-3 and B-4 illustrate the NO_x emissions per day based on the ratio of emissions to glass pulled for the container glass melting furnaces from CY 2016 to CY 2019.



Figures B-5 and B-6 illustrate the NOx emissions on a rolling 30-day average based on the ratio of emissions to glass pulled for the container glass melting furnaces from CY 2016 to CY 2019.

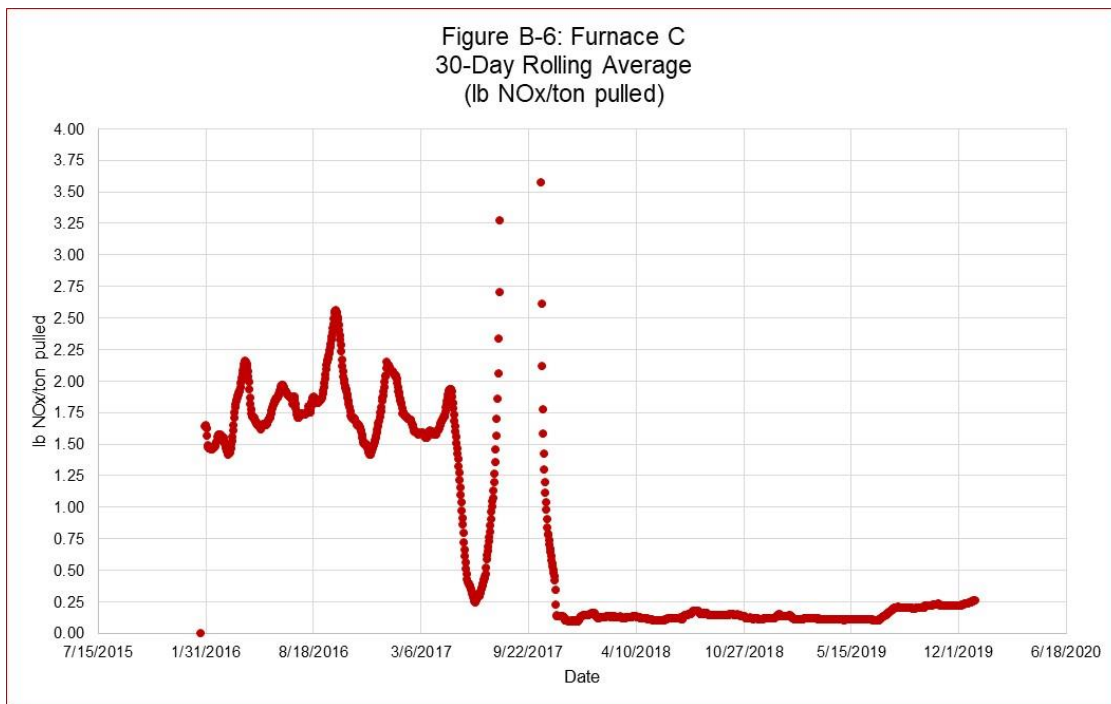
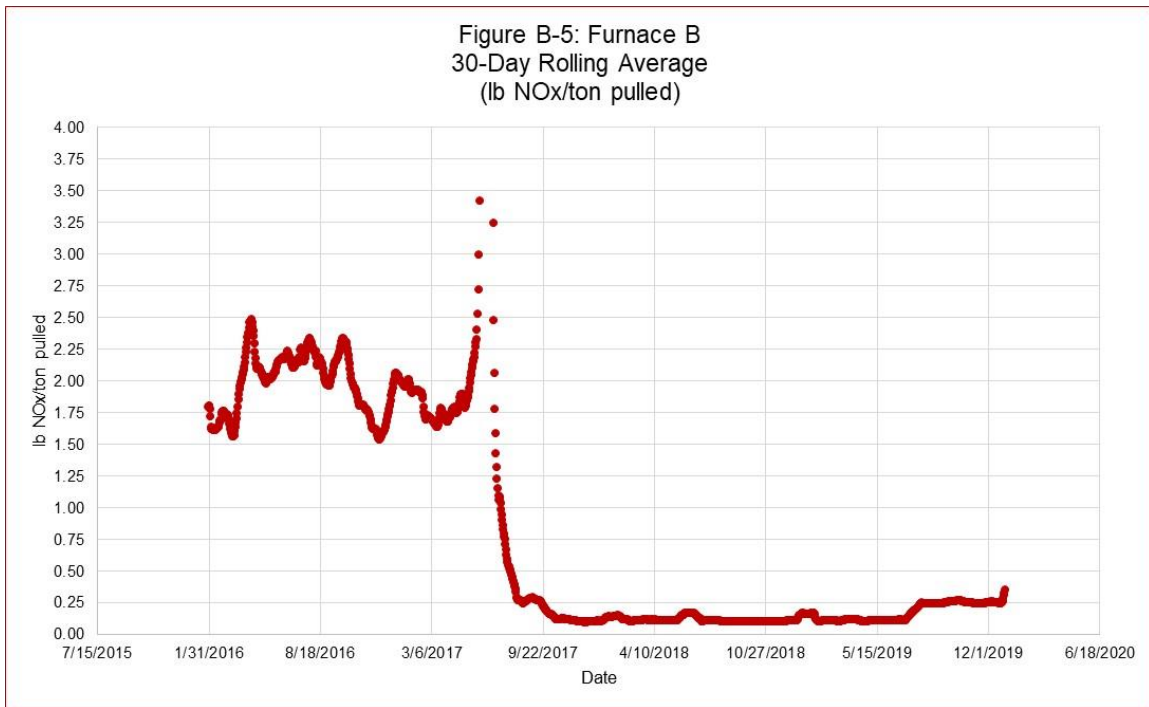


Figure B-7 illustrates the NOx emissions on a lbs per day basis reported by the sodium silicate facility for its sodium silicate furnace from CY 2016 to CY 2019.

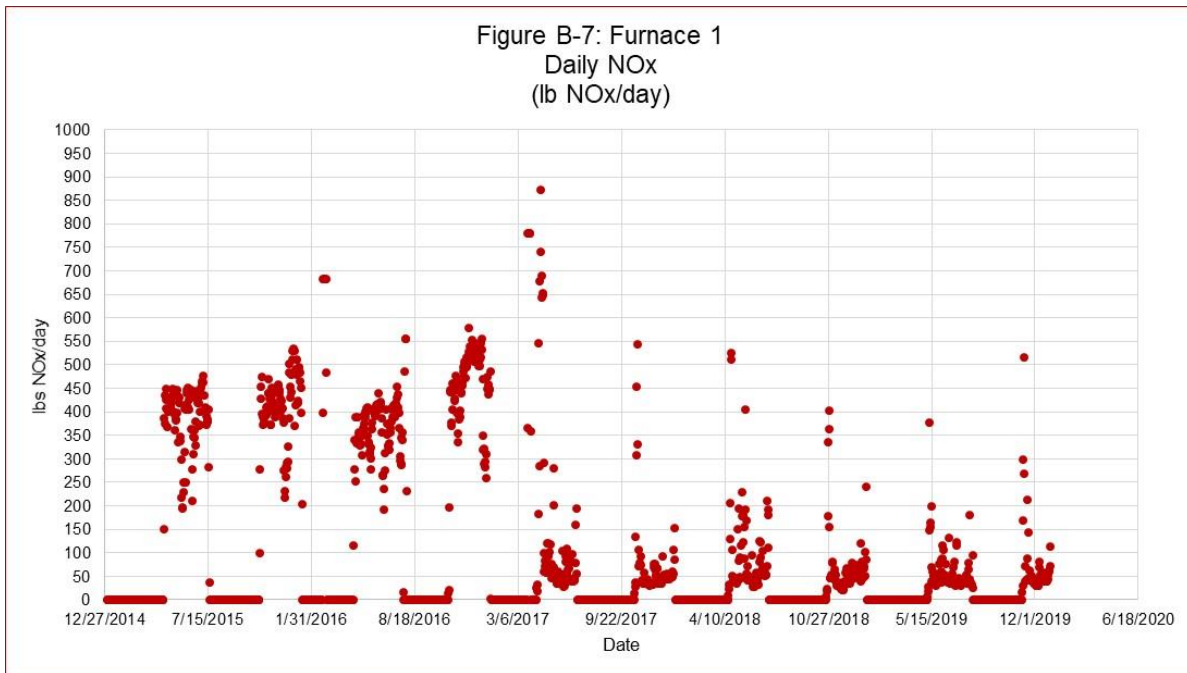
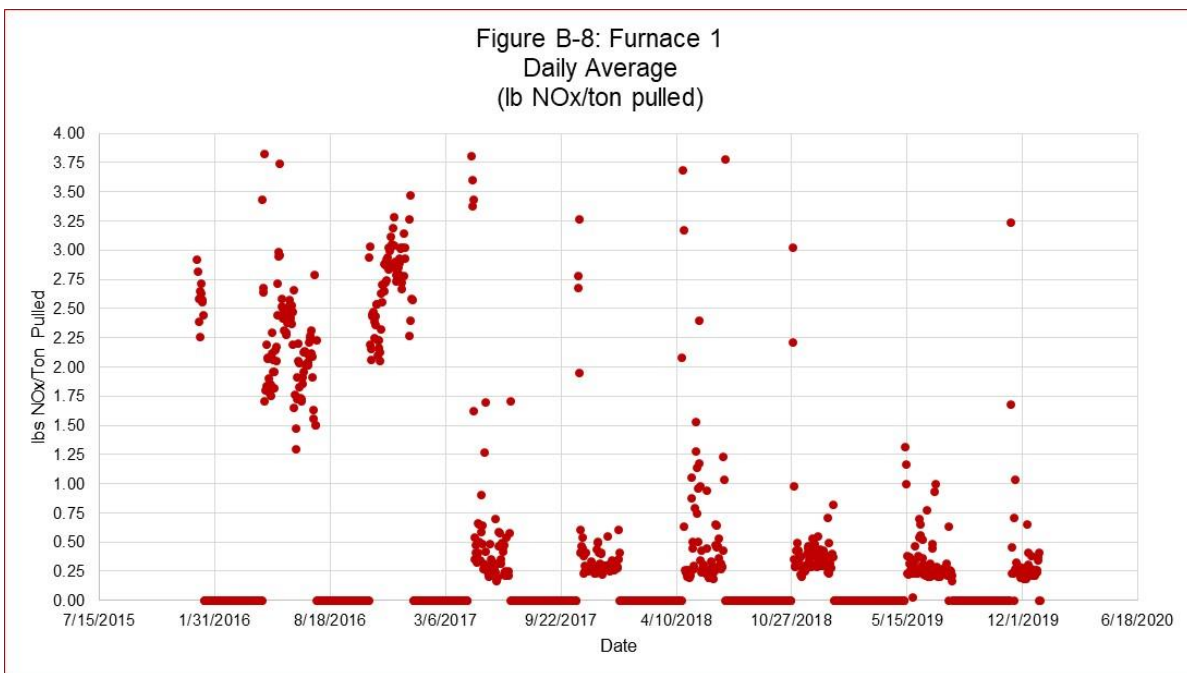
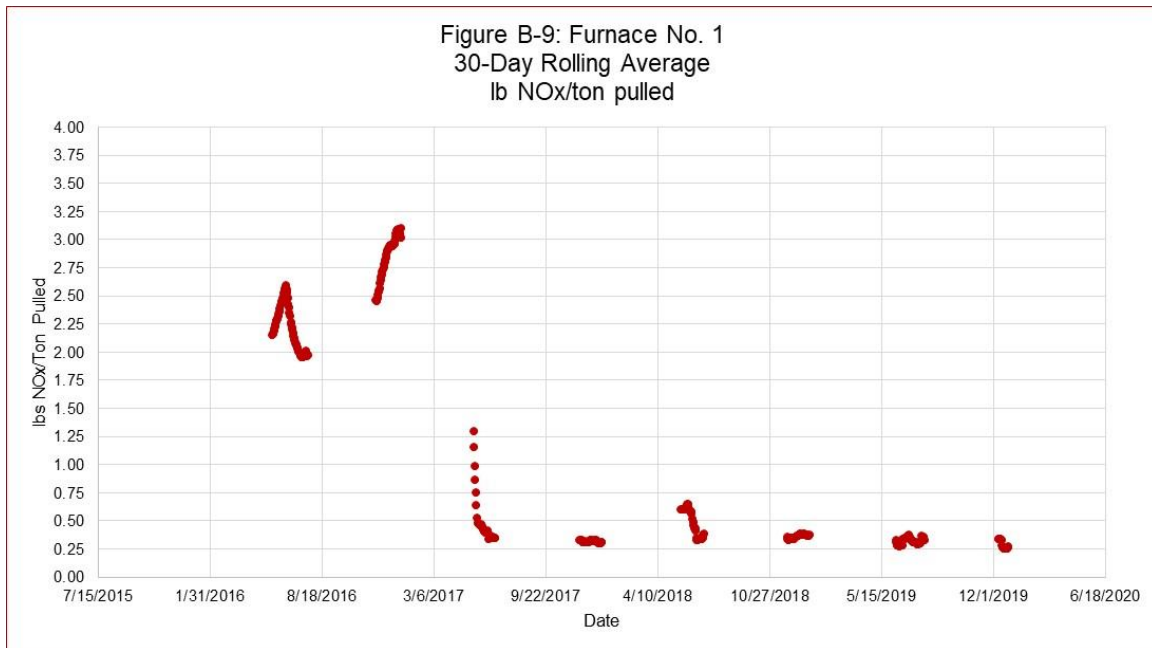


Figure B-8 illustrates the NOx emissions per day based on the ratio of emissions to glass pulled for the sodium silicate furnace from CY 2016 to CY 2019.



Figures B-9 illustrates the NOx emissions on a rolling 30-day average based on the ratio of emissions to glass pulled for the sodium silicate furnace from CY 2016 to CY 2019.



NOx Data Analysis

Staff analyzed the NOx emissions data from the container glass furnaces and noted a significant drop in NOx emissions when comparing data from before and after 2017. In 2017, the container glass facility installed a CCF emission control systems on the exhaust gas exiting their container glass melting furnaces. It also should be noted that this facility had previously installed oxy-fueled burners on their container glass melting furnaces. Staff believes that the combination of the CCF and the oxy-fueled burners accounted for the significant drop in NOx emissions.

Through discussions with the container glass facility, staff learned that after the installation of the CCF systems, there was a period of time where the operator had to fine tune the operation of the equipment. During this time, the CCF system experienced unexpected breakage of filter elements. The operator also had to experiment with ammonia injection rates to optimize NOx emission reductions versus their permitted ammonia slip limit of 5 ppmvd. Initially after startup of the CCF system, to maximize NOx reductions, the CCF control system was operated at a NOx emission level of 0.15 lb of NOx per ton of glass pulled ratio. Later as operational issues were resolved, the targeted emission level was adjusted up to 0.22 lb of NOx per glass pulled, which occurred around July 2019. This adjustment helped to resolve ammonia slip concerns where the current ammonia slip is less than 1 ppmvd.

Through site visits to the container glass facility, staff noted that the CCF system as installed is a robust system consisting of four units per furnace. According to its permit, the facility is required to operate a minimum of two units per furnace line. However, running three units at a time with a sufficient ammonia injection appears to minimize NOx emissions as well as balance their ammonia

slip concerns. With a fourth unit online, it was reported that there was not much difference observed in the amount of NOx reduction compared to three units.

When the NOx emission data was analyzed on a 30-day rolling average by staff, many transient data spikes that had been initially observed became less significant.

Staff analyzed the NOx emissions data from the sodium silicate furnaces and noted a significant drop in NOx emissions when comparing data from before and after 2017. In 2017, the sodium silicate facility installed a CCF emission control system on the exhaust gas exiting their furnace. Since installation of the CCF system, a noticeable reduction in NOx emissions was observed.

As with the container glass facility, the sodium silicate facility also experienced a period of time where the operators had to learn how to fine tune the operation of the equipment. During this time, they too experienced unexpected breakage of filter elements. They also had to experiment with ammonia injection rates to optimize NOx emission reductions versus their permitted ammonia slip limit of 10 ppmvd. In general, the sodium silicate furnace operates at about 0.4 lb of NOx per ton of product pulled and also does not have the same level of redundancy as the container glass facility does by having multiple units.

During site visits to the sodium silicate facility, it was observed that there were frequent transient spikes in ammonia slip. It was also observed that these spikes may be correlated to how the furnace switches its crossflow flow periodically from one side of the furnace to the other. These transients forced ammonia injection adjustments which appeared to affect their overall NOx control. A combination of tuning issues with the ammonia injection and the range of the ammonia analyzer may be adding to this issue.

When the NOx emission data was analyzed on a 30-day rolling average, many transient data spikes that had been initially observed became less significant.

Increase of NOx Emissions Over Time

During the rule development process, stakeholders for the container glass facility expressed concern that furnace degradation over an extended run length would lead to the generation of additional NOx emissions. Staff was told that as a furnace ages, decreases in burner efficiency or increases in air leakage into the furnace may require more fuel to maintain process conditions. With more fuel being combusted, the amount of NOx generated could potentially increase.

To investigate this issue, staff compiled NOx emission data beginning in 2004 through 2015 for the two furnaces operating at the container glass facility. NOx emission information was collected from daily CEMS emissions data reported by the facility to the South Coast AQMD as part of the RECLAIM program requirements. Due to the configuration of the CEMS units, however, individual emissions from each furnace could not be separated from the aggregate. As such, staff analyzed the total NOx emissions from both furnaces as one unit.

Figure B-10 shows that over a twelve year span, the total combined NOx emissions from both furnaces have trended upwards. It should be noted that pull rate data was not available for the

period of time prior to 2010 and so the pull rate was not factored into this data review. Therefore, it is possible that the increased NOx emissions may also have been due to an increase in production from 2004 through 2015.

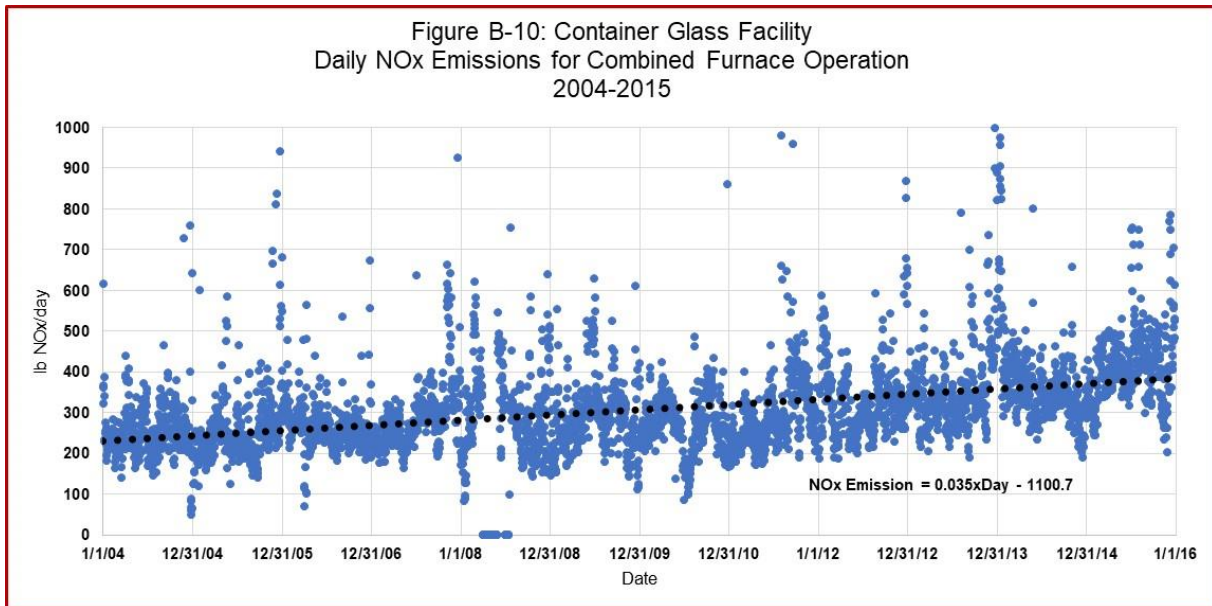


Figure B-10, NOx is seen to have increased approximately 0.035 lbs of NOx per day over a twelve year period. Since this represents two furnaces in operation, the corresponding NOx emissions increase per furnace would be approximately 0.0175 lbs of NOx per day or 6.4 lbs per year per furnace. The expected NOx increase due to the aging experienced by a furnace may be approximately 96 lbs over a 15 year operational cycle.

To present this on a pounds of NOx per ton of glass pulled basis, staff used the averaged pull rate for the two furnaces from 2010 to 2015 because staff did not have the pull rates from 2004 to 2009. The pulled amounts were 285 tons and 354 tons for an average of 319.5 tons. Based on this analysis, this would correspond to an average increase of 0.30 lbs of NOx per ton of glass pulled ($96 \text{ lbs} \div 319.5 \text{ tons}$). This increase does not take into consideration the addition of the CCF system in 2017. With the addition of the CCF system, staff expects that any effect due to NOx increases over time to be mitigated.

Proposed NOx Emission Limits

Based on the data analysis and observations made by staff, the following NOx emission limits are proposed:

- For the container glass melting furnaces, NOx emissions should not exceed 0.75 lb NOx per ton of glass pulled on a rolling 30-day average.
- For the sodium silicate furnace, NOx emissions shall not exceed 0.50 lb NOx per ton of product pulled on a rolling 30-day average.

Presentation of SOx Emissions from Container Glass Melting Furnace Operations

As was previously noted in this staff report, although the sodium silicate facility is in the SOx RECLAIM program, it does not report SOx emissions.

The following SOx information illustrates SOx emissions from the container glass melting furnaces.

Figure B-11 illustrates the SOx emissions on a lbs per day basis reported by the container glass facility for its container glass melting furnaces from CY 2016 to CY 2019.

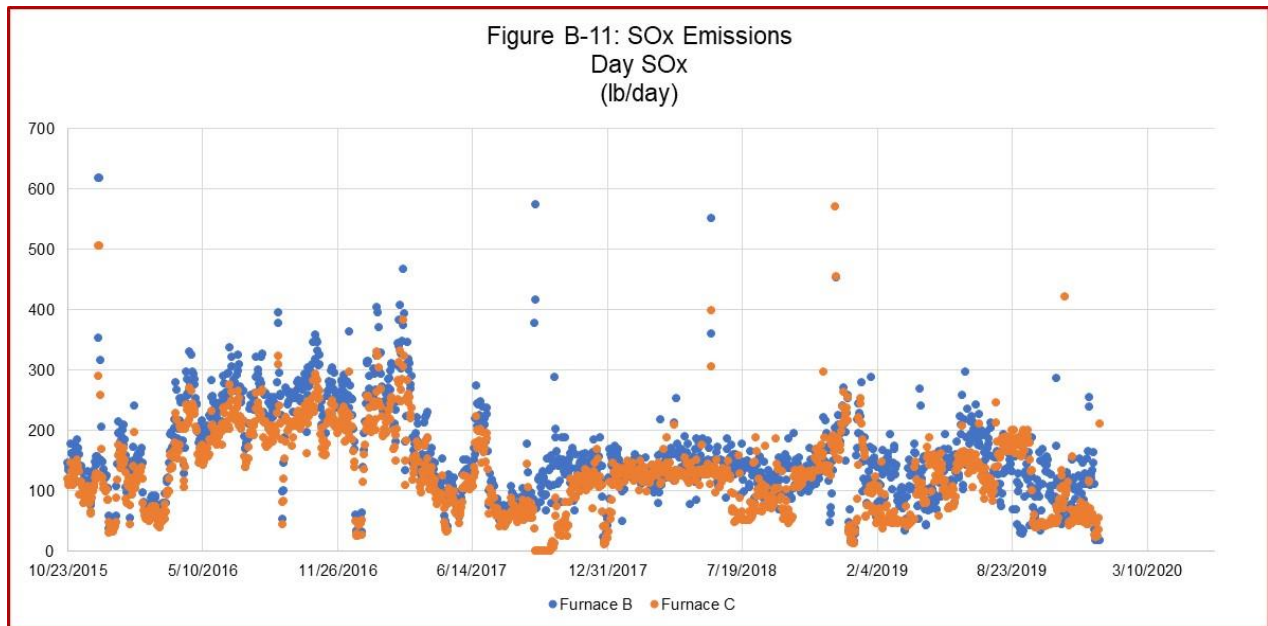
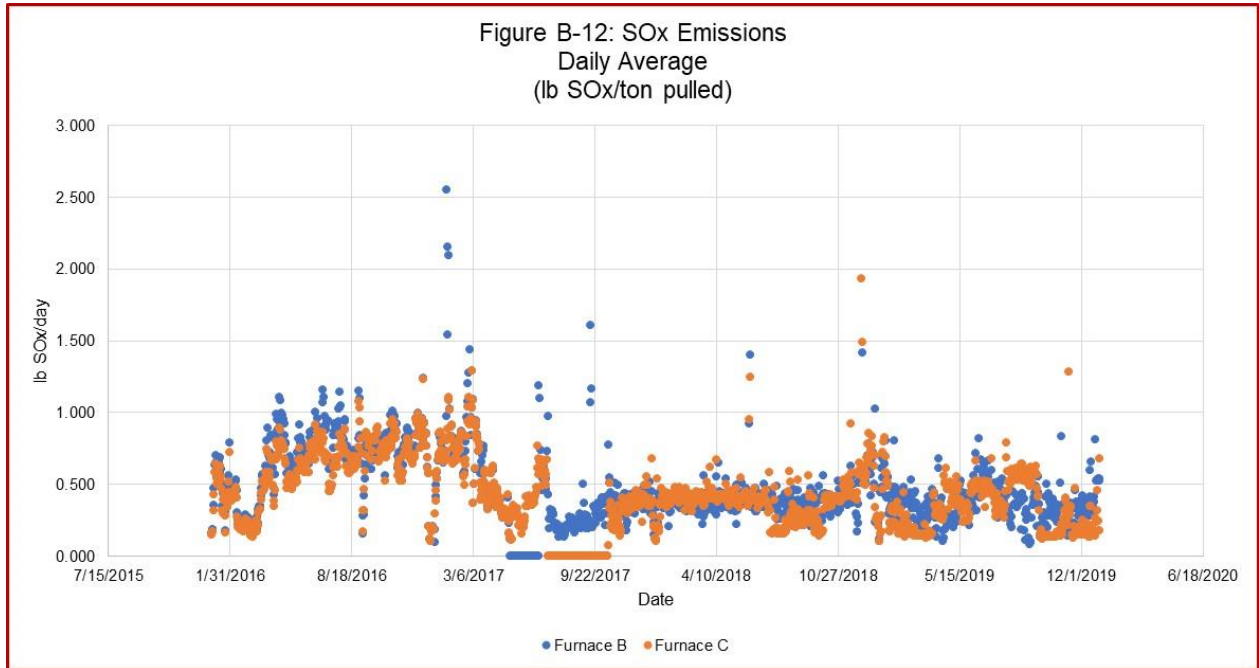
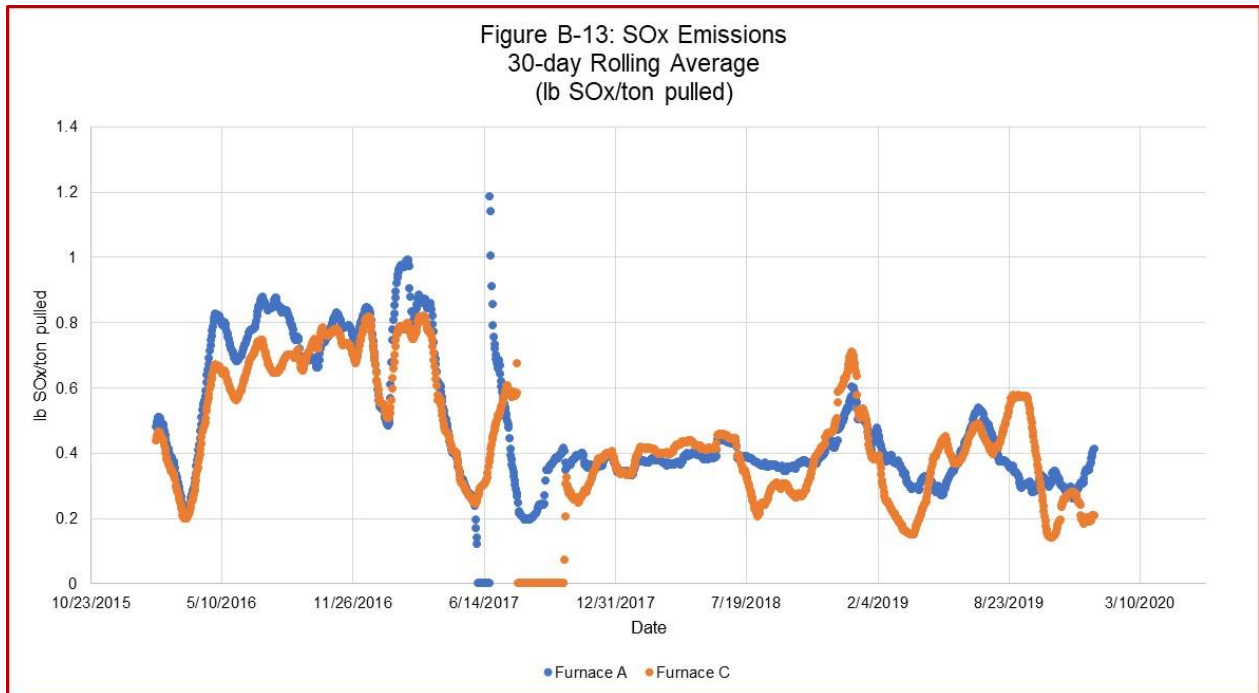


Figure B-12 illustrates the SOx emissions per day based on the ratio of emissions to glass pulled from the container glass melting furnaces from CY 2016 to CY 2019.



Figures B-13 illustrates the NOx emissions on a rolling 30-day average based on the ratio of emissions to glass pulled for the container glass melting furnaces from CY 2016 to CY 2019.



SOx Data Analysis

The primary goal for the installation of the CCF and oxy fuel burners at the container glass facility was tied to reducing NOx emissions. Although there is some observable SOx reduction at the

container glass facility due to the CCF, the emissions impacts will be evaluated at a later date when the RECLAIM SO_x program is also transitioned to a command-and-control regulatory structure.

APPENDIX C – RESPONSE TO COMMENT LETTERS

Comment Letter No. 1 – Latham and Watkins (on behalf of Owens-Illinois)

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April 16, 2020

VIA EMAIL

Rodolfo Chacon
Air Quality Specialist
South Coast Air Quality Management
District

Re: Proposed Amendments to SCAQMD PAR 1117

Dear Mr. Chacon:

We are submitting these comments on South Coast Air Quality Management District (“SCAQMD”) Proposed Amended Rule 1117 - Emission of Oxides of Nitrogen from Glass Melting Furnaces (“PAR 1117”) on behalf of our client Owens-Brockway Glass Container, Inc. (“Owens”). In addition, attached is a markup of the current version of PAR 1117 (March 2020). The Owens facility is located at 2901-23 Fruitland Ave in Vernon, CA 90058 (Facility ID No. 7427) (“Facility”). The Facility is a RECLAIM Cycle 1 for both NO_x and SO_x (Coastal Zone). The Facility is one of only two facilities subject to PAR 1117 and the only container glass melting facility subject to the rule.

Background

The Facility produces about 700 tons per day of glass containers for the food and beverage industry. The Facility uses significant volumes of recycled glass, also known as cullet, in the production process. During normal operations, the feed to the Facility’s two furnaces, identified as Furnaces B and C, consists of between 55% and 73% cullet. Furnaces B and C consist of two newly re-bricked advanced oxyfuel-fired glass furnaces that vent to an advanced air pollution control system. Installed in 2016 and 2017, the Tri-Mer emission control system reduces NO_x, SO_x and PM from the Facility.

1-1

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Rodolfo Chacon
April 16, 2020

LATHAM+WATKINS Page 2

The emission control upgrades implemented at the Facility are above and beyond what is required to comply with emission limits in the Facility Title V Operating Permit, and any requirements applicable to similar facilities elsewhere in the country. Taken together, the furnace design and air pollution control system represent one of the lowest-emitting glass container manufacturing capabilities in the United States. Owens implemented the upgrades because of the incentive provided by the NOx RECLAIM allowing for the sale of unused RTCs as a means of recouping some of its investment. Of course, the incentive to undertake emission control projects of this type will be eliminated with the sunset of the NOx RECLAIM program.

1-1
cont.

Specific Comments

1. The proposed NOx limit must be set at a level that takes into consideration performance of the furnaces and control equipment over time.

As a result of the recent re-bricking of the furnaces, and optimization of the emission control system, control of emissions from the Facility is currently at peak performance. While Owens implements a rigorous maintenance program, over time it is inevitable that additional oxygen from the ambient air will ingress into the furnaces. NOx emissions are produced as a result of the thermal reaction between nitrogen and oxygen in the high temperature environment of the glass melting furnaces. Therefore, over the period of time until the furnaces would be rebricked again, NOx emissions will increase.

1-2

The proposed NOx limit of 0.25 lb/ton is low for glass melting furnaces. For other glass melting furnaces outside of California, emission limits ranging from 1.1 to 1.3 lbs per ton of glass pulled have been required in consent orders with USDOJ. Owens has already significant capital costs to install the add-on emission control system and will incur additional operating costs associated with the system. A 0.25 lb/ton NOx limit, which is far below that applicable to other similar facilities, places Owens at a further competitive disadvantage. Owens is also concerned that this limit does not account for expected increases of emissions over time or provide for a sufficient compliance margin.

1-3

During initial discussion with staff, Owens proposed a NOx limit of 1.0 lb/ton, which it believes is representative of limits recently imposed on other similar facilities, and also represents a 33% reduction of the current Facility permitted NOx limit, and a 75% reduction from the current NOx limit in Rule 1117. Upon further review, Owens believes that it can maintain emissions from the furnaces at the Facility below 0.75 lb/ton NOx limit. As such, PAR Rule 1117(d)(1) should be revised to "0.75 pound of NOx per ton of glass pulled, averaged over a rolling 30-day period."

1-4

2. The definition for Cullet should be clarified to include recycled and scrap glass.

In PAR 1117(c)(3), the definition of "Cullet" should be clarified. At the Facility, cullet and raw materials, consisting primarily of silica sand, limestone and soda ash, are weighed,

1-5

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<p style="text-align: center;">Rodolfo Chacon April 16, 2020 Page 3</p> <p>LATHAM+WATKINS</p>	<p>combined, and mixed to precise ratios into a batch. The composition of the batch varies depending on the type of glass being made. The batch is then directed to a furnace, where it is melted and formed into glass bottles or other containers. Rejects and off-spec containers are recycled as cullet and reused. Cullet should be clarified to include recycled and scrap glass.</p>	<p>1-5 cont.</p>
<p>3. The definition for Furnace should be broadened to include any fossil fueled furnace.</p>	<p>In PAR 1117(c)(6), the definition of “Furnace” should be clarified. For the purposes of the rule, furnace means any fossil fuel-fired glass melting furnace or sodium silicate furnace. The definition of Furnace should not be related to containers. The term furnace should be read broadly to include any fossil fuel-fired glass melting furnace or sodium silicate furnace.</p>	<p>1-6</p>
<p>4. The definition of Startup should reflect actual operating conditions.</p>	<p>In PAR 1117(c)(14), the definition of “Startup” should be clarified. Once the minimum temperatures have been reached and the emissions control system is operational, startup time limits should not apply. When the emissions control system is not bypassed, emissions are being controlled. The definition of Startup should be revised to mean the period of time “after initial construction or a furnace rebuild during which a furnace is heated to operating temperatures by the primary furnace combustion system, pollution control equipment is brought on line, and systems and instrumentation are brought to stabilization.”</p>	<p>1-7</p>
<p>5. Limits for idling, startup and shutdown should reflect actual operating conditions.</p>	<p>Key to limiting emissions during start-up, shutdown and idling is not limiting the duration of the event, but limiting the period of time that the emission control system is not fully operational. Emissions from the furnaces are controlled when the emissions control system is operational. The requirements under Rule 1117(d)(3) should reflect operating conditions and clarify that the time limits apply only when the exhaust is not passing through “operating pollution control equipment, including the injection of any associated chemical reagent into the exhaust stream to control NOx.” Furthermore, Rule 1117(d)(4) should be revised to clarify that, during start-up, shutdown and idling, the furnaces shall operate with “exhaust emission control systems, including the injection of any associated chemical reagent into the exhaust stream to control NOx, whenever technologically feasible.”</p>	<p>1-8 1-9</p>
<p>6. Compliance determinations should also should reflect actual operating conditions.</p>	<p>PAR Rule 1117(e)(1) may require Owens to determine compliance on a rolling 30-day average using a Continuous Emissions Monitoring System (“CEMS”) regardless of actual operating conditions at the Facility. Operating days should only be removed from the 30-day roll</p>	<p>1-10</p>
<p>US-DOCS\114746823.6</p>		

when the emissions control system is bypassed. As such, Rule 1117(e)(1) should be modified to account for “for all days in which the Furnace operated for the previous 30 days.”

1-10
cont.

7. PAR 1117 needs to define “in full use” for air pollution control equipment.

Owens has a separate ceramic catalyst filter (“CCF”) system for each of the two glass melting furnaces at the Vernon Plant. The CCF systems are similar to baghouses, but instead of fabric bags the CCF systems use ceramic catalyst filters, also known as “candles” due to their shape. Each of the two CCF systems is composed of separate housing units that can be taken off-line independently, while furnace exhaust continues to pass through the remaining operating housing units. The Furnace B system has four housing units with 240 filters in each housing unit, for a total of 960 filters; the Furnace C system has four housing units with 200 filters in each housing unit, for a total of 800 filters.

1-11

While Owens typically operates with all housing units online, the systems are designed to enable Owens to meet permitted emission limits for a particular furnace with only two of the four housing units in that system online. PAR 1117 should allow Owens to operate only two of the four housing units at one time.

Thank you for your attention to these comments. If you would like to discuss our concerns, please contact me at (714) 755-8105 or by email at michael.carroll@lw.com.

Sincerely,



Michael J. Carroll
of LATHAM & WATKINS LLP

Attachment

cc: Wayne Natri, SCAQMD
Phil Fine, SCAQMD
Susan Nakamura SCAQMD
Barbara Baird, SCAQMD
Mary Reichert, SCAQMD

Response to Comment 1-1

The South Coast AQMD staff appreciates your comments and recognizes that the emissions control equipment that has been installed at this facility has significantly reduced the NO_x emissions at the site. Staff agrees with the commenter that when combined, the furnace design and air pollution control system represent one of the lowest-emitting glass container manufacturing capabilities in the United States. This combination of design and added control equipment is unique and uncommon at other plants operating in the United States.

Through the PAR 1117 rulemaking process, it is the intent of staff to codify these achievements in emissions reductions. Staff does not anticipate that the facility will incur any additional equipment or operational costs resulting from PAR 1117 than what has already been invested by the facility. Staff also notes that the decision by the facility to implement these upgrades was made in part because of the incentive provided by the NO_x RECLAIM program allowing for the sale of unused RTCs, and has benefited in the RECLAIM program by installing pollution controls before requirements under PAR 1117 were established.

Response to Comment 1-2

Staff recognizes that a container glass melting furnace's refractory brick ages over time and may allow air to ingress. Staff reviewed NO_x emissions data for the two furnaces operating at the facility from 2004 through 2015 and noted that prior to the installation of the ceramic catalyst filter system, there was an increase in the aggregate NO_x emissions over this period. The NO_x emission limit established for container glass melting furnaces accounts for aging of refractory brick.

Response to Comment 1-3

As part of the BARCT technology assessment, staff identified other glass melting furnaces operating with NO_x emission limits ranging from 1.1 to 1.3 lbs of NO_x per ton of glass pulled in consent decrees with the United States Department of Justice and in other regulatory jurisdictions. Staff considered these limits as unique to the circumstances and conditions found at these locations. Similarly, for PAR 1117, staff evaluated data specific to the operation of the two container glass melting furnaces at the affected facility.

What has already been demonstrated and achieved by the use of the currently installed emissions control equipment is what PAR 1117 will codify. Staff does not anticipate that the facility will incur any additional equipment or operational costs resulting from PAR 1117 than what has already been invested by the facility.

Staff initially proposed a NO_x emission limit of 0.25 lb per ton of glass pulled. Based on stakeholder input, staff has revised the NO_x limit to 0.75 lb per ton of glass pulled to accommodate increases in NO_x emissions due to the aging of the furnaces and associated emissions control equipment, and also to provide a compliance margin.

Response to Comment 1-4

Staff has revised the NO_x emission limit to 0.75 lb per ton of glass pulled, averaged over a rolling 30-day period for container glass melting furnaces.

Response to Comment 1-5

The definition of cullet has been revised to include the term “recycled.”

Response to Comment 1-6

Within the jurisdiction of the South Coast AQMD, there are only two RECLAIM facilities currently affected by PAR 1117. To provide distinction between the two types of operations, staff has included the container glass definition to distinguish this process versus the other for sodium silicate. The definitions are specific to the directly affected sources of the proposed amended rule.

Response to Comment 1-7

Staff has revised the language in PAR 1117 (d)(3) that pertains to startups, shutdowns, and idling to exclude periods of time when the exhaust emissions control equipment is in use. The goal of limiting these operational situations is to minimize uncontrolled emissions. If the exhaust emission control equipment is in operation, then staff agrees the intention has been met.

Further, staff has distinguished between types of emission control equipment in this provision. Although oxy-fueled burners are recognized as a type of emissions control equipment, the use of the add-on exhaust emissions controls is what is targeted by the revised provision.

Response to Comment 1-8

See response to Comment 1-7.

Response to Comment 1-9

The phrase “whenever technologically feasible” was determined to be too broad to be able to enforce. Instead, staff has incorporated existing permit conditions that specify the temperature at which ammonia or a similar reagent should be injected and when the catalyst system is in operation.

Response to Comment 1-10

Staff has updated the language in PAR 1117 (e)(1) to explicitly exclude emissions from idling, startup, and shutdowns from being counted as part of the 30-day rolling average. However, idling, startup, and shutdown activities are still limited by the time restrictions in PAR 1117 (d)(3). If a furnace operates beyond the time allowed for either idling, startups, or shutdowns, then the emissions emitted beyond the allotted time shall be counted as part of the 30-day rolling average.

The purpose of including the requirement that “if a furnace operates for fewer than 30 days, then compliance for NO_x will be determined based on the average for the actual days of operation” is to address batch-type operations. If a furnace such as one used in the sodium silicate process is operated for less than 30 days and is shutdown based on operational considerations, then its emissions shall be averaged for the amount of time that it actually operated.

Response to Comment 1-11

PAR 1117 does not define the requirement “in full use” for any air pollution control equipment, but defers any specific requirements to conditions listed on the facility’s permit to operate. At a minimum, the permit to operate currently requires the use of two of the four ceramic catalyst filter housing units per furnace line.

ATTACHMENT G

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Final Staff Report

Proposed Amended Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces

June 2020

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WAYNE NASTRI

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EXECUTIVE SUMMARY

The Regional Clean Air Incentives Market (RECLAIM) program was adopted in October 1993 under Regulation XX. RECLAIM is a market-based emissions trading program designed to reduce NO_x and SO_x emissions and includes facilities with NO_x or SO_x emissions greater than 4 tons per year. The 2016 Final Air Quality Management Plan (2016 AQMP) included Control Measure CMB-05: Further NO_x Reductions from RECLAIM Assessment (CMB-05) to ensure the NO_x RECLAIM program was achieving equivalency with command-and-control rules that are implementing Best Available Retrofit Control Technology (BARCT) and to generate further NO_x emission reductions at RECLAIM facilities. The adoption resolution for the 2016 AQMP directed staff to achieve five tons per day of 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 BARCT as soon as practicable. On July 26, 2017 the Governor approved California State Assembly Bill 617, which required air districts to develop, by January 1, 2019, an expedited schedule for the implementation of BARCT no later than December 31, 2023 for industrial facilities that are in the State greenhouse gas cap-and-trade program with priority given to older higher polluting sources that need to install BARCT.

As facilities transition out of NO_x RECLAIM, a command-and-control rule that includes NO_x emission standards that reflect BARCT will be needed for all equipment categories. Rule 1117 – Emissions of Oxides of Nitrogen from Glass Melting and Sodium Silicate Furnaces is a command-and-control rule for facilities that operate furnaces used in the production of glass and sodium silicate. Proposed Amended Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces (PAR 1117) will update the existing rule to reflect current technologically-achieved emission levels that represent BARCT for NO_x and SO_x. PAR 1117 will also address operational concerns related to idling, startup, and shutdown of container glass melting and sodium silicate furnaces by including provisions and limitations for these unique situations. In addition, provisions that are no longer applicable will be removed.

Of the facilities in RECLAIM, two facilities will be affected by PAR 1117: one container glass manufacturer and one sodium silicate manufacturer. There are two furnaces operated at the container glass facility and one furnace operated at the sodium silicate facility that will be subject to PAR 1117. In addition, PAR 1117 will also incorporate the auxiliary combustion equipment associated with the container glass manufacturing lines. Initially, Rule 1117 applied to the container glass manufacturing process but did not apply to the sodium silicate process. However, with the transition of RECLAIM to a command-and-control regulatory structure, sodium silicate manufacturing has been included into PAR 1117 since its manufacturing process is similar to container glass.

In 2017, both container glass and sodium silicate facilities installed new air pollution control devices (APCDs) on each of their furnaces. Although the APCDs were installed prior to the adoption of PAR 1117, their impact on reducing NO_x and SO_x emissions will be evaluated and included as part of the rule development process to ensure NO_x and SO_x emission limits are met on an ongoing basis. Based on the success demonstrated in reducing NO_x and SO_x emission levels, PAR 1117 will reduce the NO_x limit from the current rule level of 4.0 lbs of NO_x per ton of glass

pulled to 0.75 lbs of NO_x per ton of glass pulled for container glass furnaces and 0.50 lbs of NO_x per ton of product pulled for sodium silicate furnaces. PAR 1117 will also establish a SO_x emission level where no limit had been included previously in the rule. The SO_x emission level for container glass furnaces and the sodium silicate furnace will be established at 1.1 lbs of SO_x per ton of glass pulled based on current permitted conditions contained in the container glass facility's Permit to Operate and on a level representing Best Available Control Technology limits.

A cost-effectiveness analysis was completed for the NO_x reduction associated with the 2017 installation of the APCDs at both the container glass and sodium silicate facilities, as well as future requirements pertaining to container glass auxiliary combustion equipment. The NO_x emission reductions are 0.57 tpd and an overall cost-effectiveness of \$22,700 per ton of NO_x reduced was determined for the proposed emission limits. Although additional benefits from the reduction of other pollutants are expected, these other reductions were not considered at this time.

CHAPTER 1: BACKGROUND

BACKGROUND

REGULATORY HISTORY

AFFECTED FACILITIES AND EQUIPMENT

PUBLIC PROCESS

BACKGROUND

In October 1993, Regulation XX- RECLAIM was adopted. The purpose of the RECLAIM program was to provide industry with a flexible, market-based approach to reduce NO_x and SO_x emissions. Participants were initially allocated RECLAIM Trading Credits (RTCs) based on emissions from their highest production level from 1989 to 1992. With the adoption of RECLAIM, furnaces that had been regulated under Rule 1117 were exempt from NO_x emission standards.

Over the life of RECLAIM, allocations have been reduced twice, requiring businesses to either reduce emissions through installation of pollution controls or replacement if equipment or processes change; or purchase RTCs. In response to concerns regarding actual emission reductions and implementation of BARCT under RECLAIM, Control Measure CMB-05 of the 2016 AQMP committed to an assessment of the RECLAIM program in order to achieve further NO_x emission reductions of five tons per day, including actions to transition the program and ensure future equivalency to command-and-control regulations. During the adoption of the 2016 AQMP, the adoption 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 BARCT-level controls as soon as practicable.

In addition, on July 26, 2017, Governor Brown signed AB 617 which addressed non-vehicular air pollution. AB 617 was companion legislation to AB 398 which extended California's cap-and-trade program for reducing greenhouse gas emissions from stationary sources. RECLAIM facilities that are part of the cap-and-trade program are now also subject to the requirements of AB 617. AB 617 requires an expedited schedule for implementing BARCT for cap-and-trade facilities. Under AB 617, the State's air districts were to develop a schedule by January 1, 2019 for the implementation of BARCT no later than December 31, 2023. The highest priority would be given to older, higher polluting units that would need to install retrofit controls.

The October 5, 2018 amendment to Rule 2001 established procedures for facilities to opt out of RECLAIM provided the equipment at the facility met specified criteria.

Staff has been in discussions with the United States Environmental Protection Agency (USEPA) on all elements of transitioning RECLAIM sources to a command-and-control regulatory structure to ensure that the rules relating to the transition would be approved into the State Implementation Plan (SIP). USEPA expressed concern over facilities exiting RECLAIM before all command-and-control and New Source Review (NSR) requirements had been adopted to clearly demonstrate equivalency to the replaced program. Therefore, USEPA has recommended keeping facilities in RECLAIM until all the rules associated with the transition have been adopted and approved into the SIP.

As a result, on July 12, 2019, the opt-out provision was removed from Rule 2001 in consideration of USEPA's recommendation, and now prohibits facilities from exiting the RECLAIM program. Until facilities exit RECLAIM, they will continue to be subject to all RECLAIM requirements including Rule 2005 – New Source Review for RECLAIM, for permitting of new or modified NO_x sources that undergo emission increases. In addition, these facilities will also be required to

comply with all the requirements in adopted and amended command-and-control rules that apply to RECLAIM facilities, including the implementation schedules and any NO_x or SO_x limitations. Staff will continue to work with USEPA on NSR for former RECLAIM facilities as well as on all the relevant command-and-control rules for the RECLAIM transition.

As facilities transition out of RECLAIM, a command-and-control rule that includes NO_x and SO_x emission standards that reflect BARCT will be needed. PAR 1117 is a command-and-control “landing” rule for RECLAIM facilities that operate container glass melting and associated combustion equipment, and sodium silicate furnaces. Equipment at existing RECLAIM facilities will be required to comply with the emission standards and with monitoring, reporting, and recordkeeping requirements contained in PAR 1117. In addition, PAR 1117 will address operational concerns related to idling, startup, and shutdown of container glass melting and sodium silicate furnaces by including provisions and limitations for these situations. Existing provisions that are no longer applicable will be removed.

REGULATORY HISTORY

On February 5, 1982, the South Coast AQMD Governing Board adopted Rule 1117 – *Emissions of Oxides of Nitrogen from Glass Melting Furnaces*. The rule was subsequently amended once on January 6, 1984. The rule set a single limit for NO_x emissions at 4.0 lbs NO_x per ton of glass pulled effective after December 31, 1992. However, the rule exempted furnaces used in the production of glass tableware, flat glass, or fiberglass.

The rule also allowed for the use of an alternative emissions control plan and an energy recovery NO_x emissions factor. In addition, compliance determination was made using a three-hour averaging procedure unless a continuous emissions monitoring system was installed, in which case a 24-hour averaging could then be used.

In December 2015, Regulation XX was amended to implement Control Measure CMB-01 of the 2012 Air Quality Management Plan and to further reduce NO_x from RECLAIM facilities. The amendment implemented NO_x BARCT for various pieces of equipment. As part of the BARCT assessment, container glass melting and sodium silicate furnaces were evaluated and it was determined to be feasible to reduce NO_x emissions by 80%, which was also verified by a third-party consultant. In response to the required NO_x allocation reduction, both container glass and sodium silicate facilities installed air pollution control equipment to comply with this requirement.

AFFECTED FACILITIES AND EQUIPMENT

PAR 1117 impacts two facilities: a container glass and sodium silicate manufacturing facility. Both facilities are in the RECLAIM program and upon transitioning out of RECLAIM into a command-and-control regulatory structure, they will become former RECLAIM Facilities. There are no other facilities operating within the jurisdiction of the South Coast AQMD that are equipped with container glass melting or sodium silicate furnaces or similarly purposed equipment that would be subject to this proposed amended rule.

The container glass facility makes containers used in the food and beverage industries. It operates two container glass melting furnaces. Each furnace is rated at 68 MMBTU/hr and is equipped with oxy-fueled burners. The container glass facility also operates two manufacturing lines that each consists of a main melting furnace where molten glass is produced and auxiliary combustion equipment to keep the material flowing to pour stations where the bottles are formed. Once the bottles are formed, they are transported to smaller furnaces for annealing. The annealing step relieves any residual internal stress introduced in the manufacturing process which improves the durability of bottles. Typically, once the facility starts up, the container glass melting furnaces operate continuously for years at a time.

The sodium silicate facility produces a sodium silicate material in either solid or aqueous solution that is used in a variety of industrial or consumer products. It operates one furnace rated at 56.6 MMBTU/hr and is equipped with low-NO_x burners. The sodium silicate furnace is a cross-fired regenerative furnace that cycles its firing from one side to the other, reversing direction on a periodic basis. The back-and-forth operation of this furnace allows for waste heat to be recovered and be used to preheat combustion air, improving efficiency and allowing for higher operating temperatures. Unlike the container glass facility, the sodium silicate facility operates for limited manufacturing runs of up to several months with significant down time in between runs where the furnace is not in operation.

PUBLIC PROCESS

The development of PAR 1117 was conducted through a public process. One Working Group meeting was held on August 1, 2019. Working Group meetings typically include staff and representatives from affected businesses, environmental groups, public agencies, consultants, and other interested parties. The purpose of the Working Group meetings is to discuss details of proposed amendments and to listen to concerns and issues with the objective to build consensus and to resolve key issues.

Staff has had meetings with stakeholders and has conducted multiple site visits at both facilities as part of this rulemaking process. Since this rule affects only two facilities, staff determined that it would be more beneficial and efficient to address specific issues with the facilities individually in lieu of conducting multiple working group meetings. A public workshop was held on March 19, 2020. Due to unique circumstances associated with COVID-19, the public workshop was held via videoconference. The purpose of the public workshop was to present the preliminary staff report and proposed rule language to the general public and to stakeholders, as well as to solicit feedback.

CHAPTER 2: BARCT ASSESSMENT

INTRODUCTION

BARCT ANALYSIS APPROACH

INTRODUCTION

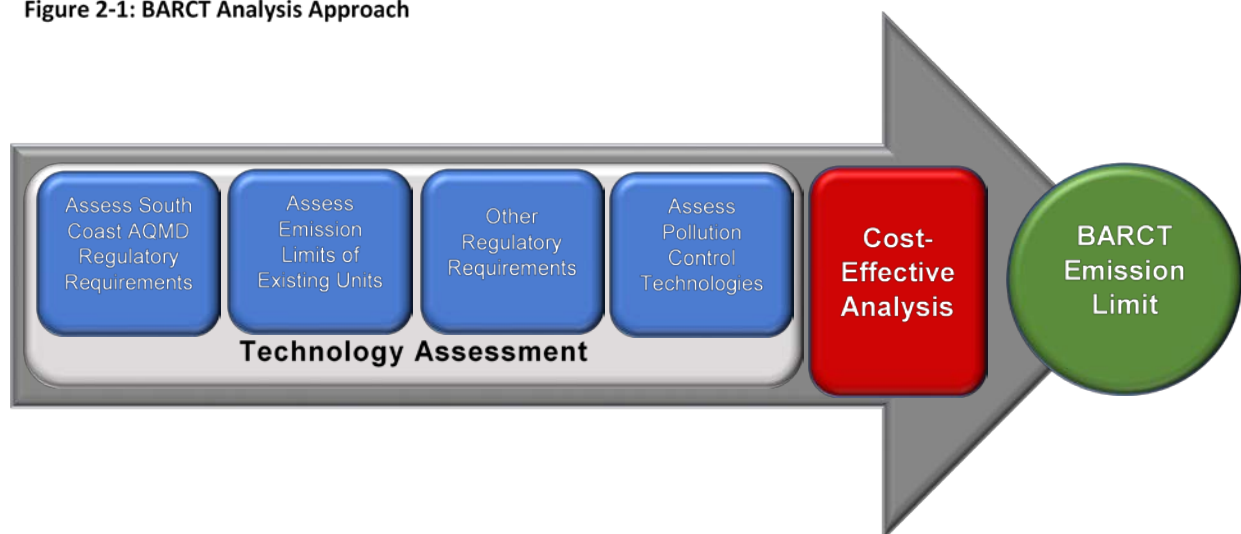
Staff conducted an assessment of the NO_x and SO_x emission limit under Rule 1117 to determine if it is still representative of BARCT for similar types of combustion equipment. BARCT analyses are periodically performed for equipment categories to assess technological changes that may reflect a lower emission limit. Rule 1117 was adopted in 1982 and last amended in 1984. Since that time, NO_x emission limits for similar types of combustion equipment generally have been established lower than the current limit contained in Rule 1117. The lower limits have been due to the evolution of burner design and the addition of emission control systems.

Under California Health and Safety Code § 40406, BARCT is defined as:

“... an emission limitation that is based on the maximum degree of reduction achievable, taking into account environmental, energy, and economic impacts by each class or category of source.”

The BARCT assessment for this rule development consisted of a multi-step analysis. The first four steps represent the technology assessment. First, staff evaluated current South Coast AQMD regulatory requirements, then assessed emission limits for existing units and then surveyed other air districts and agencies outside of the South Coast AQMD’s jurisdiction to identify emission limits that exist for similar equipment. In the final step of the technology assessment, staff assessed pollution control technologies to determine what degree of reduction could be achievable for the affected sources. A cost-effectiveness analysis is then conducted. Based on the evaluation of the information, initial BARCT emission limits are recommended.

Figure 2-1: BARCT Analysis Approach



BARCT ANALYSIS APPROACH

Assessment of Current South Coast AQMD Regulatory Requirements

For this first step of the BARCT analysis, staff reviewed both existing South Coast AQMD Rule 1117 and recent permitting activities. Last amended in 1984, Rule 1117 currently limits NO_x emissions to 4.0 lbs of NO_x per ton of glass pulled and has no SO_x emission limits. Although Rule 1117 applies to glass melting furnaces, it exempts emissions from furnaces used to melt glass to produce glass tableware, flat glass, and fiberglass. Rule 1117 specifically does not include, nor does it explicitly preclude, the operation of a sodium silicate furnace. There are currently no glass melting furnaces outside of RECLAIM that are subject to Rule 1117.

Container Glass

The current Rule 1117 NO_x emission limit for container glass melting furnaces is 4.0 pounds of NO_x per ton of glass pulled and has been in effect since December 31, 1992. In 2015, a BARCT assessment that included operations from container glass melting was conducted as part of the NO_x RECLAIM amendments. In that assessment, staff concluded that an 80% NO_x emission reduction or a target of 0.24 pound per ton of glass produced was feasible and cost effective. Furthermore, staff's conclusion was confirmed by a contracted third-party consultant. Based on the 2015 BARCT assessment, the current NO_x limit in Rule 1117 is not representative of what has been demonstrated in for glass melting furnaces.

Currently, Rule 1117 does not have a SO_x emission limit for container glass melting furnaces. However, in anticipation of a future transition of the RECLAIM SO_x program to a command-and-control regulatory structure, PAR 1117 is including a SO_x limit during this rulemaking effort.

Sodium Silicate

Rule 1117 currently does not include a NO_x emission limit for sodium silicate furnaces. In 2015, a BARCT assessment that included operations from sodium silicate furnaces was conducted as part of the NO_x RECLAIM amendments. In that assessment, staff concluded that an 80% NO_x emission reduction or a target of 1.28 pound per ton of product pulled was feasible and cost effective. Furthermore, staff's conclusion was confirmed by a contracted third-party consultant.

Currently, Rule 1117 does not have a SO_x emission limit for sodium silicate furnaces. However, in anticipation of a future transition of the RECLAIM SO_x program to a command-and-control regulatory structure, PAR 1117 is including a SO_x limit during this rulemaking effort. The furnace at the sodium silicate facility is currently included in the SO_x RECLAIM program because it used to emit SO_x.

Assessment of Emission Limits of Existing Units

The current permit for the container glass facility contains a NO_x emission limit of 1.5 lbs NO_x per ton of glass pulled. The permit limit was predicated on the addition of a post-combustion control system designed to provide at least an 80% reduction of NO_x emissions in the exhaust gas exiting from the furnace. The post-combustion control system that was selected and installed was a ceramic-based catalyst system manufactured by Tri-mer. Additional consideration in selecting

the permit limit was also influenced by what other air districts and jurisdictions had determined to be attainable.

The container glass facility's permit also contains a SO_x emission limit of 1.1 lbs of SO_x per ton of glass pulled. The SO_x emission limit was established based on Best Available Control Technology (BACT) limits and by what other air districts and jurisdictions have determined to be attainable. Staff intends to incorporate the current SO_x emission limit as established by the container glass facility permit as well as in other jurisdictions into the proposed amended rule, which would be representative of current BARCT.

In contrast to the container glass facility's permit, the sodium silicate facility's Title V permit does not specify either a NO_x or a SO_x emission limit, but it does contain a throughput limit. Although not subject to a NO_x emission limit, the sodium silicate facility installed a Tri-mer system similar to the container glass installation to reduce NO_x emissions. Although the sodium silicate facility is included in the SO_x RECLAIM program, it was exempt from reporting any SO_x emissions because it uses 100% natural gas in its furnace and processes non-sulfate containing materials. Previously, the sodium silicate facility had the ability to fuel its furnace with No. 2 fuel oil, which resulted in SO_x emissions, but it has since changed its fuel to exclusively natural gas and has removed all infrastructure to support the fuel oil system. In addition, the sodium silicate furnace no longer processes sulfate-containing material which was a source of process SO_x. Because the furnace burns only natural gas and does not have process related SO_x emissions, it is not considered a SO_x source.

In general, since the installation of the Tri-mer systems, significant reductions in NO_x emissions have been observed at both the container glass and sodium silicate facilities. In contrast to NO_x emissions, staff has not observed significant SO_x reductions, due in part because NO_x reduction was the primary driver behind the installation of the emission controls equipment and because there is no SO_x data from the sodium silicate facility. These observations and their significance will be discussed further under the section assessing air pollution control technologies.

Other Regulatory Requirements

For this BARCT assessment, staff compared Rule 1117 emission limits to limits for glass melting equipment in other air districts within California and jurisdictions outside of California.

In its initial review, staff noted that some air districts and jurisdictions distinguished between the type of glass manufacturing. For example, San Joaquin Valley Air Pollution Control District (SJVAPCD) Rule 4354 – *Glass Melting Furnaces* established emission limits for the production of either container glass, flat glass, or fiberglass (see Table 2-1). Similarly, State of Pennsylvania Code 25, Section 129 – *Standards for Sources Control of NO_x Emissions from Glass Melting Furnaces* also established limits based on different glass production operations, distinguishing between container glass, fiberglass, flat glass, and pressed or blown glass (see Table 2-2).

In contrast to the SJVAPCD and the State of Pennsylvania, Bay Area Air Quality Management District (BAAQMD) Regulation 9, Rule 12, Section 9-12-301 – *Nitrogen Oxides from Glass Melting Furnaces* made no distinction in the type of glass manufacturing for its NO_x emission

limit. The BAAQMD set a NO_x emission limit of 5.5 lbs of NO_x per short ton of glass pulled, averaged over any consecutive 3-hour period, making no distinction in the type of glass manufacturing.

Table 2-1: SJVAPCD Rule 4354 NO_x Emission Limits (lbs NO_x per ton glass produced)	
Container Glass	1.5 ^B
Fiberglass	1.3 ^{A,C} 3.0 ^{A,D}
Flat Glass (Standard Option)	3.7 ^A 3.2 ^B
Flat Glass (Enhanced Option)	3.4 ^A 2.9 ^B
^A Block 24-hour average ^B Rolling 30-day average ^C Not subject to California Public Resources Code Section 19511 ^D Subject to California Public Resources Code Section 19511	

Table 2-2: Pennsylvania Code 25, Section 129 NO_x Emission Limits^A (lbs NO_x per ton glass produced)	
Container Glass	4.0
Fiberglass	4.0
Flat Glass	7.0
Pressed or Blown Glass	7.0
All Other Glass	6.0
^A Rolling 30-day average	

In addition to comparing NO_x emission limits set by other air districts and jurisdictions, staff also reviewed permits issued to glass melting facilities across the country to identify NO_x emission limits for comparable operations. In one example, staff noted that a furnace operated at the Gallo Glass Company located in Modesto, California is permitted not to exceed 1.4 lbs NO_x per ton of glass pulled. At this location, Gallo manufactures container glass and although it is within the jurisdiction of the SJVAPCD, the Gallo NO_x emission limit was set lower than what is established in the SJVAPCD Rule 4354.

After reviewing other permits issued to glass melting facilities across the country, staff also evaluated actions taken by USEPA to identify other NO_x emission limits established for comparable operations. Staff noted that in a settlement agreement with the Durand Glass Manufacturing Company which operates a tableware glass manufacturing facility in Millville, New Jersey, Durand was required to meet a NO_x emission limit of 1.2 lbs of NO_x per ton of glass produced on a 30-day rolling average and 1.0 lbs of NO_x per ton of glass produced on a 365-day rolling average.

As was noted earlier, the South Coast AQMD permit for the sodium silicate facility does not have a NO_x emission limit specifically written into it. However, staff noted that at other domestic Title V-permitted facilities operated by the same corporation that produces sodium silicate, NO_x emission limits are included within the respective facility permit. For example, at two sodium silicate facilities, one operating in Baltimore, Maryland and another in Chester, Pennsylvania, the sodium silicate melting furnaces have permitted limits of 5.73 lbs of NO_x per ton produced and 6.0 lbs of NO_x per ton produced, respectively.

Assessment of Pollution Control Technologies

Current air pollution control technology for glass melting and sodium silicate furnaces can be divided into three commercially available systems. Each one will be described in the following sections:

- Regenerative burners
 - Oxy-fueled burner technology
 - Selective Catalytic Reduction (SCR), and
 - Ceramic Catalyst Filtration (CCF)
-
- *Regenerative burners*

Glass melting furnaces can be configured in a standard configuration where burners are mounted in a side-port arrangement on both sides, and are fired continuously. Alternatively, a cross-fired regenerative furnace cycles its firing from one side to the other, reversing direction on a periodic basis. The cyclic operation of this furnace allows for waste heat to be recovered and used to preheat combustion air for the opposing side's burners, improving efficiency and allowing for lower NO_x emissions.

- *Oxy-fueled Burner Technology*

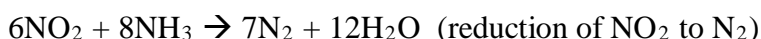
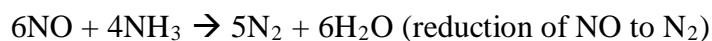
Oxy-fueled combustion is a NO_x reduction technology that uses oxygen-enriched air to combust fuel, instead of ambient air. By increasing the concentration of oxygen in the combustion air, two benefits are noted. The first is that the amount of fuel used in the combustion process can be reduced. Reducing the amount of fuel used can lead to less NO_x emissions. Oxygen combusts with fuel releasing energy to heat the glass making or sodium silicate process. By having more oxygen in a given volume of air, oxy-rich air requires less overall air volume needed in the combustion

process compared with ambient air. In the combustion process, some of the energy released is used to also heat the overall volume of gas. Reducing the overall volume of air then in turn reduces the amount of fuel used. The second effect is that by increasing the concentration of oxygen in air, other constituents like nitrogen are displaced. With less nitrogen in air, less NO_x from combustion is produced.

Typical NO_x conversion efficiencies for oxy-fueled burners varies depending on operation and configuration. Although NO_x reduction may be beneficial, costs associated with oxygen enrichment may make this option expensive relative to other technologies because of the additional equipment costs associated with the construction and operation of an onsite plant to supply the oxygen.

- *SCR*

SCR is a commercially available air pollution control technology used to reduce NO_x emissions from combustion sources. The SCR process works by chemically converting NO_x into nitrogen and water vapor. Ammonia or a similar reagent is injected into the exhaust of a combustion source. The exhaust then passes through a fixed catalyst bed where NO_x reacts with ammonia and is converted into nitrogen and water vapor as illustrated by the following equations:



The catalyst is typically designed in a honey-combed lattice structure embedded with active metal-oxides sites. Catalyst efficiency relies on good dispersion, mixing, optimal temperature range, and catalyst activity. However, catalyst activity can be adversely affected by poisoning of the active sites from contaminants such as sulfur, by thermal sintering due to high temperature, or by plugging from particulate matter (PM) and salts. Typical conversion efficiencies for SCR systems can range between 90 – 95% for NO_x. Although NO_x conversion can be high using an SCR system, capital investment, operating cost, and increased reagent usage may make this option less cost-effective compared to other emission control technologies. Additionally, consideration is required for the minimization of any excess unreacted ammonia past the SCR catalyst, otherwise known as ammonia slip.

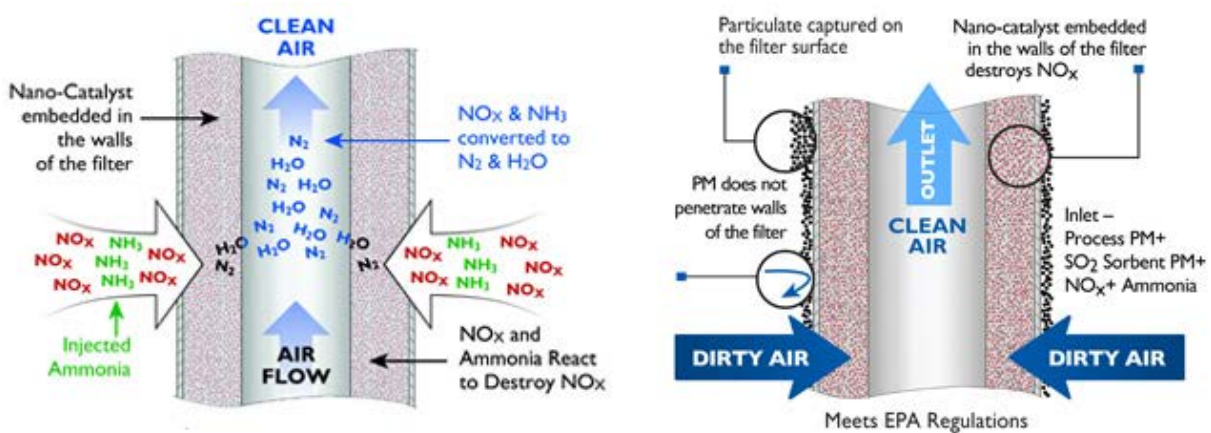
- *Ceramic Catalyst Filtration (CCF)*

CCF is a commercially available air pollution control system used to reduce NO_x emissions from combustion sources. It is similar to SCR technology in that a reagent is injected into the exhaust gas from a combustion source. The exhaust then passes through a fixed catalyst bed where NO_x reacts with ammonia and is converted into nitrogen and water vapor. Like an SCR, the catalyst bed is impregnated with metal oxides (See Figure 2-2). Unlike an SCR, however, the catalyst bed is configured into a cylindrical, ceramic filter element. Multiple filter elements are then arranged in an enclosed structure where the gas mixture passes through the element walls.

Typical NO_x conversion efficiencies for CCF systems are comparable to traditional SCR systems. In addition to NO_x reduction, CCF systems can be designed to remove other air pollutants such as SO_x and PM. Although NO_x conversion can be high using a CCF system, capital investment, operating cost, and increased reagent usage may make this option less cost-effective compared to other emission control technologies. However, the potential to remove pollutants in addition to NO_x may make this option attractive to install.

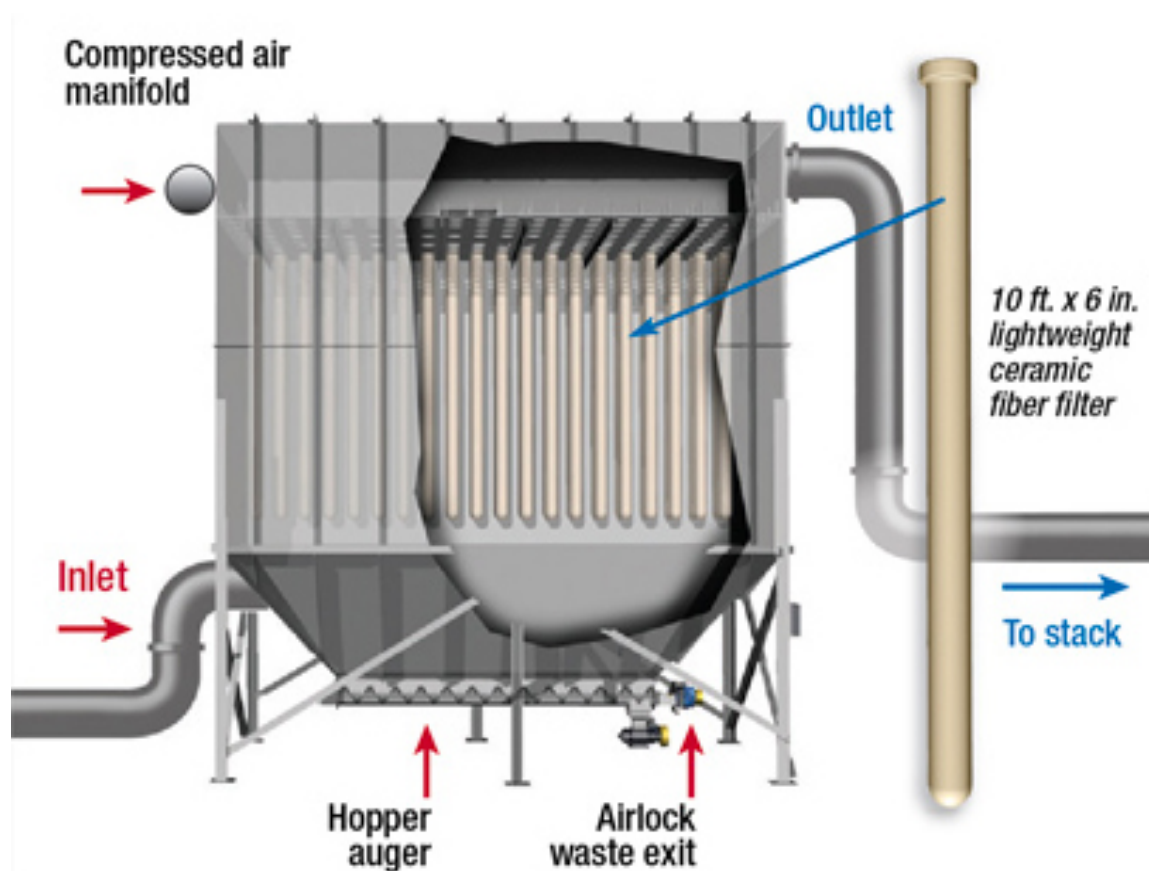
The sodium silicate facility uses regenerative burners in conjunction with the CCF system. The container glass facility utilizes oxy-fueled burners in conjunction with the CCF system. Staff did not identify any other facility that utilizes a combination of two different air pollution control equipment as seen at the container glass facility. Both facilities have achieved significantly lower NO_x emissions through the utilization of the combined technologies

Figure 2-2: Ceramic Filter Control System*



* Image courtesy of Tri-mer Corporation

Figure 2-3: Tri-mer Ultracat Control System Baghouse*



* Image courtesy of Tri-mer Corporation

Cost-Effectiveness Analysis

Staff conducted a cost-effectiveness analysis based on the installation of the CCF systems and the operation of the air pollution control equipment and the reduction of NO_x emissions. The overall cost-effectiveness was calculated to be \$22,700 per ton of NO_x reduced. Refer to Chapter 4 – Impact Assessment for additional details.

BARCT Emission Limit

Container Glass

Staff analyzed NO_x emission data from 2016 through 2019 from the container glass melting furnaces at the affected facility. This analysis covered the time prior to and after the installation of the CCF pollution control equipment. Based on the emissions data, the container glass melting

furnaces are meeting at least an 80% reduction in NOx emissions and are sustaining operation at less than 0.25 pound of NOx per ton of glass pulled. Relying on what has been demonstrated in the operation of the container glass melting furnaces, staff initially recommended a NOx emission limit of 0.25 pounds of NOx per ton of glass pulled, averaged over a rolling 30-day period. Staff received stakeholders' concerns that the proposed limit of 0.25 pound of NOx per ton of glass pulled did not provide sufficient operational flexibility to account for equipment aging and associated performance degradation. In response to these concerns, staff extended their review of the facility's NOx emissions to include CEMS data reported to the South Coast AQMD from 2004 through 2015. Based on this additional review of twelve years of data, staff determined a NOx increase due to aging of approximately 0.017 pound of NOx per year per furnace. Over the course of fifteen years, this accounted for an average total increase of 0.30 pound of NOx per ton of glass pulled per furnace. To provide operational flexibility and a sufficient compliance margin for potential NOx increases due to the aging of a furnace, staff revised its initial proposal from 0.25 pounds of NOx per ton of glass pulled to 0.75 pounds of NOx per ton of glass pulled. Additional detail how the NOx BARCT emission limit was established is provided in Appendix B.

To establish a SOx BARCT limit, staff determined that the emission limit contained in the permit to operate for the container glass melting furnaces of 1.1 pound of SOx per ton of glass pulled represents current BARCT limits.

Sodium Silicate

Staff analyzed NOx emission data from 2016 through 2019 from the sodium silicate furnace at the affected facility. This analysis covered the time prior to and after the installation of the CCF emissions control equipment. Based on the emissions data (see Appendix B), the sodium silicate furnace is meeting at least an 80% reduction in NOx emissions and is sustaining operation at less than 0.50 pounds of NOx per ton of glass pulled. Relying on what has been demonstrated in the operation of the sodium silicate furnace, staff is recommending a NOx emission limit of 0.50 pound of NOx per ton of product pulled, averaged over a rolling 30-day period.

Comparing the manufacturing of sodium silicate versus the manufacturing of container glass, staff notes that the sodium silicate manufacturing is a batch process versus a continuous, multi-year operation for the container glass manufacturing process. Since the sodium silicate furnace does not operate continuously for more than a few months at a time, staff considers that the effects of aging of the furnace and associated exhaust emissions control equipment can be addressed by the facility with repairs or upgrades between operational cycles. At this time, analysis of the emissions data and evaluation of the operational cycle does not indicate any potential NOx emissions increases for the sodium silicate furnace due to aging or performance degradation issues.

Although, the sodium silicate furnace is currently not a SOx source, staff intends to place a SOx emission limit in the event that the furnace operates on any fuel other than natural gas or produces process SOx. It is staff's intent to propose the same BARCT SOx emission limit as has been determined for container glass melting furnaces.

CHAPTER 3: PROPOSED AMENDMENTS TO RULE 1117

INTRODUCTION

PROPOSED AMENDMENTS TO RULE 1117

INTRODUCTION

PAR 1117 is a landing rule to transition facilities in RECLAIM to a command-and-control regulatory structure. It establishes NO_x and SO_x emission limits for container glass melting and sodium silicate furnaces and auxiliary combustion equipment used in the container glass manufacturing process. The proposed amendments establish Best Available Retrofit Control Technology (BARCT) emission limits for glass melting and sodium silicate furnaces.

PROPOSED AMENDMENTS TO RULE 1117

Rule 1117 was adopted on February 5, 1982 and was amended once on January 6, 1984. As part of this rulemaking effort, the rule not only will be revised to reflect BARCT NO_x and SO_x emission levels but it will also be amended to expand the applicability to include sodium silicate furnaces, to include new operational requirements, and address both NO_x and SO_x emissions. New sections and definitions are also added for clarity. Some provisions will be deleted as they are no longer applicable or relevant. Including a SO_x emission limit as part of this rulemaking, helps to address the future transition of the SO_x RECLAIM program. The rule title will be revised to: Emissions from Container Glass Melting and Sodium Silicate Furnaces.

New Purpose – Subdivision (a)

Previously, Rule 1117 did not have a subdivision that described the purpose of the rule. Consistent with other source-specific rules, a purpose was added. PAR 1117 adds the following language for the purpose of the rule.

- The purpose of this rule is to limit emissions of Oxides of Nitrogen (NO_x) and Oxides of Sulfur (SO_x) from facilities producing container glass and sodium silicate.

New Applicability – Subdivision (b)

Previously, Rule 1117 did not have a subdivision that described the applicability of the rule. Consistent with other source-specific rules, applicability was added to PAR 1117. Sodium silicate furnaces and auxiliary combustion equipment associated with container glass melting furnaces are proposed to be included in this rule. Currently, there are two facilities operating within the South Coast AQMD jurisdiction that PAR 1117 will apply to. Both facilities are currently in the RECLAIM program. The provisions of PAR 1117 will apply to these facilities while in RECLAIM and after they transition out of RECLAIM.

Although the operations at the two facilities are distinct enough to require different emission limits, it was determined that there was sufficient similarity to consolidate the sodium silicate furnace operation into PAR 1117 with the acknowledgement that there are distinct differences between the equipment, process, operation, and configuration.

PAR 1117 adds the following language to the applicability of the rule for clarity and for consistency with other South Coast AQMD rules.

- The provisions of this rule shall apply to the owner or operator of a RECLAIM facility or Former RECLAIM facility that operates a container glass melting furnace and associated auxiliary combustion equipment or that operates a sodium silicate furnace.

New and Modified Definitions – Subdivision (c)

Subdivision (c) was amended to reflect new and revised definitions and to delete obsolete terms. The definitions were rearranged to be in alphabetical order. The following new and modified definitions reflect the proposed changes.

- *AUXILIARY COMBUSTION EQUIPMENT means, for the purposes of this rule, any combustion equipment associated with the conveyance system or annealing equipment used in the container glass production process.*

This definition was added since the container glass facility operates other combustion sources related to the manufacturing process. The container glass production line also includes heated conveyance systems (forehearth/refiners) and annealing furnaces. It is the intent of staff to have this type of equipment covered in PAR 1117 to streamline compliance under one industry-specific rule.

- *CONTAINER GLASS MELTING FURNACE means any furnace used to melt material in the production of food and beverage type containers manufactured by pressing, blowing in molds, drawing, rolling, or casting glass. Container glass does not include flat glass that is used in windows, windshields, plate glass, etc., and which is produced by the float, sheet, rolled, or plate glass process.*

The definition for container glass melting furnaces was updated to differentiate this type of furnace from sodium silicate furnaces. It was also updated to list exclusions to the definition of container glass melting furnaces. By combining exclusions to flat glass and glass tableware operations, this revision allows the removal of these two processes from the exemption portion of the rule. Although other types of glass melting furnace operations existed under RECLAIM in the past, these facilities have since shut down.

- *CULLET means recycled and scrap glass which is added to the formulation being charged to a container glass melting furnace.*

This definition was modified to clarify that the addition of recycled and scrap glass applies to the container glass melting process.

- *DAY means the continuous 24-hour period from 12:00 am through 11:59 pm.*

This definition was added to clarify what is considered one day of operation. This becomes relevant when following the proposed averaging provisions in PAR 1117.

- *FORMER RECLAIM FACILITY means a facility, or any of its successors, that was in the Regional Clean Air Incentives Market as of January 5, 2018, as established in Regulation XX,*

that has received a final determination notification, and is no longer in the RECLAIM program.

This definition was added to clarify when a facility is no longer referenced as a “RECLAIM facility” which will occur once the facility transitions out of RECLAIM.

- *FURNACE means, for the purpose of this rule, either a container glass melting furnace or sodium silicate furnace.*

Unless specifically referenced as a “container glass melting furnace” or “sodium silicate furnace,” the term furnace will apply to both types of furnaces.

- *IDLING means the operation of a furnace at less than 25 percent of the production capacity as stated on the Permit to Operate and where the furnace is not undergoing startup or shutdown.*

Additional language was added to differentiate idling activities from startup and shutdown activities. The rule is being amended to restrict activities associated with idling, startup, and shutdown activities, which is detailed in another subdivision of PAR 1117. Examples of activities that may necessitate periods of idling can include: a product compositional change, a temporary pause in operation known as a “hot hold”, or short-term periods of time where a furnace is kept warm while maintenance of pollution control equipment is performed.

- *NO_x EMISSIONS means the sum of nitric oxides and nitrogen dioxides emitted, calculated as nitrogen dioxide.*

This definition was added for clarity.

- *PRODUCTION CAPACITY means a container glass or sodium silicate pull limit found in a Permit to Operate for the applicable furnace.*

This definition was added for clarity.

- *PULL or PULLED means the amount of product produced by a furnace, expressed in short tons per day.*

This definition was modified for clarity. The rule previously defined pull as a term applied to the removal of glass from a glass melting furnace, generally expressed in tons. Stakeholders expressed concerns that sodium silicate was different than glass and that the previous definition did not include the sodium silicate process. Staff revised the definition so that the term “product” would refer to either glass or sodium silicate.

- *RECLAIM FACILITY means a facility, or any of its successors, that was in the Regional Clean Air Incentives Market as of January 5, 2018, as established in Regulation XX.*

This definition was added for clarity. It defines what facilities are RECLAIM facilities.

- *SHUTDOWN* means that period of time during which a furnace is allowed to cool from operating temperatures to a furnace temperature below 200°F.

This definition was modified to add language to differentiate shutdown activities from idling and startup activities. Previously, the rule considered a shutdown to occur when a furnace was “allowed to cool from operating temperature to a lower temperature”. There was no consideration of what cooling to a lower temperature meant. In this revised definition, a shutdown is considered the process of cooling a furnace from an operating temperature with the intent of reaching a temperature near ambient air temperature. For example, an operator may cut production and furnace temperature, but still keep a furnace hot enough to ramp production back up. This “hot standby” or “hot hold” mode should not be considered a shutdown, but rather an idling activity. In addition, a shutdown period is considered to start when product from the furnace is no longer being pulled. Staff has defined the threshold temperature of 200°F based on stakeholder feedback.

- *SODIUM SILICATE FURNACE* means any furnace used to melt material in the production of various water-soluble substances obtained in the form of crystals, glasses, powders, or aqueous solutions, used in a variety of industrial and consumer products.

Previously, there had been no definition for a sodium silicate furnace. This definition was added to differentiate this type of furnace from container glass melting furnaces. The definition is referenced in part from the online Merriam Webster dictionary at:

<https://www.merriam-webster.com/dictionary/sodium%20silicate>.

- *SO_x EMISSIONS* means sulfur dioxides emitted.

This definition was added for clarity.

- *STARTUP* means that period of time during which a furnace is heated to operating temperatures from a furnace temperature below 200°F.

The definition was modified to add language to differentiate startup activities from idling and shutdown activities. Previously, the rule considered a startup to occur when a furnace was “heated to operating temperature from a lower temperature”. There was no consideration of what heating to an operating temperature meant. In this revised definition, a startup is considered the process of heating a furnace with the intent of reaching an operating temperature starting from a temperature near ambient conditions. As mentioned previously, an operator may cut production but keep a furnace hot enough to ramp production back up. Ramping back up from this “hot standby” or “hot hold” mode should not be considered a startup but rather an idling activity. In addition, a startup is considered to end once product is being pulled from the furnace. Staff has defined the threshold temperature of 200°F based on stakeholder feedback.

- The definition for *ENERGY RECOVERY* was removed because it is no longer applicable. The definition for *FURNACE REBUILD* was also removed because the proposed amended rule no longer requires this distinction.

Revised Requirements – Subdivision (d)

- *Previous* (d)(1) – (d)(6)

The previous subparagraphs were no longer considered applicable and were removed and replaced with the following provisions.

- *New* (d)(1) – NO_x and SO_x emission limits for container glass melting furnaces

Based on staff's BARCT assessment, PAR 1117 proposes the following NO_x emission limit for container glass melting furnaces:

(d)(1)(A) – Except during periods of idling, startup, or shutdown, the owner or operator of a container glass melting furnace shall not operate a furnace in a manner that exceeds:

0.75 pound of NO_x per ton of glass pulled, averaged over a rolling 30-day period

Based on staff's BARCT assessment, PAR 1117 proposes the following SO_x emission limit for container glass melting furnaces:

(d)(1)(B) – Except during periods of idling, startup, or shutdown, the owner or operator of a container glass melting furnace shall not operate a furnace in a manner that exceeds:

1.1 pounds of SO_x per ton of product pulled, averaged over a rolling 30-day period

Currently, Rule 1117 sets the averaging time for compliance determination at 3 hours, except if an operator installs and maintains a continuous NO_x monitor, the averaging time may be extended to 24 hours. As staff reviewed emissions data, it was noted that a 24-hour averaging period may not be an adequate period of time for facilities to address operational variability. Therefore, staff looked at other jurisdictions for guidance on averaging times for compliance determination. In a majority of instances, staff found that a rolling 30-day averaging was common. In a few circumstances, a rolling 365-day averaging provision was also used as a complement to a 30-day rolling averaging provision. For example, the Durand Glass Manufacturing plant in Millville, New Jersey has a NO_x permitted limit of 1.2 pounds of NO_x per ton of glass pulled on a 30-day rolling average and a concurrent limit of 1.0 pounds of NO_x per ton of glass pulled on a 365-day rolling average. Based on the averaging periods in other jurisdictions and to recognize the operational variability of facilities, staff proposes that compliance determination be based on a rolling 30-day average.

Initially, staff considered an emission limit based on a concentration-based standard (parts per million by volume, dry). Staff reviewed how emissions are reported and regulated by other jurisdictions and found that the conventional reporting standard is pounds of pollutant per ton of glass pulled. PAR 1117 proposes to keep the emission compliance standard on a pounds of pollutant per ton of glass pulled basis, instead of changing to a concentration-based standard,

because it is consistent with how other jurisdictions establish emission limits for glass melting furnaces and provides an emission limit per amount of product produced.

- *New (d)(2)* – NO_x and SO_x emission limits for sodium silicate furnaces

Based on staff's BARCT assessment, PAR 1117 proposes the following NO_x emission limit for sodium silicate furnaces:

(d)(2)(A) – Except during periods of idling, startup, or shutdown, the owner or operator of a sodium silicate furnace shall not operate a furnace in a manner that exceeds:

0.50 pound of NO_x per ton of product pulled, averaged over a rolling 30-day period

Based on staff's BARCT assessment, PAR 1117 proposes the following SO_x limit for sodium silicate furnaces:

(d)(2)(B) – Except during periods of idling, startup, or shutdown, the owner or operator of a sodium silicate furnace shall not operate a furnace in a manner that exceeds:

1.1 pounds of SO_x per ton of product pulled, averaged over a rolling 30-day period, if not fired on 100% natural gas

The proposed provision for SO_x places a limit in the event that a fuel other than natural gas is used.

As discussed for container glass furnaces, similar averaging considerations were extended to sodium silicate furnaces. In addition, compliance determination on a pound per pollutant per ton of product pulled is similarly recommended.

- *New (d)(3)* – Operational restrictions

(d)(3)(A) – Idling

Previously, furnace idling had been exempt from Rule 1117. However, concern that furnace idling may lead to unrestricted emissions with no limitations prompted staff to consider provisions to limit emissions during furnace idling. Staff also recognized the need to provide operational flexibility for instances where a facility may require a temporary transitional period, where shutting down and restarting a furnace would be more emissive and may not be warranted. For example, a product change may necessitate a period of time of furnace idling as the manufacturing line transitions from one product to another.

Facilities idle their furnaces because it may be inefficient to shut down and start up the furnace again. Furthermore, this shutdown and startup process takes several days to complete and could result in greater emissions than furnace idling. In general, staff noted that idling is defined as the operation of a furnace at less than 25% of the permitted glass production capacity. In other jurisdictions, during idling, emissions are not counted towards complying with an emission limit. However, when regulated, idling emissions may be capped for a given operation. For

example, SJVAPCD Rule 4354 does not count idling emissions for compliance determination but it does limit idling emissions using the following formula:

$$E_{i,max} = E_i \times \text{Capacity}$$

where, $E_{i,max}$ = maximum daily emission of pollutant i during idling
 E_i = applicable emission limit
Capacity = furnace's permitted glass production rate

Similarly, in Title V permits issued to the PQ Corporation in Chester, Pennsylvania and the Gallo Glass Company in Modesto, California, NOx emissions are not counted towards compliance determination. However, emissions are limited during idling events such that PQ (Chester) and Gallo have idling NOx emission limits of 1,670 lbs/day and 780 lbs/day, respectively.

While there are examples of furnace idling emissions being regulated to a specified emission level, staff did not find examples where the length of idling time was regulated. Staff is concerned that a furnace may be at idling conditions for an undetermined length of time. To address this potential unlimited amount of idling time, PAR 1117 proposes the following provisions.

- Except when the exhaust emission control is in operation, the owner or operator shall not operate a furnace for more than: 240 consecutive hours per event and 960 cumulative hours in any rolling 365-day period during periods of idling.

Based on discussions with the affected facilities, a limit of 240 hours or 10 days of idling was established for a product transition event as well as scheduled idling events that occur annually. Moreover, setting a limit of 960 cumulative hours gives operators flexibility to have multiple idling events during a rolling 365-day period yet at the same time, limiting the emissions from this type of activity. Idling emissions are not to be counted towards compliance determination, which is consistent with other jurisdictions. PAR 1117 also would not count the time when the exhaust emission control system is in operation against the proposed 240 consecutive hours per idling event and 960 cumulative hours in any rolling 365-day period. If the exhaust emission control system is in operation, then emissions from the furnace are controlled, which addresses the concern of staff of uncontrolled emissions.

(d)(3)(B) – Startup

Under Rule 1117, there were no restrictions associated with starting up a furnace. PAR 1117 defines a startup as initiating furnace operation from a temperature of at least 200°F. The end of a startup period occurs once product is being pulled from the furnace. Concern that unlimited and unregulated startups may lead to unrestricted emissions with no limitations or cap has prompted staff to incorporate provisions to minimize emissions during furnace start up. At the same time, staff recognizes the need to provide flexibility to operators during startups.

In other jurisdictions, emissions during furnace startups are not counted towards complying with an emission limit. Under SJVAPCD Rule 4354, startups from a furnace rebuild are regulated on a case-by-case basis to maximum time between 70 – 100 days for a container glass melting furnace. There is, however, no restriction on the amount of time for a startup from a non-furnace rebuild startup event.

Staff is concerned that a furnace may be at startup conditions for an undetermined length of time. To address this unlimited amount of startup time, PAR 1117 proposes the following similar, but more restrictive provision than SJVAPCD's rule:

- Except when the exhaust emission control is in operation, the owner or operator shall not operate a furnace for more than: 720 hours per startup period.

Based on discussions with representatives of the container glass facility, setting a limit of 720 hours or 30 days for a furnace startup is appropriate based on normal startup procedures. Moreover, staff encourages the use of the associated exhaust emissions control equipment wherever appropriate. It is anticipated that within 30 days of the initiation of a startup, the associated emissions control equipment will be in service. Once the 30 day allotment for a startup is reached, subsequent emissions shall be counted towards and averaged over a rolling 30-day average. In addition, staff proposes to not count the time when the exhaust emission control system is in operation against the proposed 720 hours per startup event. If the exhaust emission control system is in operation, then emissions from the furnace are controlled, which addresses the concern of staff of uncontrolled emissions.

(d)(3)(C) – Shutdown

Rule 1117 currently has no restrictions associated with shutting down a furnace. Staff has proposed defining a shutdown as stopping furnace operation and cooling towards a temperature below 200°F. A shutdown period should be considered to be initiated once product from the furnace is no longer pulled. Concern that unlimited and unregulated startups may lead to unrestricted emissions with no limitations or cap has prompted staff to consider implementing measures to limit emissions from this type of activity. At the same time, staff recognizes the need to provide flexibility to operators during shutdowns.

In other jurisdictions, emissions during shutdowns are not counted towards complying with an emission limit. Under SJVAPCD Rule 4354, shutdowns are limited not to exceed 20 days once the furnace is below an idling threshold of 25% of the permitted glass production rate. PAR 1117 would require a similar but more restrictive limitation to the shutdown of a furnace:

- Except when the exhaust emission control is in operation, the owner or operator shall not operate a furnace for more than: 240 hours per shutdown period.

Although PAR 1117 allows less time for shutdowns than what is contained in SJVAPCD Rule 4354, 20 days in SJVAPCD Rule 4354 versus 10 days or 240 hours in PAR 1117, this amount of time is reasonable, based on discussions with the affected facilities. In addition, PAR 1117 does not count the time when the exhaust emission control system is in operation against the

proposed 240 hours per shutdown event. If the exhaust emission control system is in operation, then emissions from the furnace are controlled, which addresses the concern of staff of uncontrolled emissions.

- *New (d)(4) – Operation of emission control equipment*

When Rule 1117 was last amended in 1984, the glass melting and sodium silicate furnaces did not have any added emission control equipment like a CCF system. Since 2017, both the container glass and sodium silicate facilities installed CCF systems to control NO_x emissions. As a result, PAR 1117 includes a requirement that states:

- During operation of a furnace including periods of idling, startup, or shutdown, the owner or operator of a furnace shall maintain in operation any exhaust emission control systems, including the injection of any associated chemical reagent into the exhaust stream to control NO_x, if the temperature of the gas to the inlet of the emission control system is greater than or equal to 450°F.

This provision mirrors what has been observed in other jurisdictions. For example, in the SJVAPCD Rule 4354, during idling, startups, or shutdowns, the emission control system shall be in operation whenever technologically feasible.

Staff notes what is “technologically feasible” requires further clarification. Currently, the CCF systems are permitted to operate within a normal temperature operating window between 450°F and 900°F. The intent of this provision is to explicitly require that the emission control equipment be in operation and injecting ammonia or similar reagent when the temperature of the exhaust from the furnace to it is above a minimum operational temperature, even if the furnace is idling, in startup, or in the process of a shutdown.

- *New (d)(5) – Auxiliary combustion equipment*

One of the objectives of PAR 1117 is to provide container glass melting and sodium silicate facility operators with a single industry-specific rule that would encompass relevant combustion sources at their facilities. Staff recognized that the container glass facility’s process lines include such auxiliary combustion equipment. This subparagraph limits emissions from this equipment to emission levels currently established for comparable equipment regulated by South Coast AQMD Rule 1147 – NO_x Reductions from Miscellaneous Sources.

The conveyance system burners located along the forehearths and refiners coming out of the glass melting furnace for the production of container glass are numerous. They number in the hundreds and the types of burners are of a standard open flame type that have no viable method for emissions testing because they are not enclosed and vent to the atmosphere. The container glass facility underwent a rebuild on both of their furnace lines in 2017, so the proposed provision would require the replacement of these burners at the time of a subsequent furnace rebuild with burners that are certified by the manufacturer to meet either 30 ppm at 3% O₂ dry or 0.036 pound of NO_x per million BTU of heat input. Staff proposes at time interval of 15 years from the date of amendment.

Equipment manufacturers have stated that the ability to test and certify these types of burners could be achieved in the near future. Similarly, the container glass facility operates several annealing furnaces (Lehr furnaces) that are natural gas fired. It should be noted that the container glass facility also has installed Lehr ovens that are electric and not natural gas fired. The proposed provision would also require compliance with either NO_x limit by 15 years from the date of amendment.

Currently under RECLAIM, these combustion devices are only required to report their mass emissions by using a default emission factor of 130 lbs of NO_x per standard cubic foot, roughly equivalent to 101 ppm, corrected to 3% oxygen. This proposed provision would state:

- On or before [*15 years after Date of Amendment*], the owner or operator of a container glass facility shall not operate the auxiliary combustion equipment used in the manufacture of container glass that exceeds a NO_x emission limit of 30 ppmvd at 3% O₂, dry or 0.036 lb/MMBTU heat input.

Revised Compliance Determination – Subdivision (e)

- *Previous* (e)(1) and (e)(2)

The previous subparagraphs were no longer considered applicable and were removed and replaced with the following provisions.

- *New* (e)(1) – CEMS requirements

Staff recognizes that CEMS requirements differ between the RECLAIM program regulated by Rules 2011 and 2012 and a command-and-control regulatory structure regulated by Rules 218 and 218.1. This section is added to facilitate the transition of the applicable monitoring, reporting, and recordkeeping requirements specified in RECLAIM versus a command-and-control system. The provision reads:

The owner or operator of a container glass melting furnace or sodium silicate furnace shall:

- Excluding emissions during periods of idling, startup, or shutdown, determine compliance with the emission limits in paragraphs (d)(1) and (d)(2) on a rolling 30-day average using a Continuous Emissions Monitoring System (CEMS), except if a furnace operates for fewer than 30 days, then compliance with the emissions limits in paragraph (d)(1) and (d)(2) will be determined based on the average for the actual days of operation. A facility owner or operator shall comply with the applicable monitoring, reporting, and recordkeeping requirements specified in:
 - (A) Rules 2011 and 2012 for RECLAIM facilities; or
 - (B) Rules 218 and 218.1 for former RECLAIM facilities.

The current version of Rule 1117 requires a facility owner or operator to determine compliance with an emission limit averaged over a 3-hour period for a furnace not equipped with a NOx continuous monitor. For furnaces equipped with a NOx continuous monitor, averaging may be allowed over a 24-hour period. A 24-hour averaging basis to determine compliance was something that staff further evaluated.

Staff also reviewed emissions data for both the container glass and sodium silicate facilities from 2016 through 2019. In their review, staff had noticed spikes in the data corresponding to transient operational issues. Some of these issues were identified as actions taken to comply with a permitted ammonia limit. When staff applied a rolling 30-day averaging to the data, these transient spikes were not as significant as to affect the compliance determination.

Therefore, to provide the operator with flexibility to respond to transient operational issues, PAR 1117 includes a provision that requires compliance determination to be made on a 30-day rolling average basis. Averaging on a 30-day rolling average basis is consistent with how other jurisdictions determine compliance for similar processes and equipment. Moreover, recognizing that the sodium silicate facility operates a batch process where a rolling 30-day period may not be achievable, the provision also allows averaging over the actual days of operation.

Emissions from idling, startups, and shutdowns are not proposed to be included in the rolling 30-day average up to the proposed time limits for each type of event. For example, if a container glass melting furnace was operated at a pull rate of 20% of the limit set by its permit to operate and the exhaust emission control equipment was not in service, then this would be considered an event where the amount of time to idle would be restricted to no more than 240 consecutive hours. During this idling period, emissions would not be included in the rolling 30-day averaging. If the furnace was idling beyond 240 consecutive hours for the same event, then the emissions after 240 hours would be included in the rolling 30-day averaging.

- *New (e)(2) – Auxiliary equipment provision*

Included in subparagraph (d)(5), auxiliary combustion equipment will be covered under the provisions of PAR 1117. The proposed limits mirror what is currently contained in Rule 1147 and would have applied to this type of equipment. However, staff recognizes that there are challenges for the verification of the proposed limits. Specifically, there is concern with the configuration of the conveyance system at the container glass facility – it does not allow for accurate and verifiable emissions testing. What staff proposes, in lieu of a source test, is to accept certification from the original equipment manufacturer (OEM) that the burners used in the conveyance system have been tested and can meet the proposed emissions levels. For annealing furnaces that are combustion sources, this equipment can either be source tested to demonstrate compliance or the operator can provide OEM certification.

Once the equipment has met the verification requirement under this subparagraph, there is no additional testing that would be required.

New Recordkeeping – Subdivision (f)

PAR 1117 adds a recordkeeping section to this rule so that records to demonstrate the pounds of pollutant per ton of product pulled are maintained. These records include the total hours of operation, the quantity of product pulled from each furnace, and the requirement that the pollutant emission rate be kept on a pounds of pollutant per ton of product pulled, as applicable, on a rolling 30-day average. Here, it should be noted that product refers to either container glass product or sodium silicate product. Currently, NO_x and SO_x are the pollutants regulated by PAR 1117; however, in the case of the sodium silicate facility, the SO_x limit would not apply if it continues to operate on 100% natural gas.

In addition, a provision requiring a facility owner or operator to retain all data, records, and other information required by this rule for at least five years and make available for inspection by the Executive Officer is added. For current RECLAIM facilities, any reporting requirements under Regulation XX will still be in effect until the facility exits the RECLAIM program.

Revised Exemptions – Subdivision (g)

Rule 1117 previously listed exemptions under subdivision (d). With the addition of new subdivisions, the exemptions sections is now listed under subdivision (g).

- *Revised (g)(1)* – Reduce applicability threshold to provide relief only to small operators

Currently, the rule exempts furnaces which are limited by their permit to operate to 15 lbs of NO_x per hour which equates to 360 lbs of NO_x per day. With the addition of the CCF systems, the NO_x emission levels from the container glass melting and sodium silicate furnaces have been observed to be under this threshold.

PAR 1117 proposes to change the exemption to apply to furnaces that are limited to less than 100 tons of product per year as specified in a South Coast AQMD permit. Staff does not anticipate the owner of a RECLAIM facility or Former RECLAIM facility to construct or operate a container glass melting or sodium silicate furnace below this production level.

The proposed exemption threshold of 100 tons of product per year would be equivalent to 0.046 lbs of NO_x per hour at the current NO_x emission level of 4.0 lbs of NO_x per ton of product pulled.

Calculation:

$$\frac{100 \text{ tons of product pulled}}{\text{year}} \times \frac{1 \text{ year}}{365 \text{ days}} \times \frac{1 \text{ day}}{24 \text{ hours}} \times \frac{4.0 \text{ lbs of NO}_x}{\text{ton of product pulled}} = 0.046 \text{ lb of NO}_x \text{ per hour}$$

- *Previous (g)(3) and (g)(4)* – Remove glass tableware and flat glass exemptions

These two exemptions were removed from this section and incorporated in the definition for container glass furnace for exclusion.

- *Revised (g)(5)* – Revision of fiberglass exemption

Additional description of what is fiberglass was added for clarity.

- *Previous (f)(6)* – Remove idling exemption

As stated earlier, staff is concerned that idling should not be allowed to occur for an unlimited amount of time. Provisions have been included to regulate what is considered idling and how long idling would be allowed to occur.

CHAPTER 4: IMPACT ASSESSMENTS

INTRODUCTION

EMISSION REDUCTIONS

COST-EFFECTIVENESS

SOCIOECONOMIC ASSESSMENT

CALIFORNIA ENVIRONMENTAL QUALITY ACT ANALYSIS

**DRAFT FINDINGS UNDER CALIFORNIA HEALTH AND SAFETY
CODE SECTION 40727**

COMPARATIVE ANALYSIS

INTRODUCTION

In December 2015, Regulation XX was amended to implement Control Measure CMB-01 of the 2012 Air Quality Management Plan and to further reduce NO_x from RECLAIM facilities. The amendment implemented NO_x BARCT for various pieces of equipment by reducing RECLAIM allocations for certain facilities. As part of the BARCT assessment, container glass melting and sodium silicate furnaces were required to reduce NO_x emissions by 80%. Subsequently, Control Measure CMB-05 of the 2016 AQMP required the RECLAIM program to achieve further NO_x emission reductions of five tons per day and to include actions to transition the program to a command-and-control regulatory structure as soon as feasible but no later than 2025.

In 2017, the container glass and sodium silicate facilities installed air pollution control equipment in response to CMB-01. Since the installation of the control equipment, there has been a NO_x reduction of at least 80% from the furnaces at both facilities. The costs of installation and operation of the control equipment from the 2017 installation of pollution control equipment will be used to calculate the cost-effectiveness of PAR 1117.

EMISSION REDUCTIONS

In 2017, both facilities installed air pollution control equipment for each of their furnaces. At the container glass facility, a combination of oxy-fueled burners and a ceramic catalyst filtration system was installed. Staff did not identify any other facility that utilizes a combination of two different air pollution control equipment as seen at the container glass facility. At the sodium silicate facility, a ceramic catalyst filtration system was installed. As a result, NO_x emissions have been reduced by approximately 0.65 tons per day for furnaces at both facilities based on NO_x emissions data for calendar years 2016 and 2018.

In 2016, the total NO_x emissions from the two furnaces at the container glass facility and the one furnace at the sodium silicate facility were 0.693 tons per day (tpd). At the limits proposed by PAR 1117, the expected remaining NO_x emission levels for the three furnaces is 0.14 tpd. This reduction in NO_x emissions represents a decrease of 0.56 tpd when compared to 2016 NO_x emissions.

For the auxiliary combustion equipment, staff also reviewed NO_x reductions based on equipment that would meet the NO_x emission limits established in PAR 1117 paragraph (d)(5). Currently, the auxiliary combustion equipment is classified as RECLAIM process units and are allowed to report emissions based on a NO_x default emission factor of 130 lb/mm³scf of gas fired (or approximately 101 ppmvd). The combined annual NO_x emissions based on fuel usage from this equipment is 7.5 tons per year or 0.021 tpd. Therefore, the emission reductions for the auxiliary equipment would be 0.015 tpd. The basis of reduction in NO_x emissions assumes a starting concentration level of 101 ppmvd and an ending concentration level of 30 ppmvd.

The NO_x emission reductions that will be achieved with PAR 1117 for all affected equipment total 0.57 tpd.

Table 4-1: Comparison of NO_x Emissions (tons/day)			
	2016 Baseline*	At Proposed Limit (Remaining)	Emission Reductions
Container Glass Furnaces	0.58	0.12	0.46
Sodium Silicate Furnace	0.12	0.02	0.10
Container Glass Auxiliary Equipment	0.021	0.006	0.015
Total	0.72	0.15	0.57
* Based on audited RECLAIM NO _x emissions data			

COST-EFFECTIVENESS

Staff conducted a cost-effectiveness analysis for the installation and operation of the control equipment and the reduction in NO_x emissions observed after installation. To assist in the analysis, actual cost information for the installation and operation of the CCF system was requested and received from both the container glass and the sodium silicate facilities. In addition, the operational costs associated with the oxygen plant located at the container glass facility were included as an on-going cost to reflect the costs to operate both emissions control technologies.

Capital costs included cost for the emissions control system, infrastructure, engineering services, and installation costs. Annual operating costs included estimates for electricity, natural gas, oxy-fuel generation for container glass only, reagent, operation and maintenance, waste disposal, system costs, and replacement elements for the CCF system.

The operating cost for the oxygen plant at the container glass facility was included in the analysis. Adding this operational cost increased the annual costs from \$620,000 to \$6 million for the container glass facility. The installed cost for an oxygen production plant was not included, and staff notes that this added installation cost, if factored in, would also have increased the cost-effectiveness for the container glass facility.

In the calculation, staff assumed a uniform series present worth factor (PWF) at a 4% interest rate and a 25-year equipment life expectancy. The uniform series present worth factor for these assumption is 15.622.

$$PWV = TIC + (PWF \times AC)$$

PWV = present worth value (\$)

TIC = total installed cost (\$)

AC = annual cost (\$)

PWF = uniform series present worth factor (15.622)

Table 4-2: PAR 1117 Cost-Effectiveness Analysis					
Category	TIC (\$ MM)	AC (\$ MM)	PWV (\$ MM)	NOx Reductions (tpd)	CE (\$/ton)
Glass Melting (Container Glass)	19.0	6.0	112.7	0.46	26,600
Sodium Silicate Manufacturing	4.0	0.10	5.56	0.10	6,600
Auxiliary Equipment (Container Glass)	N/A	N/A	N/A	0.015	N/A
Total				0.57	22,700

Since the auxiliary combustion equipment for container glass is expected to be replaced upon the next furnace rebuild, this is not expected to incur any incremental cost associated with PAR 1117.

The overall cost-effectiveness for PAR 1117 is calculated to be approximately \$22,700 per ton of NOx reduced.

SOCIOECONOMIC ASSESSMENT

The two facilities affected by PAR 1117 are both categorized within the manufacturing sector. More specifically, one facility is classified under the North American Industry Classification System (NAICS) code 327213 – Glass Container Manufacturing, and the remaining facility is classified under NAICS code 325180 - Other Basic Inorganic Chemical Manufacturing. Based on available facility data on revenue and employees¹, neither of these facilities meet the criterion to be classified as a small business as defined by the Small Business Administration, federal Clean Air Act Amendments, or the South Coast AQMD.

The two affected facilities have previously implemented controls and are currently operating in compliance with the PAR 1117 proposed emission limits. Staff anticipates that facilities will not incur any additional future capital or recurring costs due to the adoption of PAR 1117. As a result,

¹ Dun & Bradstreet Enterprise Database, 2019.

no adverse socioeconomic impacts are expected, and therefore, no socioeconomic analysis is required under California Health and Safety Code Sections 40440.8 and 40728.5.

CALIFORNIA ENVIRONMENTAL QUALITY ACT ANALYSIS

Proposed Amended Rule 1117 has been reviewed pursuant to California Environmental Quality Act (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. Since the proposed project does not contain any project elements requiring physical modifications that would cause an adverse effect on the environment, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. 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 electronically filed with the State Clearinghouse to be posted on their CEQAnet Web Portal. Once the Notice of Exemption is posted, members of the public may access it via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, the Notice of Exemption will be electronically posted on the South Coast AQMD’s webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notices/ceqa-notices/notices-of-exemption/noe---year-2020>. The electronic filing and posting of the Notice of Exemption is being implemented in accordance with Governor Newsom’s Executive Order N-54-20 issued on April 22, 2020 for the State of Emergency in California as a result of the threat of COVID-19.

DRAFT FINDINGS UNDER CALIFORNIA HEALTH AND SAFETY CODE SECTION 40727

Requirements to Make Findings

California Health and Safety Code Section (H&SC) 40727 requires that prior to adopting, amending or repealing a rule or regulation, the South Coast AQMD 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.

Necessity

PAR 1117 is needed for equipment under the RECLAIM program that will be transitioning to a command-and-control regulatory structure to establish NOx and SOx emission limits for furnaces and auxiliary combustion equipment that are representative of BARCT, as well as monitoring, reporting, and recordkeeping requirements. PAR 1117 is needed to meet the requirements of AB 617, which requires an expedited schedule for implementing BARCT for cap-and-trade facilities and to develop a schedule by January 1, 2019 for the implementation of BARCT no later than December 31, 2023. PAR 1117 is also needed as it is in part implementing Control Measure CMB-

05: Further NO_x Reductions from RECLAIM Assessment (CMB-05) to ensure the NO_x RECLAIM program is achieving equivalency with command-and-control rules that are implementing Best Available Retrofit Control Technology (BARCT) and to generate further NO_x emission reductions at RECLAIM facilities.

Authority

The South Coast AQMD obtains its authority to adopt, amend, or repeal rules and regulations pursuant to H&SC Sections 39002, 39616, 40000, 40001, 40440, 40702, 40725 through 40728, 40920.6, and 41508.

Clarity

PAR 1117 is written or displayed so that their meaning can be easily understood by the persons directly affected by them.

Consistency

PAR 1117 is in harmony with and not in conflict with or contradictory to, existing statutes, court decisions or state or federal regulations.

Non-Duplication

PAR 1117 will not impose the same requirements as any existing state or federal regulations. The proposed amended rules are necessary and proper to execute the powers and duties granted to, and imposed upon, the South Coast AQMD.

Reference

In amending these rules, the following statutes which the South Coast AQMD hereby implements, interprets or makes specific are referenced: H&SC Sections 39002, 40001, 40702, 40440(a), and 40725 through 40728.5.

COMPARATIVE ANALYSIS

Under H&SC Section 40727.2, the South Coast AQMD is required to perform a comparative written analysis when adopting, amending, or repealing a rule or regulation. The comparative analysis is relative to existing federal requirements, existing or proposed South Coast AQMD rules and air pollution control requirements and guidelines which are applicable to container glass melting and sodium silicate furnaces.

Staff reviewed existing federal requirements that regulate glass melting furnaces to compare these requirements with PAR1117. Based on the review, staff determined that PAR 11117 does not conflict with any NO_x or SO_x emission limits or recordkeeping requirement established in the

Code of Federal Regulations (CFRs) for glass manufacturing facilities. In general, the CFRs do not regulate NO_x or SO_x emissions. See Table 4-3.

Table 4-3: Comparative Analysis of PAR 1117 with the Code of Federal Regulations (CFR)				
CFR Title	Part	Subpart	Title of Regulation	Pollutant (s) Regulated
40	60	CC	Standard of Performance for Glass Melting Furnaces	Particulate matter
40	63	SSSSSS	National Emission Standards for Hazardous Air Pollutants for Glass Manufacturing Area Sources	Particulate matter and metal
41	61	N	National Emission Standard for Inorganic Arsenic Emissions from Glass Manufacturing Plants	Arsenic

Staff also reviewed other South Coast AQMD rules relative to PAR 1117. No conflicts were noted between the two.

Table 4-4: Comparative Analysis of PAR 1117 with Existing South Coast AQMD Rules		
Rule Element	PAR 1117	RECLAIM
Applicability	<ul style="list-style-type: none"> • Container glass melting furnaces • Container glass auxiliary combustion equipment • Sodium silicate furnaces 	Facilities regulated under the NO _x and SO _x RECLAIM program (SCAQMD Reg. XX)
Requirements	<ul style="list-style-type: none"> • Container glass melting furnaces NO_x: 0.25 lb/ton pulled SO_x: 1.1 lb/ton pulled • Container glass auxiliary combustion equipment 30 ppmvd @ 3% O₂ • Sodium silicate furnaces NO_x: 0.50 lb/ton pulled SO_x: 1.1 lb/ton (if not on 100% natural gas) 	<ul style="list-style-type: none"> • Major Source NO_x/SO_x: None • Process Unit NO_x: 130 lb/mm scf
Reporting	<ul style="list-style-type: none"> • Maintain data to be used for compliance determination 	<ul style="list-style-type: none"> • Daily electronic reporting for major sources • Monthly to quarterly reporting for large sources and process units • Quarterly Certification of Emissions Report and Annual Permit Emissions Program for all units
Monitoring	<ul style="list-style-type: none"> • A continuous in-stack NO_x monitor subject to: <ul style="list-style-type: none"> ➤ South Coast AQMD Rules 2011 and 2012 for RECLAIM facilities 	<ul style="list-style-type: none"> • A continuous in-stack NO_x monitor for major sources Source testing once every 5 years for process units

	➤ South Coast AQMD Rules 218 and 218.1 for former RECLAIM facilities	
Recordkeeping	<ul style="list-style-type: none"> All data required by this rule shall be maintained for at least five years and made available for inspection by the Executive Officer 	<ul style="list-style-type: none"> Quarterly log for process units < 15-min. data = min. 48 hours; ≥ 15-min. data = 3 years (5 years if Title V) Maintenance & emission records, source test reports, RATA reports, audit reports and fuel meter calibration records for Annual Permit Emissions Program = 3 years (5 years if Title V)

APPENDIX A: LIST OF FACILITIES AFFECTED BY PAR 1117

Two facilities are affected by PAR 1117: Owens-Illinois located in Vernon, California and the PQ Corporation located in South Gate, California.

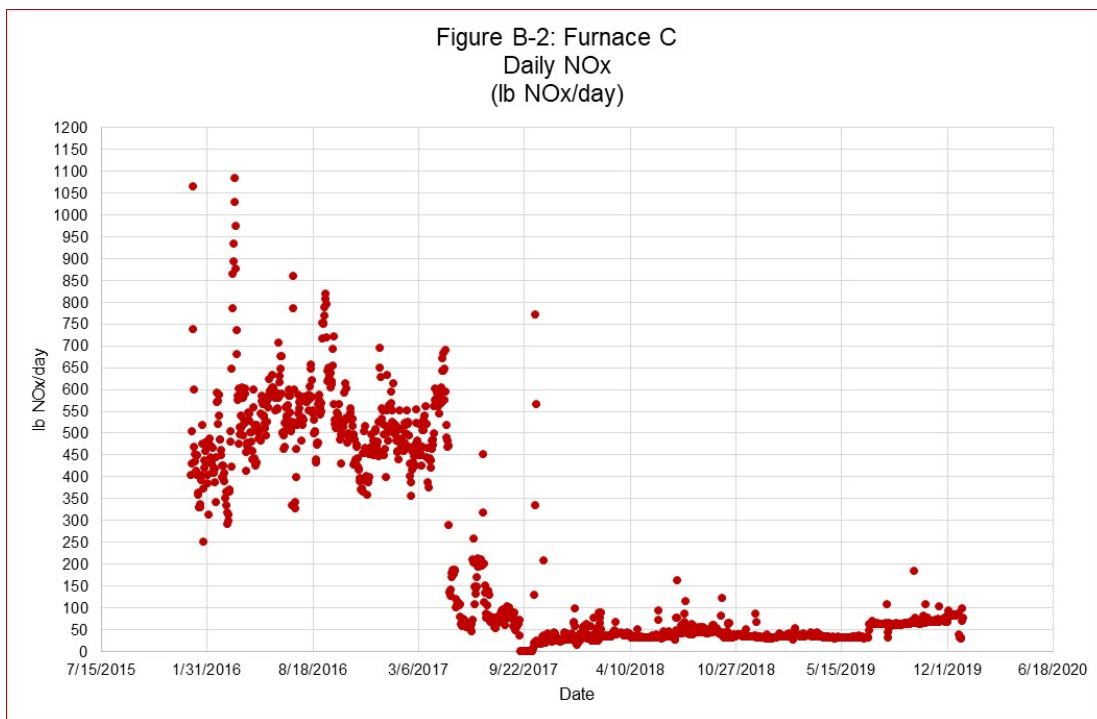
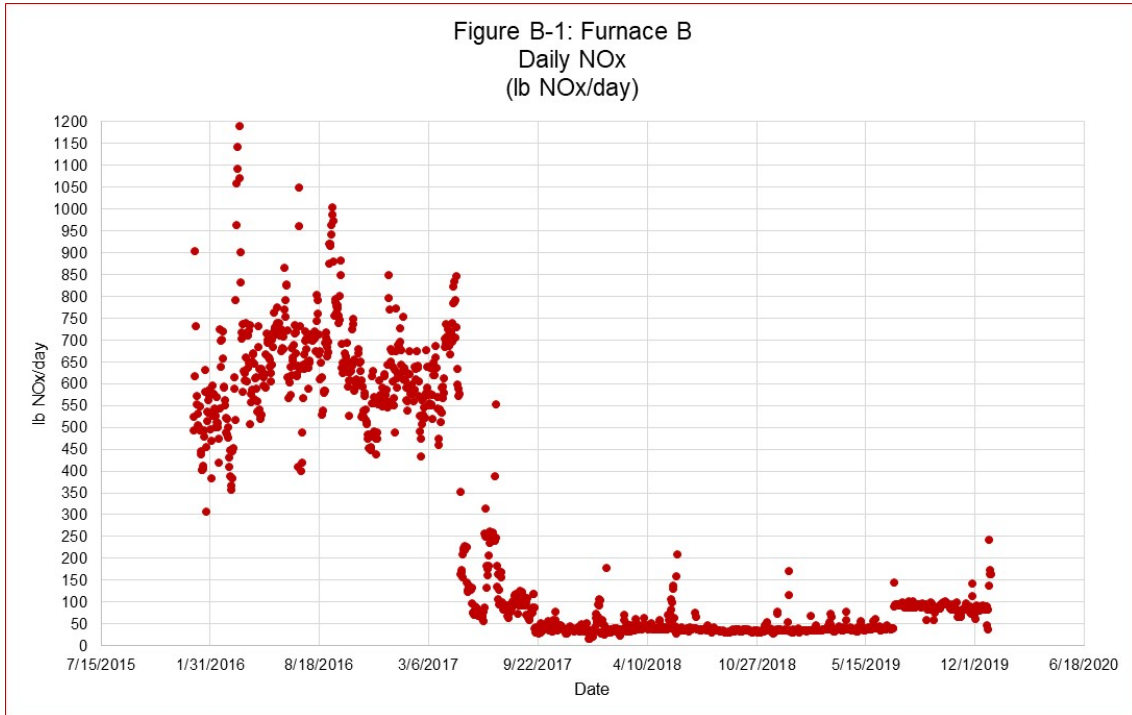
Table A-1: Facilities Affected by PAR 1117

ID	Facility Name
7427	Owens-Illinois
11435	PQ Corporation

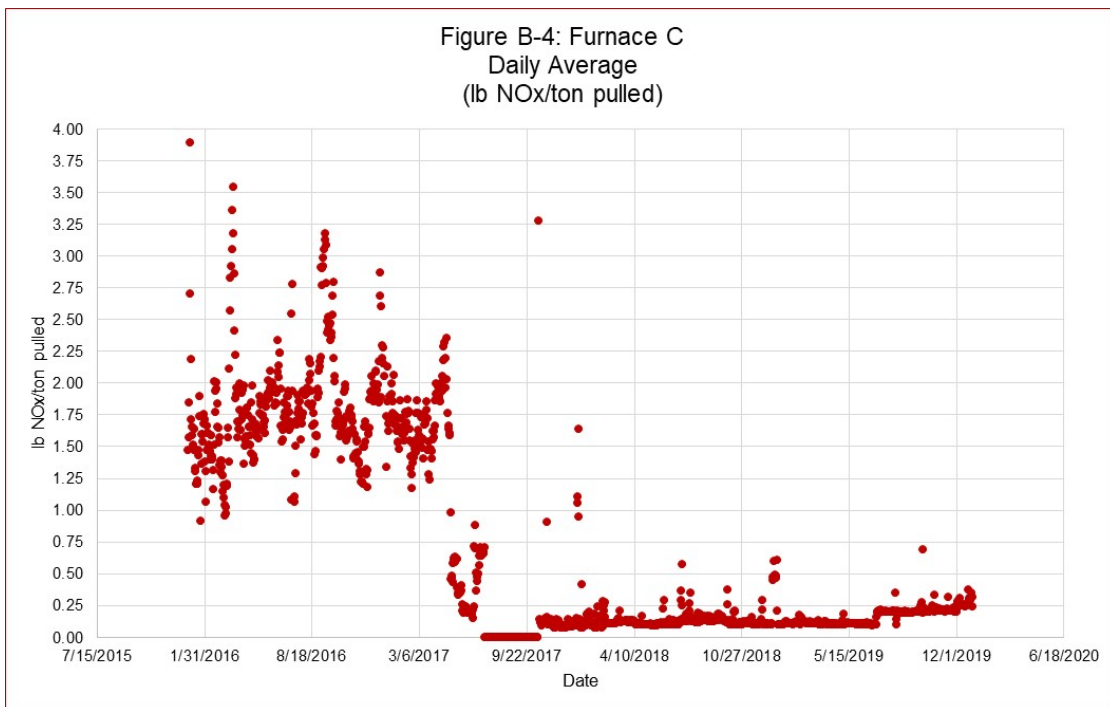
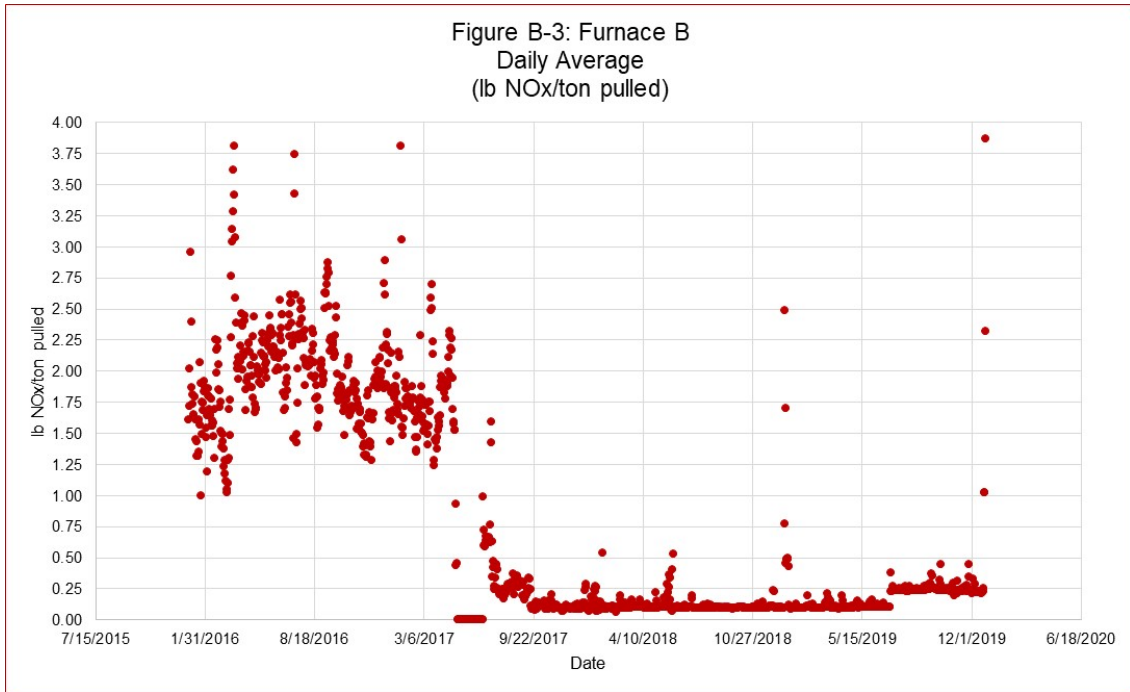
APPENDIX B: EMISSION LIMIT DETERMINATION

Presentation of NOx Emissions from Furnace Operations

Figures B-1 and B-2 illustrate the NOx emissions on a lbs per day basis reported by the container glass facility for its container glass melting furnaces from CY 2016 to CY 2019.



Figures B-3 and B-4 illustrate the NOx emissions per day based on the ratio of emissions to glass pulled for the container glass melting furnaces from CY 2016 to CY 2019.



Figures B-5 and B-6 illustrate the NOx emissions on a rolling 30-day average based on the ratio of emissions to glass pulled for the container glass melting furnaces from CY 2016 to CY 2019.

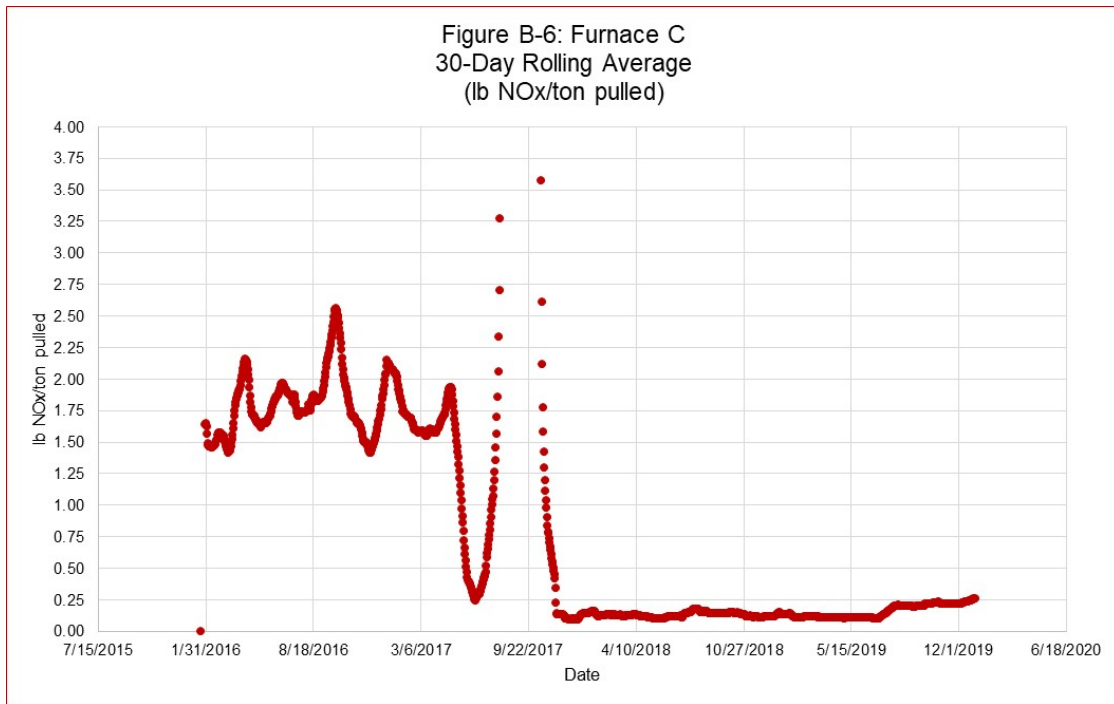
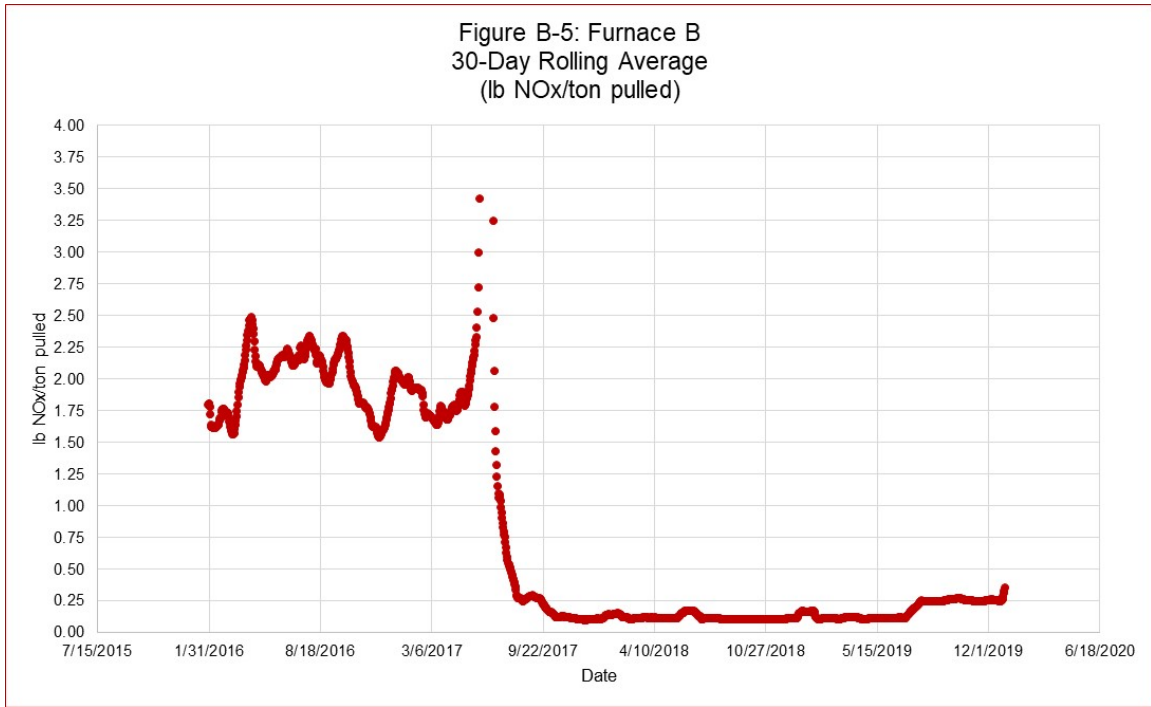


Figure B-7 illustrates the NOx emissions on a lbs per day basis reported by the sodium silicate facility for its sodium silicate furnace from CY 2016 to CY 2019.

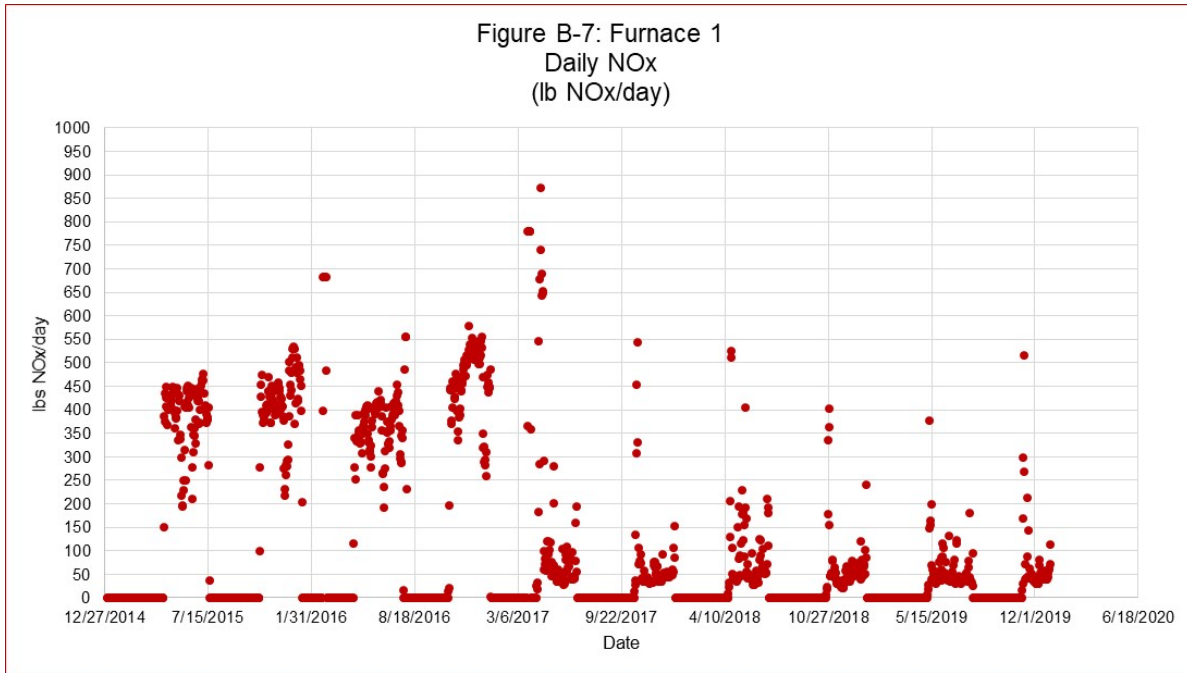
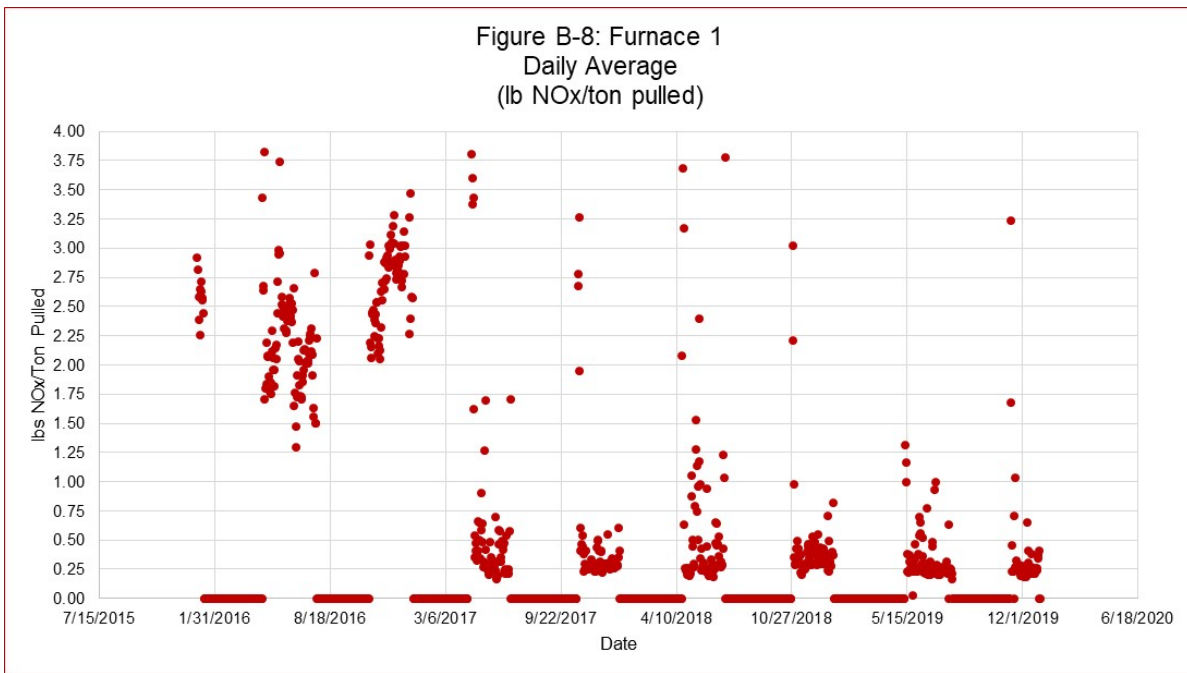
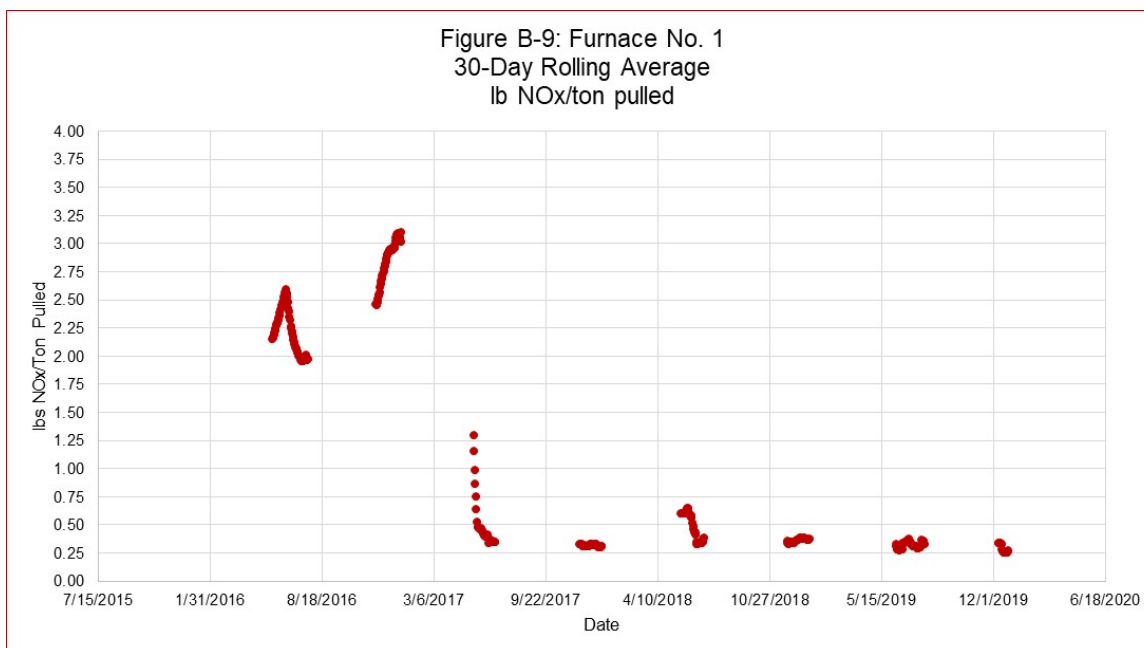


Figure B-8 illustrates the NOx emissions per day based on the ratio of emissions to glass pulled for the sodium silicate furnace from CY 2016 to CY 2019.



Figures B-9 illustrates the NOx emissions on a rolling 30-day average based on the ratio of emissions to glass pulled for the sodium silicate furnace from CY 2016 to CY 2019.



NOx Data Analysis

Staff analyzed the NOx emissions data from the container glass furnaces and noted a significant drop in NOx emissions when comparing data from before and after 2017. In 2017, the container glass facility installed a CCF emission control systems on the exhaust gas exiting their container glass melting furnaces. It also should be noted that this facility had previously installed oxy-fueled burners on their container glass melting furnaces. Staff believes that the combination of the CCF and the oxy-fueled burners accounted for the significant drop in NOx emissions.

Through discussions with the container glass facility, staff learned that after the installation of the CCF systems, there was a period of time where the operator had to fine tune the operation of the equipment. During this time, the CCF system experienced unexpected breakage of filter elements. The operator also had to experiment with ammonia injection rates to optimize NOx emission reductions versus their permitted ammonia slip limit of 5 ppmvd. Initially after startup of the CCF system, to maximize NOx reductions, the CCF control system was operated at a NOx emission level of 0.15 lb of NOx per ton of glass pulled ratio. Later as operational issues were resolved, the targeted emission level was adjusted up to 0.22 lb of NOx per glass pulled, which occurred around July 2019. This adjustment helped to resolve ammonia slip concerns where the current ammonia slip is less than 1 ppmvd.

Through site visits to the container glass facility, staff noted that the CCF system as installed is a robust system consisting of four units per furnace. According to its permit, the facility is required to operate a minimum of two units per furnace line. However, running three units at a time with a sufficient ammonia injection appears to minimize NOx emissions as well as balance their ammonia

slip concerns. With a fourth unit online, it was reported that there was not much difference observed in the amount of NO_x reduction compared to three units.

When the NO_x emission data was analyzed on a 30-day rolling average by staff, many transient data spikes that had been initially observed became less significant.

Staff analyzed the NO_x emissions data from the sodium silicate furnaces and noted a significant drop in NO_x emissions when comparing data from before and after 2017. In 2017, the sodium silicate facility installed a CCF emission control system on the exhaust gas exiting their furnace. Since installation of the CCF system, a noticeable reduction in NO_x emissions was observed.

As with the container glass facility, the sodium silicate facility also experienced a period of time where the operators had to learn how to fine tune the operation of the equipment. During this time, they too experienced unexpected breakage of filter elements. They also had to experiment with ammonia injection rates to optimize NO_x emission reductions versus their permitted ammonia slip limit of 10 ppmvd. In general, the sodium silicate furnace operates at about 0.4 lb of NO_x per ton of product pulled and also does not have the same level of redundancy as the container glass facility does by having multiple units.

During site visits to the sodium silicate facility, it was observed that there were frequent transient spikes in ammonia slip. It was also observed that these spikes may be correlated to how the furnace switches its crossflow flow periodically from one side of the furnace to the other. These transients forced ammonia injection adjustments which appeared to affect their overall NO_x control. A combination of tuning issues with the ammonia injection and the range of the ammonia analyzer may be adding to this issue.

When the NO_x emission data was analyzed on a 30-day rolling average, many transient data spikes that had been initially observed became less significant.

Increase of NO_x Emissions Over Time

During the rule development process, stakeholders for the container glass facility expressed concern that furnace degradation over an extended run length would lead to the generation of additional NO_x emissions. Staff was told that as a furnace ages, decreases in burner efficiency or increases in air leakage into the furnace may require more fuel to maintain process conditions. With more fuel being combusted, the amount of NO_x generated could potentially increase.

To investigate this issue, staff compiled NO_x emission data beginning in 2004 through 2015 for the two furnaces operating at the container glass facility. NO_x emission information was collected from daily CEMS emissions data reported by the facility to the South Coast AQMD as part of the RECLAIM program requirements. Due to the configuration of the CEMS units, however, individual emissions from each furnace could not be separated from the aggregate. As such, staff analyzed the total NO_x emissions from both furnaces as one unit.

Figure B-10 shows that over a twelve year span, the total combined NO_x emissions from both furnaces have trended upwards. It should be noted that pull rate data was not available for the

period of time prior to 2010 and so the pull rate was not factored into this data review. Therefore, it is possible that the increased NOx emissions may also have been due to an increase in production from 2004 through 2015.

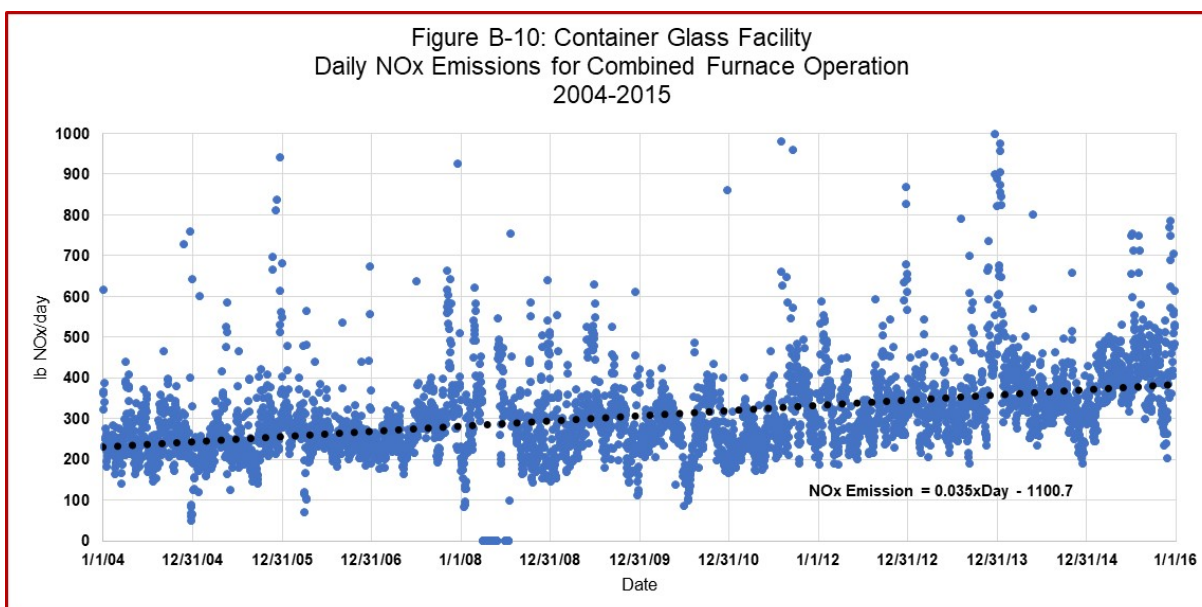


Figure B-10, NOx is seen to have increased approximately 0.035 lbs of NOx per day over a twelve year period. Since this represents two furnaces in operation, the corresponding NOx emissions increase per furnace would be approximately 0.0175 lbs of NOx per day or 6.4 lbs per year per furnace. The expected NOx increase due to the aging experienced by a furnace may be approximately 96 lbs over a 15 year operational cycle.

To present this on a pounds of NOx per ton of glass pulled basis, staff used the averaged pull rate for the two furnaces from 2010 to 2015 because staff did not have the pull rates from 2004 to 2009. The pulled amounts were 285 tons and 354 tons for an average of 319.5 tons. Based on this analysis, this would correspond to an average increase of 0.30 lbs of NOx per ton of glass pulled ($96 \text{ lbs} \div 319.5 \text{ tons}$). This increase does not take into consideration the addition of the CCF system in 2017. With the addition of the CCF system, staff expects that any effect due to NOx increases over time to be mitigated.

Proposed NOx Emission Limits

Based on the data analysis and observations made by staff, the following NOx emission limits are proposed:

- For the container glass melting furnaces, NOx emissions should not exceed 0.75 lb NOx per ton of glass pulled on a rolling 30-day average.
- For the sodium silicate furnace, NOx emissions shall not exceed 0.50 lb NOx per ton of product pulled on a rolling 30-day average.

Presentation of SOx Emissions from Container Glass Melting Furnace Operations

As was previously noted in this staff report, although the sodium silicate facility is in the SOx RECLAIM program, it does not report SOx emissions.

The following SOx information illustrates SOx emissions from the container glass melting furnaces.

Figure B-11 illustrates the SOx emissions on a lbs per day basis reported by the container glass facility for its container glass melting furnaces from CY 2016 to CY 2019.

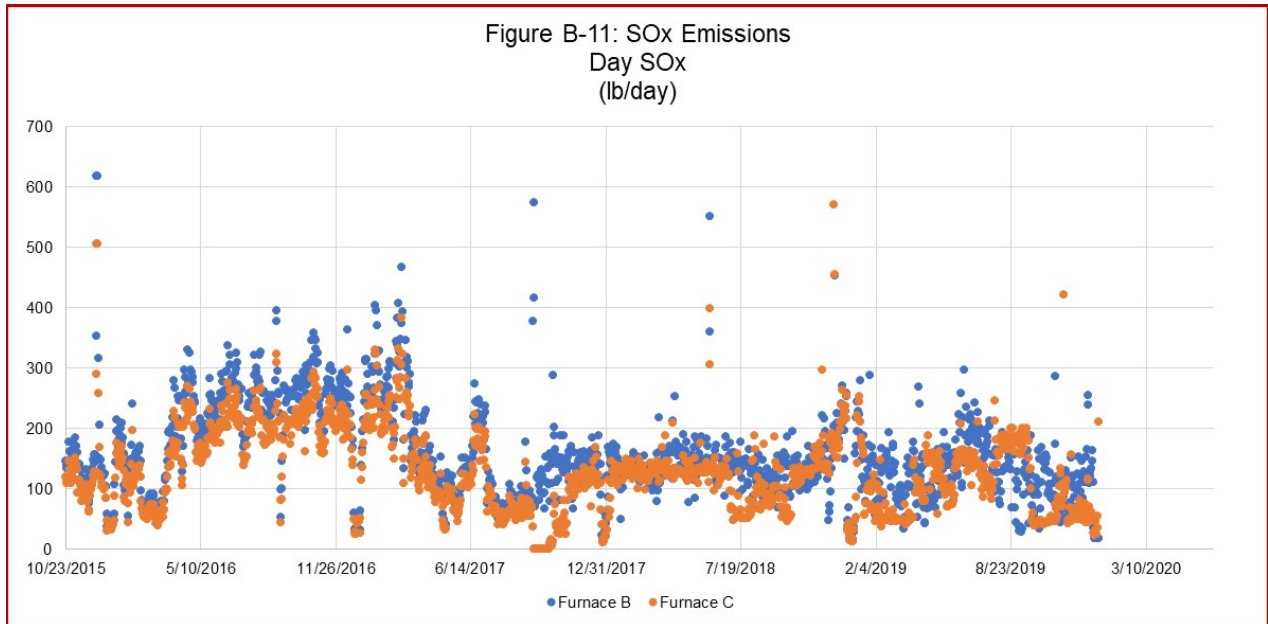
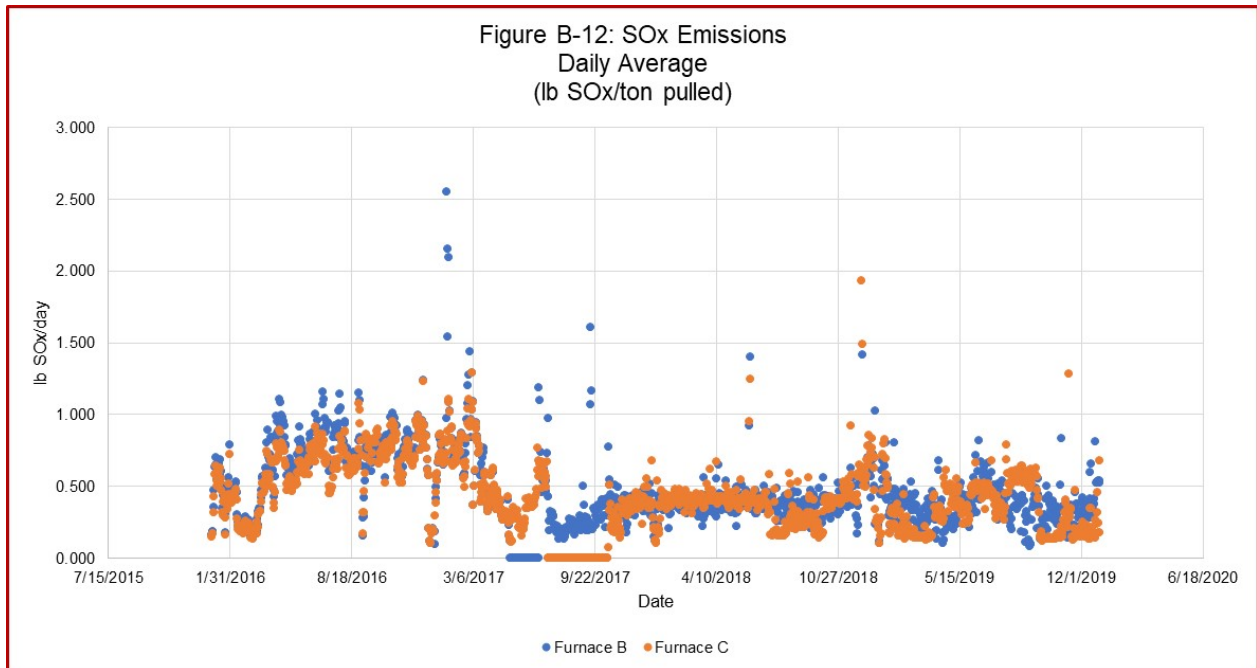
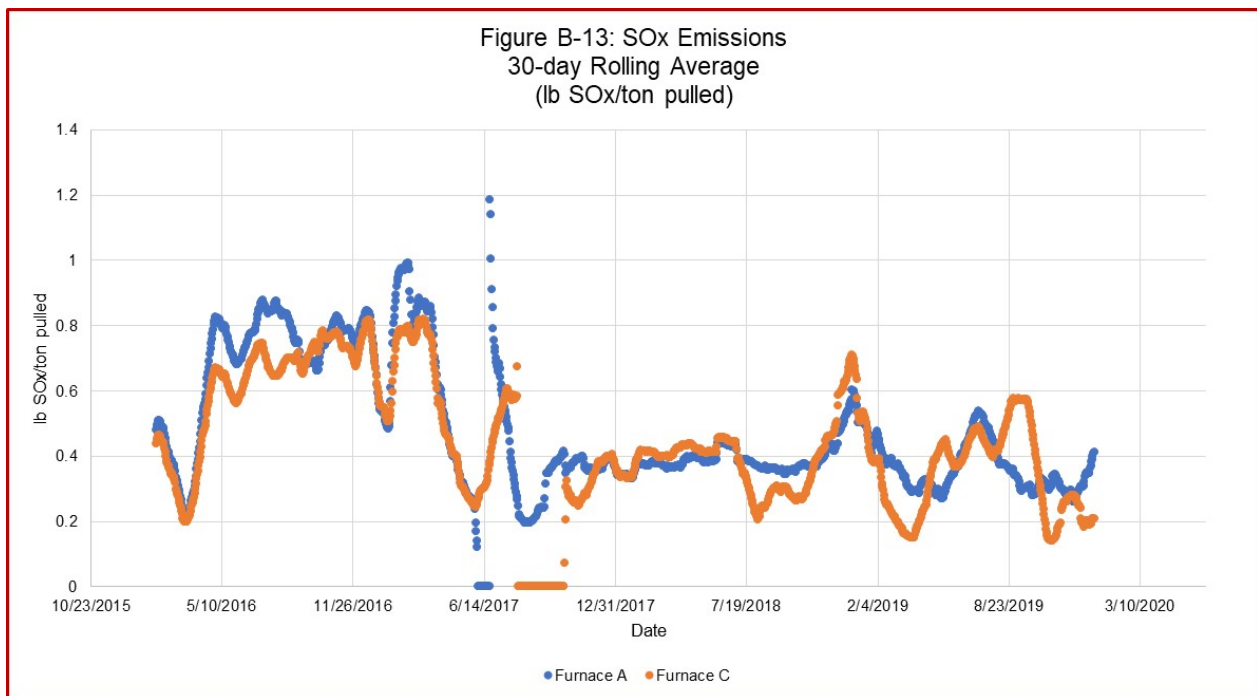


Figure B-12 illustrates the SOx emissions per day based on the ratio of emissions to glass pulled from the container glass melting furnaces from CY 2016 to CY 2019.



Figures B-13 illustrates the NOx emissions on a rolling 30-day average based on the ratio of emissions to glass pulled for the container glass melting furnaces from CY 2016 to CY 2019.



SOx Data Analysis

The primary goal for the installation of the CCF and oxy fuel burners at the container glass facility was tied to reducing NOx emissions. Although there is some observable SOx reduction at the

container glass facility due to the CCF, the emissions impacts will be evaluated at a later date when the RECLAIM SOx program is also transitioned to a command-and-control regulatory structure.

APPENDIX C – RESPONSE TO COMMENT LETTERS

Comment Letter No. 1 – Latham and Watkins (on behalf of Owens-Illinois)

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Houston Silicon Valley
London Singapore
Los Angeles Tokyo
Madrid Washington, D.C.
Milan
014112-0373

April 16, 2020

VIA EMAIL

Rodolfo Chacon
Air Quality Specialist
South Coast Air Quality Management
District

Re: Proposed Amendments to SCAQMD PAR 1117

Dear Mr. Chacon:

We are submitting these comments on South Coast Air Quality Management District (“SCAQMD”) Proposed Amended Rule 1117 - Emission of Oxides of Nitrogen from Glass Melting Furnaces (“PAR 1117”) on behalf of our client Owens-Brockway Glass Container, Inc. (“Owens”). In addition, attached is a markup of the current version of PAR 1117 (March 2020). The Owens facility is located at 2901-23 Fruitland Ave in Vernon, CA 90058 (Facility ID No. 7427) (“Facility”). The Facility is a RECLAIM Cycle 1 for both NO_x and SO_x (Coastal Zone). The Facility is one of only two facilities subject to PAR 1117 and the only container glass melting facility subject to the rule.

Background

The Facility produces about 700 tons per day of glass containers for the food and beverage industry. The Facility uses significant volumes of recycled glass, also known as cullet, in the production process. During normal operations, the feed to the Facility’s two furnaces, identified as Furnaces B and C, consists of between 55% and 73% cullet. Furnaces B and C consist of two newly re-bricked advanced oxyfuel-fired glass furnaces that vent to an advanced air pollution control system. Installed in 2016 and 2017, the Tri-Mer emission control system reduces NO_x, SO_x and PM from the Facility.

1-1

US-DOCS:114746923.6

<p style="text-align: center;">Rodolfo Chacon April 16, 2020 Page 2</p> <p>LATHAM+WATKINS</p>	<p>The emission control upgrades implemented at the Facility are above and beyond what is required to comply with emission limits in the Facility Title V Operating Permit, and any requirements applicable to similar facilities elsewhere in the country. Taken together, the furnace design and air pollution control system represent one of the lowest-emitting glass container manufacturing capabilities in the United States. Owens implemented the upgrades because of the incentive provided by the NOx RECLAIM allowing for the sale of unused RTCs as a means of recouping some of its investment. Of course, the incentive to undertake emission control projects of this type will be eliminated with the sunset of the NOx RECLAIM program.</p>	1-1 cont.
<p><u>Specific Comments</u></p>	<p>1. The proposed NOx limit must be set at a level that takes into consideration performance of the furnaces and control equipment over time.</p>	1-2
<p>As a result of the recent re-bricking of the furnaces, and optimization of the emission control system, control of emissions from the Facility is currently at peak performance. While Owens implements a rigorous maintenance program, over time it is inevitable that additional oxygen from the ambient air will ingress into the furnaces. NOx emissions are produced as a result of the thermal reaction between nitrogen and oxygen in the high temperature environment of the glass melting furnaces. Therefore, over the period of time until the furnaces would be rebricked again, NOx emissions will increase.</p>	<p>The proposed NOx limit of 0.25 lb/ton is low for glass melting furnaces. For other glass melting furnaces outside of California, emission limits ranging from 1.1 to 1.3 lbs per ton of glass pulled have been required in consent orders with USDOJ. Owens has already significant capital costs to install the add-on emission control system and will incur additional operating costs associated with the system. A 0.25 lb/ton NOx limit, which is far below that applicable to other similar facilities, places Owens at a further competitive disadvantage. Owens is also concerned that this limit does not account for expected increases of emissions over time or provide for a sufficient compliance margin.</p>	1-3
<p>During initial discussion with staff, Owens proposed a NOx limit of 1.0 lb/ton, which it believes is representative of limits recently imposed on other similar facilities, and also represents a 33% reduction of the current Facility permitted NOx limit, and a 75% reduction from the current NOx limit in Rule 1117. Upon further review, Owens believes that it can maintain emissions from the furnaces at the Facility below 0.75 lb/ton NOx limit. As such, PAR Rule 1117(d)(1) should be revised to "0.75 pound of NOx per ton of glass pulled, averaged over a rolling 30-day period."</p>	<p>2. The definition for Cullet should be clarified to include recycled and scrap glass.</p>	1-4
<p>In PAR 1117(c)(3), the definition of "Cullet" should be clarified. At the Facility, cullet and raw materials, consisting primarily of silica sand, limestone and soda ash, are weighed,</p>	US-DOCS114746823.6	1-5

Rodolfo Chacon April 16, 2020 Page 3 LATHAM+WATKINS	
<p>combined, and mixed to precise ratios into a batch. The composition of the batch varies depending on the type of glass being made. The batch is then directed to a furnace, where it is melted and formed into glass bottles or other containers. Rejects and off-spec containers are recycled as cullet and reused. Cullet should be clarified to include recycled and scrap glass.</p>	1-5 cont.
<p>3. The definition for Furnace should be broadened to include any fossil fueled furnace.</p>	
<p>In PAR 1117(c)(6), the definition of "Furnace" should be clarified. For the purposes of the rule, furnace means any fossil fuel-fired glass melting furnace or sodium silicate furnace. The definition of Furnace should not be related to containers. The term furnace should be read broadly to include any fossil fuel-fired glass melting furnace or sodium silicate furnace.</p>	1-6
<p>4. The definition of Startup should reflect actual operating conditions.</p>	
<p>In PAR 1117(c)(14), the definition of "Startup" should be clarified. Once the minimum temperatures have been reached and the emissions control system is operational, startup time limits should not apply. When the emissions control system is not bypassed, emissions are being controlled. The definition of Startup should be revised to mean the period of time "after initial construction or a furnace rebuild during which a furnace is heated to operating temperatures by the primary furnace combustion system, pollution control equipment is brought on line, and systems and instrumentation are brought to stabilization."</p>	1-7
<p>5. Limits for idling, startup and shutdown should reflect actual operating conditions.</p>	
<p>Key to limiting emissions during start-up, shutdown and idling is not limiting the duration of the event, but limiting the period of time that the emission control system is not fully operational. Emissions from the furnaces are controlled when the emissions control system is operational. The requirements under Rule 1117(d)(3) should reflect operating conditions and clarify that the time limits apply only when the exhaust is not passing through "operating pollution control equipment, including the injection of any associated chemical reagent into the exhaust stream to control NOx." Furthermore, Rule 1117(d)(4) should be revised to clarify that, during start-up, shutdown and idling, the furnaces shall operate with "exhaust emission control systems, including the injection of any associated chemical reagent into the exhaust stream to control NOx, whenever technologically feasible."</p>	1-8 1-9
<p>6. Compliance determinations should also should reflect actual operating conditions.</p>	
<p>PAR Rule 1117(e)(1) may require Owens to determine compliance on a rolling 30-day average using a Continuous Emissions Monitoring System ("CEMS") regardless of actual operating conditions at the Facility. Operating days should only be removed from the 30-day roll</p>	1-10
US-DOCS\114746823.6	

when the emissions control system is bypassed. As such, Rule 1117(e)(1) should be modified to account for “for all days in which the Furnace operated for the previous 30 days.”

1-10
cont.

7. PAR 1117 needs to define “in full use” for air pollution control equipment.

Owens has a separate ceramic catalyst filter (“CCF”) system for each of the two glass melting furnaces at the Vernon Plant. The CCF systems are similar to baghouses, but instead of fabric bags the CCF systems use ceramic catalyst filters, also known as “candles” due to their shape. Each of the two CCF systems is composed of separate housing units that can be taken off-line independently, while furnace exhaust continues to pass through the remaining operating housing units. The Furnace B system has four housing units with 240 filters in each housing unit, for a total of 960 filters; the Furnace C system has four housing units with 200 filters in each housing unit, for a total of 800 filters.

1-11

While Owens typically operates with all housing units online, the systems are designed to enable Owens to meet permitted emission limits for a particular furnace with only two of the four housing units in that system online. PAR 1117 should allow Owens to operate only two of the four housing units at one time.

Thank you for your attention to these comments. If you would like to discuss our concerns, please contact me at (714) 755-8105 or by email at michael.carroll@lw.com.

Sincerely,



Michael J. Carroll
of LATHAM & WATKINS LLP

Attachment

cc: Wayne Natri, SCAQMD
Phil Fine, SCAQMD
Susan Nakamura SCAQMD
Barbara Baird, SCAQMD
Mary Reichert, SCAQMD

Response to Comment 1-1

The South Coast AQMD staff appreciates your comments and recognizes that the emissions control equipment that has been installed at this facility has significantly reduced the NO_x emissions at the site. Staff agrees with the commenter that when combined, the furnace design and air pollution control system represent one of the lowest-emitting glass container manufacturing capabilities in the United States. This combination of design and added control equipment is unique and uncommon at other plants operating in the United States.

Through the PAR 1117 rulemaking process, it is the intent of staff to codify these achievements in emissions reductions. Staff does not anticipate that the facility will incur any additional equipment or operational costs resulting from PAR 1117 than what has already been invested by the facility. Staff also notes that the decision by the facility to implement these upgrades was made in part because of the incentive provided by the NO_x RECLAIM program allowing for the sale of unused RTCs, and has benefited in the RECLAIM program by installing pollution controls before requirements under PAR 1117 were established.

Response to Comment 1-2

Staff recognizes that a container glass melting furnace's refractory brick ages over time and may allow air to ingress. Staff reviewed NO_x emissions data for the two furnaces operating at the facility from 2004 through 2015 and noted that prior to the installation of the ceramic catalyst filter system, there was an increase in the aggregate NO_x emissions over this period. The NO_x emission limit established for container glass melting furnaces accounts for aging of refractory brick.

Response to Comment 1-3

As part of the BARCT technology assessment, staff identified other glass melting furnaces operating with NO_x emission limits ranging from 1.1 to 1.3 lbs of NO_x per ton of glass pulled in consent decrees with the United States Department of Justice and in other regulatory jurisdictions. Staff considered these limits as unique to the circumstances and conditions found at these locations. Similarly, for PAR 1117, staff evaluated data specific to the operation of the two container glass melting furnaces at the affected facility.

What has already been demonstrated and achieved by the use of the currently installed emissions control equipment is what PAR 1117 will codify. Staff does not anticipate that the facility will incur any additional equipment or operational costs resulting from PAR 1117 than what has already been invested by the facility.

Staff initially proposed a NO_x emission limit of 0.25 lb per ton of glass pulled. Based on stakeholder input, staff has revised the NO_x limit to 0.75 lb per ton of glass pulled to accommodate increases in NO_x emissions due to the aging of the furnaces and associated emissions control equipment, and also to provide a compliance margin.

Response to Comment 1-4

Staff has revised the NO_x emission limit to 0.75 lb per ton of glass pulled, averaged over a rolling 30-day period for container glass melting furnaces.

Response to Comment 1-5

The definition of cullet has been revised to include the term “recycled.”

Response to Comment 1-6

Within the jurisdiction of the South Coast AQMD, there are only two RECLAIM facilities currently affected by PAR 1117. To provide distinction between the two types of operations, staff has included the container glass definition to distinguish this process versus the other for sodium silicate. The definitions are specific to the directly affected sources of the proposed amended rule.

Response to Comment 1-7

Staff has revised the language in PAR 1117 (d)(3) that pertains to startups, shutdowns, and idling to exclude periods of time when the exhaust emissions control equipment is in use. The goal of limiting these operational situations is to minimize uncontrolled emissions. If the exhaust emission control equipment is in operation, then staff agrees the intention has been met.

Further, staff has distinguished between types of emission control equipment in this provision. Although oxy-fueled burners are recognized as a type of emissions control equipment, the use of the add-on exhaust emissions controls is what is targeted by the revised provision.

Response to Comment 1-8

See response to Comment 1-7.

Response to Comment 1-9

The phrase “whenever technologically feasible” was determined to be too broad to be able to enforce. Instead, staff has incorporated existing permit conditions that specify the temperature at which ammonia or a similar reagent should be injected and when the catalyst system is in operation.

Response to Comment 1-10

Staff has updated the language in PAR 1117 (e)(1) to explicitly exclude emissions from idling, startup, and shutdowns from being counted as part of the 30-day rolling average. However, idling, startup, and shutdown activities are still limited by the time restrictions in PAR 1117 (d)(3). If a furnace operates beyond the time allowed for either idling, startups, or shutdowns, then the emissions emitted beyond the allotted time shall be counted as part of the 30-day rolling average.

The purpose of including the requirement that “if a furnace operates for fewer than 30 days, then compliance for NO_x will be determined based on the average for the actual days of operation” is to address batch-type operations. If a furnace such as one used in the sodium silicate process is operated for less than 30 days and is shutdown based on operational considerations, then its emissions shall be averaged for the amount of time that it actually operated.

Response to Comment 1-11

PAR 1117 does not define the requirement “in full use” for any air pollution control equipment, but defers any specific requirements to conditions listed on the facility’s permit to operate. At a minimum, the permit to operate currently requires the use of two of the four ceramic catalyst filter housing units per furnace line.

ATTACHMENT H



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 1117 – EMISSIONS FROM CONTAINER GLASS MELTING AND SODIUM SILICATE FURNACES

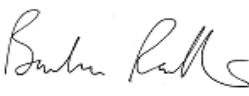
Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (South Coast AQMD), as Lead Agency, has prepared a Notice of Exemption pursuant to CEQA Guidelines Section 15062 – Notice of Exemption for the project identified above.

South Coast AQMD staff is proposing to amend Rule 1117 to: 1) establish emission standards for oxides of nitrogen (NOx) and oxides of sulfur (SOx) from facilities that produce container glass and sodium silicate and are transitioning from Regulation XX – Regional Clean Air Incentives Market (RECLAIM) to a command-and-control regulatory structure; 2) update monitoring, reporting, and recordkeeping requirements; 3) establish provisions for the idling, startup, and shutdown of container glass melting and sodium silicate furnaces; and 4) include NOx emission limits for auxiliary combustion equipment associated with container glass melting operations. Other minor proposed amendments include adding new and modifying definitions of terms and removing obsolete requirements for clarity and consistency throughout the rule.

The proposed project has been reviewed 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. Since air pollution control equipment was previously installed for the furnaces at the affected facilities prior to the development of Proposed Amended Rule 1117, and the actual emissions have been demonstrated to be less than proposed emission standards, no physical changes that would adversely affect any environmental topic area would be expected to occur as a result of project implementation. For these reasons, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. If this project is approved, the Notice of Exemption will be electronically filed with the State Clearinghouse to be posted on their CEQAnet Web Portal. Once the Notice of Exemption is posted, members of the public may access it via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, this Notice of Exemption will be electronically posted on the South Coast AQMD's webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notice/ceqa-notice/notices-of-exemption/noe---year-2020>. The electronic filing and posting of the Notice of Exemption is being implemented in accordance with Governor Newsom's Executive Order N-54-20 issued on April 22, 2020 for the State of Emergency in California as a result of the threat of COVID-19.

Any questions regarding this Notice of Exemption should be directed to Kevin Ni (c/o Planning, Rule Development and Area Sources) at the above address or at (909) 396-2462. Any questions regarding Proposed Amended Rule 1117 should be directed to Rodolfo Chacon at (909) 396-2726.

Date: May 1, 2020

Signature: 

Barbara Radlein
Program Supervisor, CEQA
Planning, Rule Development, and Area Sources

**NOTICE OF EXEMPTION FROM THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

To: Governor's Office of Planning and Research -
State Clearinghouse
1400 Tenth St, Suite 222
Sacramento, CA 95814-5502

From: South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

Project Title:

Proposed Amended Rule 1117 – Emissions from Container Glass Melting and Sodium Silicate Furnaces

Project Location:

The project location is the portion within the South Coast Air Quality Management District (South Coast AQMD) jurisdiction which includes 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).

Description of Nature, Purpose, and Beneficiaries of Project:

South Coast AQMD staff is proposing to amend Rule 1117 to: 1) establish emission standards for oxides of nitrogen (NOx) and oxides of sulfur (SOx) from facilities that produce container glass and sodium silicate and are transitioning from Regulation XX – Regional Clean Air Incentives Market (RECLAIM) to a command-and-control regulatory structure; 2) update monitoring, reporting, and recordkeeping requirements; 3) establish provisions for the idling, startup, and shutdown of container glass melting and sodium silicate furnaces; and 4) include NOx emission limits for auxiliary combustion equipment associated with container glass melting operations. Other minor proposed amendments include adding new and modifying definitions of terms and removing obsolete requirements for clarity and consistency throughout the rule.

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) – Common Sense Exemption

Reasons why project is exempt: Pursuant to the California Environmental Quality Act (CEQA), South Coast AQMD, as Lead Agency, has reviewed Proposed Amended Rule 1117 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. Since air pollution control equipment was previously installed for the furnaces at the affected facilities prior to the development of Proposed Amended Rule 1117, and the actual emissions have been demonstrated to be less than proposed emission standards, no physical changes that would adversely affect any environmental topic area would be expected to occur as a result of project implementation. For these reasons, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption.

Date When Project Will Be Considered for Approval (subject to change):

South Coast AQMD Governing Board Hearing: June 5, 2020; South Coast AQMD Headquarters

CEQA Contact Person:

Mr. Kevin Ni

Phone Number:

(909) 396-2462

Email:

kni@aqmd.gov

Fax:

(909) 396-3982

Rule Contact Person:

Mr. Rodolfo Chacon

Phone Number:

(909) 396-2726

Email:

rchacon@aqmd.gov

Fax:

(909) 396-3324

Date Received for Filing: _____

Signature: _____

(Signed Upon Board Approval)

Barbara Radlein

Program Supervisor, CEQA

Planning, Rule Development, and Area Sources



ATTACHMENT I

Proposed Amended Rule 1117 Emissions From Container Glass Melting and Sodium Silicate Furnaces

Governing Board Meeting

June 5, 2020

Background

- PAR 1117
 - Establishes Best Available Retrofit Control Technology (BARCT) NOx and SOx emission limits for furnaces and auxiliary equipment at container glass melting and sodium silicate facilities
- 2016 AQMP Control Measure CMB-05
 - Achieve five tons per day NOx emission reduction in RECLAIM by 2025
 - Transition RECLAIM to a command and control regulatory structure requiring BARCT level controls as soon as practicable
- AB 617
 - Implementation of BARCT by December 31, 2023
 - Priority given to older, higher polluting units



<https://siccode.com/sic-code/3221/glass-containers>

Two RECLAIM Facilities Subject to PAR 1117



One
Container
Glass
Facility



- Two glass melting furnaces
- Auxiliary combustion equipment
 - Two conveyance systems associated with process
 - Three smaller annealing furnaces

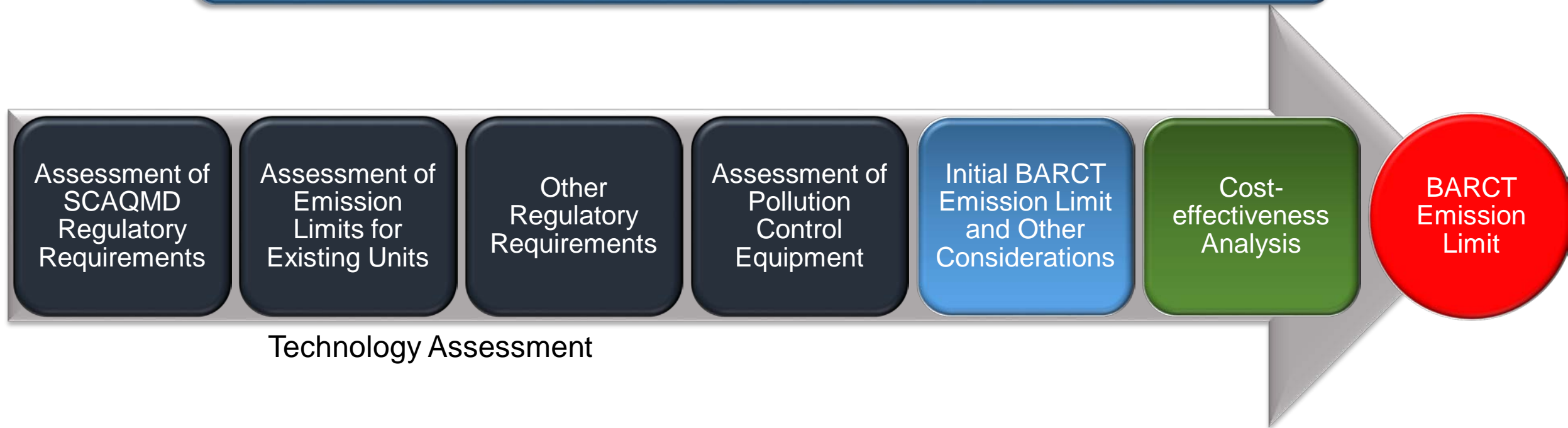


One
Sodium
Silicate
Facility



- One sodium silicate furnace

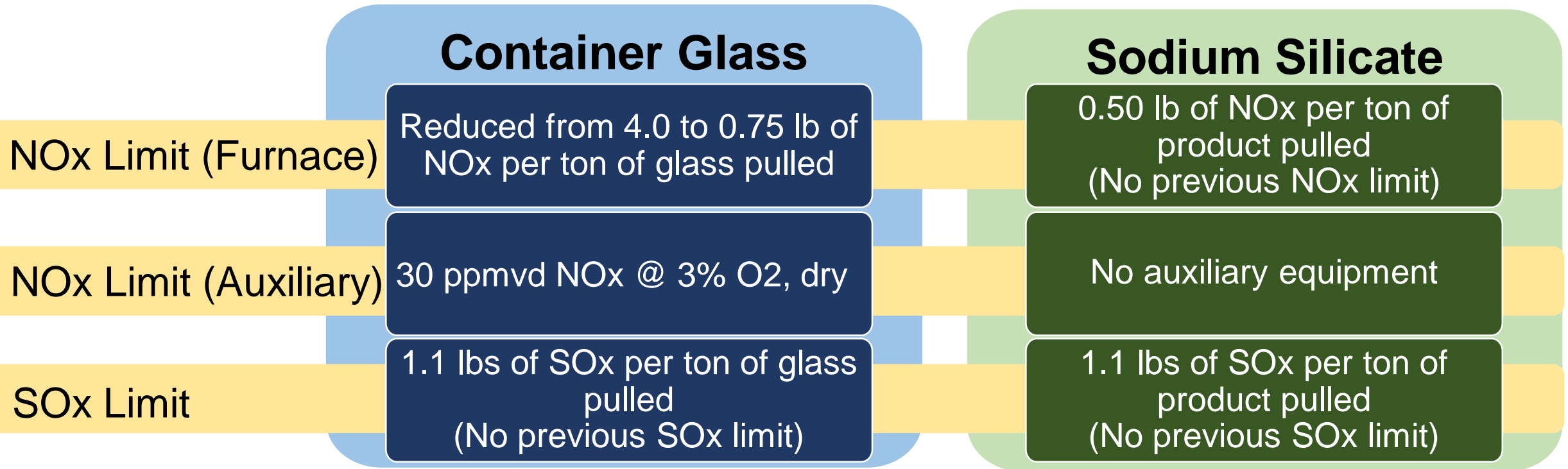
BARCT Assessment



- In 2017, both facilities installed Selective Catalytic Reduction technology that uses ceramic filter elements
- Technology represents BARCT for both container glass and sodium silicate furnaces
- Facilities have reduced NO_x emissions by approximately 90% from 2016 emission levels
- No key issues remaining

Key Proposed Amendments to Rule 1117

- PAR 1117 codifies emission levels demonstrated for container glass and sodium silicate furnaces



- Duration limits added to startup, shutdown, and idling activities to minimize emissions

Emission Reductions and Cost-Effectiveness

NOx Emission Reductions (tons per day)	Cost Effectiveness (\$/ton)
0.57	\$22,700

- Cost-effectiveness calculation includes:
 - Capital costs for the installation of the pollution control systems
 - Operational costs of the air pollution control equipment including oxy-fuel costs (if applicable)
- Cost data provided by the facilities

Staff Recommendation

- Adopt resolution:
 - Determining that PAR 1117 is exempt from the requirements of CEQA
 - Amending Rule 1117

BOARD MEETING DATE: June 5, 2020

Agenda No. 28

PROPOSAL: Determine That Reasonably Available Control Technology (RACT) Demonstration and Emissions Statement Certification for 2015 8-Hour Ozone Standard Are Exempt from CEQA and Approve RACT Demonstration and Emissions Statement Certification

SYNOPSIS: As a component of the 2022 AQMP, South Coast AQMD is required to submit a Reasonably Available Control Technology (RACT) Demonstration and an Emissions Statement Certification to U.S. EPA by August 3, 2020. The RACT analysis provides a comprehensive assessment of the adequacy and comparative levels of emissions controls achieved in practice throughout the nation. The current RACT analysis demonstrates that for all applicable sources of VOC and NOx, South Coast AQMD's current rules meet or exceed federal RACT requirements with the exception of Rule 1115 – Motor Vehicle Assembly Line Coating Operations, which South Coast AQMD commits to amend to meet RACT. In addition, South Coast AQMD's Rule 301 – Permitting and Associated Fees, adequately meets the emissions statement requirements for the 2015 8-Hour Ozone Standard.

COMMITTEE: Stationary Source, May 15, 2020, Reviewed

RECOMMENDED ACTIONS:

Adopt the attached Resolution

1. Determining that the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard are exempt from the California Environmental Quality Act; and
2. Approving the RACT Demonstration and Emissions Statement Certification and directing staff to forward to CARB for review and submission to the U.S. EPA for inclusion in the SIP.

Wayne Nastri
Executive Officer

Background

In 2015, the U.S. EPA lowered the 8-hour Ozone National Ambient Air Quality Standard (NAAQS or Standard) to 70 parts per billion (ppb). The South Coast Air Basin (Basin) is classified as an “extreme” nonattainment area and the Coachella Valley located in Riverside County is classified as a “severe-15” nonattainment area with respect to the 2015 Ozone Standard. The Clean Air Act (CAA) requires that areas classified as moderate nonattainment or higher must develop and submit a demonstration that their current air pollution regulations and emission sources fulfill the Reasonably Available Control Technology (RACT) requirements. The RACT demonstration provides a comparison of the South Coast AQMD rules and regulations with the guidelines established by the U.S. EPA as well as with the existing regulations from other air agencies within California and throughout the United States. The purpose of the RACT demonstration is to review, and where applicable, update an agency’s existing regulations to meet the current state of the science and emission controls. Furthermore, the CAA requires all ozone nonattainment areas to have a program in place that requires emissions statements from stationary sources of NO_x or VOCs. Specifically, section 182(a)(3)(B)(i) of the CAA requires air agencies to submit to the U.S. EPA a revision to the State Implementation Plan (SIP) requiring the owner or operator of each stationary source to report and certify the accuracy of their reported NO_x and VOC emissions, beginning in 1993 and annually thereafter. For the 2008 Ozone Standard, the South Coast AQMD relied upon provisions in Rule 301 – Permitting and Associated Fees, to fulfill the emissions statement requirement. For the 2015 Ozone Standard, the South Coast AQMD is also required to certify that the emissions statement requirement is satisfied. Both the RACT Demonstration and the Emissions Statement Certification must be submitted to the U.S. EPA through CARB by August 3, 2020 for inclusion into the SIP.

Proposal

The attached RACT Demonstration for the 2015 8-hour Ozone Standard (Attachment B) provides a comprehensive assessment of current South Coast AQMD rules and regulations. The 2015 8-hour ozone RACT Demonstration builds upon the 2014 RACT analyses as well as the RACT/Reasonably Available Control Measures (RACT/RACM) and Best Available Control Technology/Best Available Control Measures (BACT/BACM) analyses in the previously submitted 2016 AQMP and focuses on recently adopted rules and regulations by other agencies in California and the nation. In conducting this review, staff worked closely with the U.S. EPA adhering to their provided criteria and guidance. The 2015 8-hour ozone RACT analysis evaluated more than 60 rules recently developed and/or amended by other ozone nonattainment areas including the following Air Quality Management Districts (AQMDs) or Air Pollution Control Districts (APCDs): Antelope Valley, Bay Area, Mojave Desert, Sacramento, San Joaquin, and Ventura County as well as state agencies in Delaware, Maryland, and Texas which are highly impacted by ozone pollution. In addition to the state and local air districts rules

and regulations, staff also reviewed the federal regulations for VOC and NO_x emission sources categories, including the U.S. EPA 40 Code of Federal Regulations (CFR) Parts 60 and 63. Based on the 2015 8-hour ozone RACT analysis, South Coast AQMD makes the following findings:

1. For the U.S. EPA's Control Techniques Guidelines for Automobile and Light-Duty Truck Assembly Coatings, there are new light-duty automobile manufacturing facilities in the Basin since the last ozone RACT analysis. South Coast AQMD Rule 1115 - Motor Vehicle Assembly Line Coating Operations, last amended in 1995, is not as stringent as the U.S. EPA's CTG requirements for several coatings and products for facilities emitting greater than 15 pounds per day. In addition, the VOC emission limits in Rule 1115 for several coating types are less stringent than those in the corresponding Antelope Valley AQMD and San Joaquin Valley APCD rules. Therefore, South Coast AQMD commits to amend Rule 1115 to address these deficiencies.
2. With the exception of Rule 1115, South Coast AQMD current rules for all applicable sources of VOC and NO_x meet or exceed federal RACT requirements, meeting the U.S. EPA's criteria for RACT acceptability and inclusion into the SIP.

As part of the ongoing efforts to identify additional emission reduction opportunities, South Coast AQMD commits to amend Rule 1115 in a future rulemaking by evaluating more stringent emission control requirements, as appropriate, working closely with affected sources and stakeholders through a public process.

With respect to the emissions statement requirement, South Coast AQMD Rule 301 – Permitting and Associated Fees, continues to fulfill the CAA section 182(a)(3)(B) requirements. South Coast AQMD Rule 301 was last amended on July 12, 2019, submitted to U.S. EPA on August 5, 2019, and approved by the U.S. EPA into the SIP on October 31, 2019 (84 FR 52005). The boundaries of the South Coast Air Basin and the Coachella Valley nonattainment areas for the 70 ppb 2015 8-hour Ozone Standard are the same as for the 75 ppb 2008 Ozone Standard. South Coast AQMD has reviewed existing Rule 301 and based on the rationale discussed in the attached Emissions Statement Certification, it is determined that the existing rule is adequate to meet the emissions statement requirements. The South Coast AQMD hereby certifies that the existing provisions of Rule 301 adequately meet the emissions statement requirements of section 182(a)(3)(B) of the CAA for the purposes of the 70 ppb 8-hour ozone standard, and that no revision of the rule is required. The Emissions Statement Certification is provided in Attachment C.

Public Process

A draft staff report on the RACT Demonstration was released on April 1, 2020 and public comments were requested to be submitted by April 21, 2020. Two comment letters were received pertaining to the RACT Demonstration. The comments covered the potential applicability of the Ultraviolet/Electron Beam (UV/EB) coatings technology for select VOC sources and raised concerns over “cherry picking” lower VOC emission limits from other air districts in amending Rule 1115. RACT demonstration was conducted based on an evaluation of the U.S. EPA’s specific guidelines as well as the rules and regulations recently adopted by other agencies which reflect the control technologies achieved in practice. All potentially feasible measures including the UV/EB technology will be further evaluated in the 2022 Air Quality Management Plan. Also, the technical and economic feasibility of emission limits and other rule requirements will be evaluated during Rule 1115 amendment. More detailed responses to these comments are provided in the attached staff report. A Public Consultation Meeting was held on April 8, 2020 to solicit public input on the RACT Demonstration. Both the RACT Demonstration and the Emissions Statement Certification were presented and discussed at the AQMP Advisory Group meeting on April 16, 2020 and the Stationary Source Committee on May 15, 2020. A 30-day public hearing notice was published on the RACT Demonstration and Emissions Statement Certification.

Resource Impacts

The RACT Demonstration and the Emissions Statement Certification will have nominal additional impact on South Coast AQMD resources. Staff is committed to proposing amendments to Rule 1115 to meet RACT.

California Environmental Quality Act

The proposed project has been reviewed pursuant to California Environmental Quality Act (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. The proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption and CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment. Further, there is no substantial evidence indicating that any of the exceptions to the categorical exemption apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions. A Notice of Exemption has been prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption and is included as Attachment D to this Board letter. If the project is approved, the Notice of Exemption will be electronically filed with the State Clearinghouse to be posted on their CEQAnet Web Portal. Once the Notice of Exemption is posted, members of the public may access it via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, the Notice of Exemption will be electronically posted on the South Coast

AQMD's webpage which can be accessed via the following weblink:

<http://www.aqmd.gov/nav/about/public-notices/ceqa-notices/notices-of-exemption/noe--year-2020>. The electronic filing and posting of the Notice of Exemption is being implemented in accordance with Governor Newsom's Executive Order N-54-20 issued on April 22, 2020 for the State of Emergency in California as a result of the threat of COVID-19.

AQMP and Legal Mandates

The 2015 8-hour ozone RACT Demonstration and the Emissions Statement Certification are consistent with the federal CAA and the U.S. EPA's guidelines and are required as part of the 2022 AQMP.

Attachments

- A. Resolution
- B. Draft Final Staff Report for 2015 8-Hour Ozone Standard Reasonably Available Control Technology Demonstration
- C. Emissions Statement Certification
- D. CEQA Notice of Exemption
- E. Board Meeting Presentation

ATTACHMENT A

RESOLUTION NO. 20-____

A Resolution of the Governing Board of the South Coast Air Quality Management District (South Coast AQMD) determining that the Reasonably Available Control Technology (RACT) Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard are exempt from the requirements of the California Environmental Quality Act (CEQA).

A Resolution of the South Coast AQMD Governing Board approving the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard and directing staff to forward to California Air Resources Board (CARB) for approval and submission to United States Environmental Protection Agency (U.S. EPA) for inclusion in the State Implementation Plan (SIP).

WHEREAS, the South Coast AQMD Governing Board finds and determines that the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard 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 South Coast AQMD has had its regulatory program certified pursuant to Public Resources Code Section 21080.5 and CEQA Guidelines Section 15251(l) and has conducted a CEQA review and analysis of the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard pursuant to such program (South Coast AQMD Rule 110); and

WHEREAS, the South Coast AQMD 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 RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard is exempt from CEQA; and

WHEREAS, the South Coast AQMD Governing Board finds and determines that, because the proposed project is an administrative exercise and would not cause any physical changes that would adversely affect any environmental topic area, it can be seen with certainty that there is no possibility that that the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard may have any significant effects on the environment, and is therefore exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption; and

WHEREAS, the South Coast AQMD Governing Board finds and determines that the proposed project is also categorically exempt from CEQA pursuant to CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for the Protection of the Environment, because the proposed project is designed to further protect or enhance the environment; and

WHEREAS, the South Coast AQMD Governing Board has determined that there is no substantial evidence indicating that any of the exceptions to the categorical exemption apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions; and

WHEREAS, the South Coast AQMD staff has prepared a Notice of Exemption for the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard that is completed in compliance with CEQA Guidelines Section 15062 – Notice of Exemption; and

WHEREAS, the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard and other supporting documentation, including but not limited to the Notice of Exemption and the Final Staff Report, were presented to the South Coast AQMD Governing Board and the South Coast AQMD Governing Board has reviewed and considered this information, as well as has taken and considered staff testimony and public comment prior to approving the project; and

WHEREAS, on October 1, 2015, the U.S. EPA lowered the 8-hour Ozone National Ambient Air Quality Standard (NAAQS or Standard) to a level of 70 parts per billion (ppb) from the previous 2008 8-hour Ozone NAAQS of 75 ppb; and

WHEREAS, effective August 3, 2018, the South Coast AQMD is classified as an “extreme” nonattainment area and the Coachella Valley located in Riverside County is classified as a “severe-15” nonattainment area with respect to the 2015 8-hour Ozone NAAQS (83 FR 25776); and

WHEREAS, the Clean Air Act (CAA) requires that areas classified as moderate nonattainment or higher must develop and submit a demonstration that their current air pollution regulations and emission sources fulfill the 2015 8-hour ozone RACT requirements; and

WHEREAS, the U.S. EPA has developed guidance and a list of Control Techniques Guidelines (CTGs) and Alternative Control Techniques (ACTs) to aid local air districts in developing the RACT SIP Submittal in a consistent and effective manner; and

WHEREAS, the South Coast AQMD is required to submit a RACT demonstration for the 2015 ozone NAAQS by August 3, 2020 to the U.S. EPA through CARB for inclusion into the SIP. This RACT SIP submittal focuses on oxides of nitrogen

(NOx) and volatile organic compounds (VOC) emissions which are precursors of ozone; and

WHEREAS, a RACT demonstration was developed with respect to the 1997 8-hour Ozone NAAQS in 2006. The 2006 RACT demonstration certified that South Coast AQMD's rules and regulations fulfilled the 1997 8-hour Ozone RACT requirements and was approved by the U.S. EPA on December 18, 2008 (73 FR 76947); and

WHEREAS, a RACT Demonstration was developed with respect to the 2008 8-hour Ozone NAAQS in 2014. The 2014 RACT demonstration certified that South Coast AQMD's rules and regulations fulfilled the 2008 8-hour Ozone RACT requirements and was approved by the U.S. EPA on October 20, 2017 (82 FR 43850); and

WHEREAS, the 2015 8-hour Ozone RACT Demonstration was conducted based on the evaluation of the U.S. EPA's CTGs and more than 60 rules and regulations adopted or amended since March 2014 through February 2020 by other air districts in California and state agencies in states highly impacted by ozone pollution; and

WHEREAS, for the U.S. EPA's CTG category of Automobile and Light-Duty Truck Assembly Coatings, South Coast AQMD Rule 1115 – Motor Vehicle Assembly Line Coating Operations (last amended in 1995), is not as stringent as the U.S. EPA's CTG requirements for several coatings and products for facilities emitting greater than 15 pounds per day; and

WHEREAS, with the exception of Rule 1115, South Coast AQMD's current rules meet or exceed federal RACT requirements for all applicable sources of NOx and VOC, meeting the U.S. EPA's criteria for RACT acceptability and inclusion into the SIP; and

WHEREAS, the CAA section 182(a)(3)(B) requires all ozone nonattainment areas to have a program in place that requires emissions statements from stationary sources of NOx and VOC. Specifically, the CAA section 182(a)(3)(B)(i) requires air agencies to submit to the U.S. EPA a revision to the SIP requiring the owner or operator of each stationary source to report and certify the accuracy of their reported NOx and VOC emissions, beginning in 1993 and annually thereafter; and

WHEREAS, South Coast AQMD Rule 301 – Permitting and Associated Fees, was amended on July 12, 2019 to fulfill the emissions statement requirement for the 2008 8-hour Ozone Standard, submitted to U.S. EPA on August 5, 2019, and approved by U.S. EPA for inclusion into the SIP on October 31, 2019 (84 FR 52005); and

WHEREAS, the South Coast AQMD Governing Board has determined that a Socioeconomic Impact Assessment is not required, pursuant to Health and Safety Code Section 40440.8 or 40728.5, because these sections apply only to rules; and

WHEREAS, the public hearing has been properly noticed in accordance with all provisions regarding notice of revisions to the State Implementation Plan in Code of Federal Regulations (CFR) Title 40, Section 51.102; and

WHEREAS, the South Coast AQMD Governing Board has held a public hearing in accordance with all provisions of law; and

WHEREAS, the South Coast AQMD specifies that the Planning and Rules Manager of the 2015 8-hour Ozone RACT Demonstration and Emissions Statement Certification as the custodian of the documents or other materials which constitute the record of proceedings upon which the adoption of the 2015 8-hour Ozone RACT Demonstration and Emissions Statement Certification is based, which are located at the South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, California; and

NOW, THEREFORE BE IT RESOLVED, that the South Coast AQMD Governing Board does hereby determine, pursuant to the authority granted by law, that the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption and CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for the Protection of the Environment. No exceptions to the application of the categorical exemption set forth in CEQA Guidelines Section 15300.2 – Exceptions, including the “unusual circumstances” exception, apply to the proposed project. This information was presented to the South Coast AQMD Governing Board, whose members exercised their independent judgment and reviewed, considered and approved the information therein prior to acting on the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard; and

BE IT FURTHER RESOLVED, that the South Coast AQMD Governing Board does hereby approve, pursuant to the authority granted by law, the RACT Demonstration and Emissions Statement Certification for the 2015 8-hour Ozone Standard as set forth in the attached, and incorporated herein by this reference; and

BE IT FURTHER RESOLVED, that the South Coast AQMD Governing Board commits to amend Rule 1115 in a future rulemaking by evaluating more stringent VOC emission control requirements, as appropriate, working closely with affected sources and stakeholders through a public process. The South Coast AQMD Governing Board further certifies that with the exception of Rule 1115, the South Coast AQMD’s current air pollution rules and regulations fulfill the RACT requirements for the 2015 8-hour ozone NAAQS; and

BE IT FURTHER RESOLVED, that per the U.S. EPA’s guidance, the South Coast AQMD is submitting a negative declaration for the U.S. EPA’s CTG of Paper, Film, and Foil Coatings certifying that there are no active Title V facilities with coating

operations subject to Rule 1128 – Paper, Fabric, and Film Coating Operations, without add-on controls that exceed the applicable threshold in the U.S. EPA’s CTG; and

BE IT FURTHER RESOLVED, that the boundaries of the South Coast Air Basin and the Coachella Valley nonattainment areas for the 2015 8-hour Ozone NAAQS are the same as for the 2008 8-hour Ozone NAAQS, and that the existing provisions of Rule 301 adequately meet and continue to fulfill the emissions statement requirements of section 182(a)(3)(B) of the CAA for the purposes of the 2015 8-hour Ozone Standard, and no revision of the rule is required; and

BE IT FURTHER RESOLVED, that the Executive Officer is hereby directed to forward a copy of this Resolution and the RACT Demonstration and Emissions Statement Certification for the 2015 8-hour Ozone Standard to the CARB for approval and subsequent submittal to the U.S. EPA for inclusion into the SIP.

DATE: _____

CLERK OF THE BOARDS

ATTACHMENT B

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Draft Final Staff Report for 2015 8-Hour Ozone Standard Reasonably Available Control Technology (RACT) Demonstration

JUNE 2020

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1. INTRODUCTION

In 1979, the United States Environmental Protection Agency (U.S. EPA) established primary and secondary national ambient air quality standards (NAAQS or standards) for ozone at 0.12 parts per million (ppm) averaged over a 1-hour period. In 1997, the U.S. EPA set a new health protective 8-hour ozone standard at 80 parts per billion (ppb), replacing the previous 1-hour ozone standard. In 2008, the U.S. EPA revoked the 1997 8-hour ozone standard and promulgated the 2008 8-hour ozone NAAQS (75 ppb). Subsequently in 2015, U.S. EPA revised the 8-hour ozone standard to 70 ppb.

With respect to the 2015 8-hour Ozone NAAQS, in 2018, the U.S. EPA published a final rule that addressed the classifications for nonattainment areas.¹ Accordingly, the South Coast Air Basin (Basin) was classified as an “extreme” nonattainment area and the Coachella Valley was classified as a “severe-15” nonattainment area. The Coachella Valley Planning Area is defined, for the purposes of this discussion, as the desert portion of Riverside County in the Salton Sea Air Basin, and is part of the South Coast Air Quality Management District (South Coast AQMD), which also includes the Basin. The Clean Air Act (CAA) requires that areas classified as moderate nonattainment or higher must develop and submit a demonstration that their current air pollution regulations and emission sources fulfill the Reasonably Available Control Technology (RACT) requirements. The RACT demonstration provides a comparison of the South Coast AQMD rules and regulations with the guidelines established by the U.S. EPA as well as with the existing regulations from other air agencies within California and throughout the U.S. The purpose of the RACT demonstration is to review, and where applicable, update an agency’s existing regulations to meet the current state of the science and emission controls. The RACT demonstration must be submitted to the U.S. EPA through California Air Resources Board (CARB) by August 3, 2020 for inclusion into the State Implementation Plan (SIP).

Defining RACT

The U.S. EPA defines RACT as “the lowest emission limitation that a particular source is capable of meeting by the application of control technology that is reasonably available considering technological and economic feasibility.”² To establish a “presumptive” RACT level across the nation, the CAA requires the U.S. EPA to develop several Control Techniques Guidelines (CTGs) for volatile organic compounds (VOC) sources, and Alternative Control Techniques (ACTs) documents for VOC and oxides of nitrogen (NOx) sources. The CTG documents contain mandated emission standards and work practices whereas the ACT documents contain measures that are only

¹ 83 FR 25776 (June 4, 2018).

² 44 FR 53762 (September 17, 1979).

recommended. The U.S. EPA is also required to revise and update these documents as new or updated information becomes available.

To facilitate the development of the RACT Demonstration for the 1997 8-hour ozone standard, the U.S. EPA Region IX issued a guidance letter³ in 2006, which specifies the areas of information required in a minimally acceptable RACT Demonstration. The five-step guidance of the U.S. EPA Region IX is presented below.

1. *Describe efforts to identify all source categories within the District requiring RACT, including CTG sources (i.e., covered by an EPA Control Technique Guideline document) and major non-CTG sources.*
2. *Submit negative declarations where there are no facilities (major or minor) within the District subject to a CTG.*
3. *For all categories needing RACT, list the state/local regulations that implement RACT. It may also be helpful to list the date EPA approved these regulations as fulfilling RACT.*
4. *Describe the basis for concluding that the regulations fulfill RACT. Documents useful in establishing RACT include CTGs, Alternative Control Technique guidance (ACT), Maximum Achievable Control Technology (MACT) standards, New Source Performance Standards (NSPS), California Suggested Control Measures (SCM) and RACT/Best Available Retrofit Control Technology (BARCT) determinations, regulations adopted in other Districts, and guidance and rules developed by other state and local agencies.*
5. *Some Districts may use California Air Pollution Control Officers Association (CAPCOA)'s September 2003 Potential All Feasible Measures (AFM) Report to help demonstrate RACT. If so, the RACT SIP should certify that local regulations are equivalent to AFM, justify the assumption that the AFM fulfilled RACT in 2003, and include some sort of certification/demonstration that no additional controls have become more reasonably available since then.*

In the Final Rule for “Implementation of the 2015 National Ambient Air Quality Standards for Ozone,” the U.S. EPA retains its existing general RACT requirements for the purpose of the 2015 ozone NAAQS, and that “air agencies should also consider all other relevant information (including recent technical information and information received during the state’s public comment period) that is available at the time they develop their RACT SIPs.”⁴

³ Letter from Andrew Steckel to Kurt Karperos, titled “RACT SIPs”, March 9, 2006.

⁴ 83 FR 62998 (November 7, 2018).

RACT Applicability

Nonattainment areas classified as moderate or higher are required to implement RACT for all major sources of VOC. Section 182(b)(2) of the CAA describes the sources subject to RACT requirements:

- (A) Each category of VOC sources in the area covered by a CTG document issued by the Administrator between the date of the enactment of the Clean Air Act Amendments of 1990 and the date of attainment.
- (B) All VOC sources in the area covered by any CTG issued before the date of the enactment of the Clean Air Act Amendments of 1990.
- (C) All other major stationary sources of VOC located in the area.

Section 182(b)(2) and section 182(f) of the CAA call for the implementation of RACT for both VOC and NO_x sources, since both VOC and NO_x are ozone precursors, and identify the sources that are subject to RACT in the South Coast AQMD:

- Sources subject to CTG located in South Coast Air Basin and Coachella Valley
- Non-CTG stationary sources⁵ exceeding 10 tons per year of VOC or NO_x emissions located in South Coast Air Basin
- Non-CTG stationary sources exceeding 25 tons per year of VOC or NO_x emission located in Coachella Valley

Regulatory History

South Coast AQMD developed RACT demonstrations with respect to the 1997 8-hour ozone standard in 2006, and subsequently in 2014 with respect to 2008 8-hour ozone standard. The 2006 RACT demonstration certified that South Coast AQMD's rules and regulations fulfilled the 1997 8-hour ozone RACT requirements, and was approved by the U.S. EPA on January 20, 2009.⁶ For the 2008 8-hour ozone NAAQS, the South Coast AQMD adopted the RACT Demonstration on June 6, 2014, which provided a comprehensive assessment of the South Coast AQMD rules and regulations. The analysis indicated that South Coast AQMD rules and regulations closely matched those of the other agencies and identified eight South Coast AQMD rules covering six source categories that could be further evaluated as areas for improvements in the 2016 Air Quality Management Plan (AQMP) Reasonably Available Control Measures (RACM) analysis and control measure development. In 2017, the U.S. EPA fully approved this RACT demonstration.⁷

⁵ Major sources that are not covered by the U.S. EPA CTG are called major non-CTG sources.

⁶ 73 FR 76947 (December 18, 2008).

⁷ 82 FR 43850 (October 20, 2017).

More recently, the 2016 AQMP included a RACM and a Best Available Control Measures (BACM) demonstration for South Coast Air Basin with respect to the Annual PM_{2.5} and 24-hour PM_{2.5} NAAQS, respectively. The U.S. EPA reclassified the Basin as “serious” nonattainment for the 2006 24-hour standard with an attainment date of December 31, 2019 on February 12, 2016. Under the CAA, a “serious” nonattainment area’s attainment plan has to demonstrate that the BACM, including Best Available Control Technology (BACT), for stationary sources are implemented no later than four years after the designation (or reclassification) with the exception of source categories that the U.S. EPA has determined to not contribute significantly to the levels that exceed the standard in the area. Furthermore, the South Coast Air Basin was classified as “moderate” nonattainment for the 2012 PM_{2.5} NAAQS of 12 µg/m³ on April 15, 2015. A RACM, including RACT, was required as part of the attainment plan for nonattainment areas. As a result, the 2016 AQMP included a RACT demonstration for the 2012 PM_{2.5} NAAQS. The U.S. EPA approved the BACT/BACM demonstration in 2019⁸ but has not yet taken any actions for the RACT/RACM demonstration for the annual PM_{2.5} standard.

2. SOUTH COAST AQMD APPROACH AND EVALUATION

This section discusses the approach and evaluation for the RACT demonstration, and is outlined in three applicable RACT categories (1) CTG sources; (2) non-CTG major stationary sources of VOC and (3) non-CTG major stationary sources of NO_x.

CTG Sources

Section 183 of the CAA requires the U.S. EPA to provide guidance to the air districts on the “presumptive” RACT levels. As a result, the U.S. EPA has developed several CTGs for VOC sources and ACT documents for VOC and NO_x sources. Most of the CTGs were issued prior to 1990, and most of the ACT documents were issued in the mid-1990s. The CTGs contain mandated emission standards and work practices whereas the ACTs describe available control techniques and their cost effectiveness, but do not define “presumptive” RACT levels. The U.S. EPA is required to update existing CTGs/ACTs, or develop new guidelines, on a frequent basis as new or updated control technologies become available.

Section 182(b)(2) of the CAA further requires the air districts to revise their SIPs to include the mandated RACT levels covered by the CTGs issued after November 15, 1990 and prior to the area’s attainment date. To satisfy this requirement, the South Coast AQMD developed and submitted to CARB and the U.S. EPA a demonstration and certification that the South Coast AQMD’s rules and regulations fulfill the 1997 8-hour ozone RACT requirements in 2006. The U.S. EPA approved this demonstration in January 2009⁹ certifying that South Coast AQMD rules

⁸ 84 FR 3305 (March 14, 2019).

⁹ 73 FR 76947 (December 18, 2008).

implement RACT for those CTG sources. In the 2006–2008 timeframe, the U.S. EPA developed 12 new CTGs to update the requirements for several types of coatings. South Coast AQMD staff conducted an analysis comparing the requirements in the South Coast AQMD’s rules with those requirements in the 12 new CTGs as part of the 2012 AQMP (Table VI-4 of 2012 AQMP). The emission limits or standards as well as monitoring, testing, recordkeeping, and work practice requirements in South Coast AQMD rules were compared with those in these CTGs. The RACT/RACM demonstration in the 2012 AQMP was approved by U.S. EPA in 2014.¹⁰

In 2016, the U.S. EPA issued a new CTG for the Oil and Natural Gas Industry.¹¹ The CTG provides recommendations to air agencies as to what constitutes RACT for select oil and natural gas industry emission sources. States must revise their SIPs for ozone nonattainment areas to include RACT for each category of sources of VOC emissions. California’s Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities¹² (Oil and Gas Methane Regulation), adopted in 2017, establishes methane emission standards for crude oil and natural gas facilities in furtherance of the California Global Warming Solutions Act. Methane is not considered a VOC, but many methane controls also reduce VOC emissions as a co-benefit since both VOC and methane are found in oil and gas operations. The CTG and the Oil and Gas Methane Regulation cover similar sources because they emit both VOC and methane. In September 2018, CARB released a staff report that provides a comparison of the Oil and Gas Methane Regulation to the 2016 U.S. EPA Oil and Gas CTG. Each source that was selected for RACT recommendations in the CTG was evaluated to determine whether the Oil and Gas Methane Regulation complies with the CTG. For each emission source, the Oil and Gas Methane Regulation was determined to comply with its CTG counterpart as the requirement in the Oil and Gas Methane Regulation was deemed equivalent or more stringent, or it achieved equivalent or greater VOC reductions, than the comparable CTG requirement. On October 25, 2018, CARB approved the staff report and the submission of the Oil and Gas Methane Regulation to U.S. EPA as a revision to the California SIP. This SIP revision, in combination with South Coast AQMD rules and a Memorandum of Agreement between CARB and South Coast AQMD¹³ to implement greenhouse gas emission standards, satisfies the RACT requirement for this source category for the South Coast AQMD.

The 2015 8-hour ozone standard RACT evaluation for CTG sources builds on the previously submitted and approved RACT/RACM demonstration with updated analysis where applicable. Appendix I provides a summary of the evaluation from the previously submitted RACT analysis and the updated analysis based on a checklist that was provided by the U.S. EPA staff covering all

¹⁰ 79 FR 52525 (October 3, 2014).

¹¹ US EPA. (2016). Control Techniques Guidelines for the Oil and Natural Gas Industry. <https://www.epa.gov/sites/production/files/2016-10/documents/2016-ctg-oil-and-gas.pdf>.

¹² California Code of Regulations, Title 17, Division 3, Chapter 1, Subchapter 10 Climate Change, Article 4. Subarticle 13: Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities.

¹³ <https://ww2.arb.ca.gov/sites/default/files/2018-10/South%20Coast%20MOA.pdf>.

CTGs.¹⁴ For each CTG, there is a corresponding South Coast AQMD rule(s) or a State regulation that fulfills the RACT requirement. Overall, with the exception of the 2008 CTG for Automobile and Light-Duty Truck Assembly Coatings,¹⁵ all CTG sources in the South Coast AQMD are subject to either South Coast AQMD rules or California State regulations that meet or exceed RACT requirements.

With respect to the CTG for Automobile and Light-Duty Truck Assembly Coatings, South Coast AQMD Rule 1115 (Motor Vehicle Assembly Line Coating Operations, last amended in 1995) regulates VOC emissions from this source category. Rule 1115 is not as stringent as the U.S. EPA's CTG for several coatings and products for facilities emitting greater than 15 pounds per day. CTG has more stringent limits for electrophoretic primer at 84 grams per liter (145 grams per liter in Rule 1115); spray primer, primer-surfacer, and topcoat at 1,440 grams per liter (1,800 grams per liter in Rule 1115); and trunk coatings, interior coatings, sealers, and deadeners at 650 grams per liter (Rule 1115 provides an exemption for these categories). Rule 1115 applies to both light-duty and heavy-duty vehicle assembly lines, whereas the U.S. EPA's CTG applies to automobiles and light-duty trucks. For heavy-duty vehicles, the CTG provides an option to satisfy the requirement through metals products or plastic parts coatings. Specifically, the CTG says that "states consider structuring their RACT rules to provide facilities that coat bodies and/or body parts for new heavier vehicles with the option of meeting either the state RACT requirements for the automobile and light-duty truck coating category or the state RACT requirements for the miscellaneous metal products or plastic parts coatings categories. Heavier vehicle coatings are included in the Miscellaneous Metal Products and Plastic Parts Coatings categories under section 183(e) and are therefore covered in the CTG for Miscellaneous Metal and Plastic Parts Coatings." In the 2014 RACT analysis, all facilities subject to Rule 1115 were heavy-duty vehicle manufacturers, and RACT was fulfilled through South Coast AQMD Rule 1107 (Coatings of Metal Parts and Products). Since then, new light-duty motor vehicle manufacturing facilities are operating in the Basin that are subject to this CTG. Accordingly, light-duty motor vehicle manufacturing emission sources do not meet the U.S. EPA's CTG requirements and South Coast AQMD commits to amend Rule 1115 to meet the CTG requirements.

In addition, for the 2007 Paper, Film, and Foil Coatings CTG (EPA 453/R-07-003), South Coast AQMD is submitting a negative declaration. A negative declaration is a statement that there are no such operations in the South Coast AQMD that are subject to the CTG. The 2007 U.S. EPA's CTG requires an overall 90 percent control efficiency for facilities emitting greater than 15 pounds per day and coating lines emitting greater than 25 tons per year. South Coast AQMD Rule 1128 (Paper, Fabric and Film Coating Operations, last amended in 1996) sets VOC emission limits for this source category and is not as stringent as the 2007 U.S. EPA's CTG (85.5 percent overall control efficiency in Rule 1128). CTG's alternative compliance emission limit of 80 grams per

¹⁴ Handout 2 for a conference call title "70 ppb Ozone Stand – SIP Working Group" on May 22, 2019.

¹⁵ https://www3.epa.gov/airquality/ctg_act/200809_voc_epa453_r-08-006_auto_ldtruck_assembly_coating.pdf.

liter is also more stringent than the limit of 265 grams per liter in Rule 1128. For this CTG, South Coast AQMD staff has reviewed the permit database and consulted with knowledgeable permitting and inspection staff. Based on this analysis and to the best of staff's knowledge, out of the active Title V facilities that do not use add-on controls for the coating operations subject to Rule 1128, no facilities exceed the CTG's applicable threshold (i.e., 25 tons per year of VOC per coating line). For the Title V facilities with add-on controls for the coating operations, their controls meet RACT requirements and are listed on federally enforceable Title V permits. A formal written statement is included in Appendix II of this document.

In summary, based on the above analysis, all CTG sources in the South Coast AQMD are subject to either South Coast AQMD rules or California State Regulations that meet RACT requirements with the exception of the CTG for Automobile and Light-Duty Truck Assembly Coatings. These rules are either SIP-approved or have been submitted to the U.S. EPA for consideration for inclusion into the SIP.

Non-CTG Major Stationary Sources

RACT is a moving target that changes over time as new technologies and products become feasible and cost effective. Staff focused its evaluation on changes in technologies and low-emission products since the last 2014 8-hour ozone RACT Demonstration and evaluated South Coast AQMD's existing rules against federal rules, regulations, and any comparable rules from the nation's most technologically progressive air agencies.

In preparing the RACT Demonstration for non-CTG major stationary sources, staff identified all source categories within the South Coast AQMD requiring RACT. To identify the active major stationary source facilities of NO_x and VOC, a search was conducted of the South Coast AQMD's permitting database to create a universe of Title V facilities.¹⁶ Title V facilities have federal enforceable permits with clearly identified SIP-approved rules. For the South Coast Air Basin, Title V applies to facilities with a Potential to Emit (PTE) equal to or more than 10 tons of NO_x and VOC per year. For the Coachella Valley, the major source threshold is currently at 25 tons per year. These thresholds are consistent with the definition of major stationary sources for the 2015 8-hour ozone standard. A total of 356 Title V facilities were identified from the database among of which 353 facilities are in the South Coast Air Basin and three facilities are in the Coachella Valley. Staff then identified all the applicable source-specific rules for these Title V facilities.

Next, staff reviewed California air districts and other states' rules and regulations which were adopted or amended after the last ozone RACT Demonstration submittal for SIP approval in 2014. The 2015 8-hour ozone RACT Demonstration builds upon on the 2014 RACT analyses as well as the RACT/RACM and BACT/BACM analyses in the previously submitted 2016 AQMP and focuses on recently adopted rules and regulations by other agencies in California and the nation.

¹⁶ <http://www.aqmd.gov/home/permits/title-v/what-is-title-v->.

In conducting this review, staff worked closely with the U.S. EPA adhering to their criteria and guidance mentioned in the previous section. The air districts in California included:

- **Antelope Valley Air Quality Management District (Antelope Valley AQMD)**
- **Bay Area Air Quality Management District (Bay Area AQMD)**
- **Mojave Desert Air Quality Management District (Mojave Desert AQMD)**
- **Sacramento Metropolitan Air Quality Management District (Sacramento Metropolitan AQMD)**
- San Joaquin Valley Air Pollution Control District (San Joaquin Valley APCD)
- Ventura County Air Pollution Control District (Ventura County APCD)

and state agencies in states which are highly impacted by ozone pollution:

- Delaware
- Maryland
- Texas

These air agencies were selected based on the severity of their ozone pollution. The 2015 8-hour ozone RACT analysis evaluated more than 60 rules recently developed and/or amended by other ozone nonattainment air districts from March 2014 to February 2020. Appendix III lists the rules that were evaluated for the 2015 8-hour Ozone RACT Demonstration.

To determine whether the South Coast AQMD rules satisfy RACT, staff evaluated the difference between the rule requirements in other districts and states to the corresponding requirements in the South Coast AQMD rules and regulations. In addition to the state and local air districts rules and regulations, staff also reviewed the federal regulations for VOC and NO_x emission source categories, including U.S. EPA 40 Code of Federal Regulations (CFR) Parts 60 and 63 as listed in Appendix III.

Non-CTG Major Stationary Sources of VOC

Based on the process described above, rules regulating VOC emissions from major stationary sources were evaluated for RACT determination. The details of the evaluation, including South Coast AQMD's existing rule requirements, the requirements in other air agencies, state and federal guidance are included in Appendix IV. Appendix IV is formatted to present a summary of comparison between South Coast AQMD and other air districts/states rules. The analysis indicates that South Coast AQMD rules and regulation closely matched those of the other agencies with the exception of South Coast AQMD Rule 1115 (Motor Vehicle Assembly Line Coating Operations) which was identified in the previous section as not meeting the U.S. EPA's CTG requirements for this emission source category. A brief description of the emission sources and VOC limits in Rule 1115 compared to other districts rules with more stringent emission limits is presented here:

Motor Vehicle Assembly Line Coating Operations

South Coast AQMD Rule 1115 applies to both light-duty and heavy-duty vehicles assembly line coating operations. Antelope Valley AQMD Rule 1115.1 and San Joaquin Valley APCD Rule 4602 are the two corresponding rules that apply to all motor vehicle assembly coating operations, including light-duty and heavy-duty vehicles. Rule 1115 VOC emission limits are not as stringent as the Antelope Valley AQMD and San Joaquin Valley APCD's emission limits for several coating types for facilities emitting greater than 15 pounds per day. Both Antelope Valley AQMD and San Joaquin Valley APCD's rules have more stringent VOC limits for electrophoretic primer at 0.7 pounds per gallon (1.2 pounds per gallon of coating in Rule 1115). For the spray primer, primer-surfacer, and topcoat categories, the South Coast AQMD's Rule 1115 emissions limits are slightly higher than those in Antelope Valley AQMD and San Joaquin Valley APCD (15 pounds per gallon of applied solids versus 12 pounds per gallon of deposited solids). In addition, the VOC emission limit for the trunk coatings, interior coatings, sealers, and deadeners categories is 650 grams per liter in Antelope Valley AQMD and San Joaquin Valley APCD rules whereas South Coast AQMD Rule 1115 provides an exemption for these categories. Accordingly, South Coast AQMD commits to amend Rule 1115 to address these deficiencies.

Non-CTG Stationary Sources of NOx

Rules regulating NOx emissions from major stationary sources were evaluated for RACT determination. The details of the evaluation, including South Coast AQMD's existing rule requirements, the requirements in other air agencies, State and Federal guidance are included in Appendix V. The evaluation indicates that South Coast AQMD rules and regulations closely matched those of the other agencies, and meet or exceed the RACT level of control for all applicable NOx source categories.

3. CALIFORNIA ENVIRONMENTAL QUALITY ACT

The proposed project has been reviewed pursuant to California Environmental Quality Act (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. The proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption and CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment. Further, there is no substantial evidence indicating that any of the exceptions to the categorical exemption apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions. 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 electronically filed with the State Clearinghouse to be posted on their CEQAnet Web Portal. Once the Notice of Exemption is posted, members of the public may

access it via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, the Notice of Exemption will be electronically posted on the South Coast AQMD's webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notices/ceqa-notices/notices-of-exemption/noe---year-2020>. The electronic filing and posting of the Notice of Exemption is being implemented in accordance with Governor Newsom's Executive Order N-54-20 issued on April 22, 2020 for the State of Emergency in California as a result of the threat of COVID-19.

4. PUBLIC PROCESS

Draft staff report on the RACT Demonstration was released on April 1, 2020 and public comments were requested to be submitted by April 21, 2020. Two comment letters were received pertaining to the RACT Demonstration. Responses to these comments are provided in the attached staff report. South Coast AQMD staff held a Public Consultation Meeting online and through video/audio conferencing on April 8, 2020 to solicit information, comments, and suggestions from the public, affected businesses, and stakeholders. Furthermore, the RACT Demonstration was also presented to the 2022 AQMP Advisory Group on April 16, 2020 and to the Stationary Source Committee on May 15, 2020. The South Coast AQMD Governing Board will hold a public hearing and consider approval of the RACT Demonstration at the South Coast AQMD Governing Board meeting on June 5, 2020. Following the South Coast AQMD Governing Board approval, the 2015 8-hour Ozone Standard RACT Demonstration will be submitted to CARB for review and subsequent submittal to U.S. EPA for inclusion into the SIP.

5. PUBLIC COMMENTS AND RESPONSES TO COMMENTS

Two comment letters were received during the comment period for the Draft RACT Demonstration. The comment letters and responses to comments are listed in this section.

Comment Letter #1
Rita M. Loof, RADTECH
April 21, 2020



April 21, 2020

Dr. Kalam Cheung
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, California 91765

Re: Public comments on Proposed 2015 8- Hour Ozone Standard Reasonably Available Control Technology (RACT) Demonstration

RadTech appreciates the opportunity to comment on the District's proposed RACT Demonstration. Our Association represents over 800 members involved in Ultraviolet/Electron Beam/Light Emitting Diode (UV/EB/LED) technology. Our technology is pollution prevention technology and we appreciate the District's efforts to recognize it as an alternative to add-on control devices in many of its programs such as the Best Available Control Technology Guidelines.

1-1

We are concerned that some of the Environmental Protection Agency's (EPA) Control Technique Guidelines (CTG) have not been updated since 1978 and thus the information is not accurate by current application methods and standards in 2020. Basing the RACT demonstration on the EPA CTGs may not capture the current state of our technology which has greatly advanced since the promulgation of the CTGs. As an example, the CTG for Wood Furniture Manufacturing Operations, promulgated in 1996, assumes that energy curable materials have a Volatile Organic Compound (VOC) content of 458 grams per liter but, currently our materials are typically less than 50 grams per liter in VOC content and in many cases exceed current SCAQMD rule limits. Throughout the years, ink and coating makers have continued work to formulate alternative materials which, may not have been readily available when the CTGs were promulgated. In many cases, there is no consideration of energy curable inks which can be equivalent to control devices and analogous to other low VOC ink systems.

1-2

We note that competing technologies such as conventional solvent systems with add-on controls and waterborne coating processes, have been included in most of the relevant EPA CTGs. One of EPA's recommendations is that "inks which contain 60 percent or more non-volatile material be exempt from emission limitations in order to encourage development of high solids inks." We very much support this incentive type approach and urge the District to implement it.

We request that UV/EB processes be considered as an alternative equivalent option in the RACT Demonstration. UV/EB/LED technology is available in the following CTG categories:

- Offset Lithographic Printing and Letterpress Printing
- Graphic Arts-Rotogravure and Flexography
- Flexible Package Printing
- Wood Furniture Manufacturing Operations
- Factory Surface Coating of Flat Wood Paneling
- Flat Wood Paneling Coatings
- Flat Wood, Interior Paneling
- Large Appliance Coatings
- Metal Furniture Coatings
- Surface Coating of Miscellaneous Metal Parts and Plastics Products
- Paper, Film and Coil Coatings
- Miscellaneous Industrial Adhesives
- Automobile and Light-Duty Truck Assembly Coatings
- Surface Coating of Cans

1-3

The following are examples (not an exhaustive list) of permitted operations in the SCAQMD using UV/EB/LED technology:

Spray Booth, Wood

Excel Cabinets, Inc.	Application # 450588	11/26/05
Head West Inc.	F80114	01/12/06

Lithographic Printing

Company Name	AQMD Permit #	
Holiday Printing & Lithograph Inc.	F32751	07/25/00
Westminster Press	F15320	08/11/98
K & D Graphics, A California Corp.	F24307	02/09/00
Jaco Printing Corp, Business Forms Press	D53533	05/21/92
Jaco Printing Corp, Business Forms Press	F15651	11/24/98
Jaco Printing Corp, Business Forms Press	F15651	11/24/98
Royal Paper Box Co.	D92649	08/10/95
Creative Mailings Inc.	F31957	06/21/00

We look forward to a continued collaboration with the district. Please let me know of any additional assistance our association can provide.

] 1-4

Sincerely

Rita M. Loof
Director, Environmental Affairs

Cc: Sarah Reese, Zorick Pirveysian, Phillip Fine, Wayne Nastri

Response to Comment 1-1

Thank you for taking the time to review the proposed draft materials and for providing feedback.

Response to Comment 1-2

As part of the RACT determination, staff evaluated the U.S. EPA's Control Techniques Guidelines (CTG) as well as the rules and regulations by other air pollution control agencies throughout the nation. The U.S. EPA's CTG help define RACT and the current requirements in other agencies reflect the control technologies achieved in practice for a source category.

Response to Comment 1-3

UV/EB technologies could be one of the compliance options to meet RACT level of control for applicable emission sources. Staff will evaluate UV/EB as part of the all feasible measures for the 2022 AQMP.

Response to Comment 1-4

Thank you for participating in the public process.

Comment Letter #2
David Darling, American Coatings Association
April 21, 2020



April 21, 2020

Mr. Jong Hoon Lee
SCAQMD
21865 Copley Drive
Diamond Bar, CA 91765
Email: jhlee@aqmd.gov

RE: RACT Demonstration for the 2015 8-Hour Ozone Standard Draft Staff Report; ACA Comments

Dear Mr. Lee:

The American Coatings Association (ACA)¹ submits the following comments on the RACT Demonstration Staff Report, specifically page 9 of the Staff Report having to do with Motor Vehicle Assembly Line Coating Operations:

“Motor Vehicle Assembly Line Coating Operations South Coast AQMD Rule 1115 applies to both light-duty and heavy-duty vehicles assembly line coating operations. Antelope Valley AQMD Rule 1115.1 and San Joaquin Valley APCD Rule 4602 are the two corresponding rules that apply to all motor vehicle assembly coating operations, including light-duty and heavy-duty vehicles. Rule 1115 VOC emission limits are not as stringent as the Antelope Valley AQMD and San Joaquin Valley APCD’s emission limits for several coating types for facilities emitting **greater than 15 pounds per day**. Both Antelope Valley AQMD and San Joaquin Valley APCD’s rules have more stringent VOC limits for **electrophoretic primer at 0.7 pounds per gallon** (1.2 pounds per gallon of coating in Rule 1115). For the spray primer, primer/surfacer, and topcoat categories, the South Coast AQMD’s Rule 1115 emissions limits are slightly higher than those in Antelope Valley AQMD and San Joaquin Valley APCD (15 pounds per gallon of applied solids versus **12 pounds per gallon of deposited solids**). In addition, the VOC emission limit for the trunk coatings, interior coatings, sealers, and deadeners categories is 650 grams per liter in Antelope Valley AQMD and San Joaquin Valley APCD rules whereas South Coast AQMD Rule 1115 provides an exemption for these categories. Accordingly, South Coast AQMD commits to amend Rule 1115 to address these deficiencies.”

ACA comments that SCAQMD must retain the context of Antelope Valley AQMD Rule 1115.1 and San Joaquin Valley APCD Rule 4602 limits (highlighted in bold above). SCAQMD should

2-1

¹ The American Coatings Association (ACA) is a voluntary, nonprofit trade association working to advance the needs of the paint and coatings industry and the professionals who work in it. The organization represents paint and coatings manufacturers, raw materials suppliers, distributors, and technical professionals. ACA serves as an advocate and ally for members on legislative, regulatory, and judicial issues, and provides forums for the advancement and promotion of the industry through educational and professional development services.

not “cherry pick” a lower limit from either of these rules without also adopting the full limit tables, applicability limits as well as exemptions.

2-1
(cont’d)

The Antelope Valley and San Joaquin electro deposition and spray primer limits are daily average limits so the entire table needs to be adopted, especially since the primer limit is associated with a specific solids turnover ratio that corresponds to the limit. As such the 0.7 lbs./gal primer and the 12 lbs/gal spray primer, primersurfacer, and topcoat primer are not directly comparable to the SCAQMD limits. If SCAQMD wants to adopt the San Joaquin or Antelope Valley limits then SCAQMD must adopt the adopt the same daily weighted average limit table as San Joaquin and Antelope Valley.

Further, as mentioned in the Staff Report - both the Antelope Valley AQMD Rule 1115.1 and San Joaquin Valley APCD Rule 4602 apply only to facilities emitting greater than 15 lbs. of VOC per day. If SCAQMD adopts the limits from Antelope Valley AQMD Rule 1115.1 and San Joaquin Valley APCD Rule 4602, SCAQMD must also include the 15 lbs. per day applicability.

Finally, both the Antelope Valley AQMD Rule 1115.1 and San Joaquin Valley APCD Rule 4602 have a small container exemption - materials supplied in containers with a net volume of 16 fluid ounces or less, or a net weight of one (1) pound or less are exempt from the rule provisions. If SCAQMD adopts the limits from Antelope Valley AQMD Rule 1115.1 and San Joaquin Valley APCD Rule 4602, SCAQMD must also include the 16 ounce exemption as well.

Thank you for your consideration of our comments and concerns. Please do not hesitate to contact me if you have any questions.

2-2

Sincerely,

/s/

David Darling
VP, Health, Safety and Environmental Affairs
American Coatings Association

Response to Comment 2-1

Thank you for taking the time to review the proposed draft materials and for providing feedback.

During the rule development process, more extensive evaluation including feasibility analysis will be conducted. New emission limits and other requirements will be established considering technological feasibility and cost effectiveness. Staff will be working closely with all affected sources and stakeholders through a public process.

Response to Comment 2-2

Thank you for participating in the public process.

6. CONCLUSION

As part of the SIP requirements for the 2015 8-hour Ozone NAAQS, South Coast AQMD conducted a RACT analysis for the ozone precursors of NO_x and VOC based on an evaluation of South Coast AQMD rules and regulations with the U.S. EPA's CTGs and the recently adopted/amended rules in other air agencies. Based on this analysis, South Coast AQMD makes the following findings:

1. For the U.S. EPA's CTG category of Automobile and Light-Duty Truck Assembly Coatings, there are new light-duty automobile manufacturing facilities in the Basin since the last ozone RACT analysis. South Coast AQMD Rule 1115 (Motor Vehicle Assembly Line Coating Operations, last amended in 1995) is not as stringent as the U.S. EPA's CTG requirements for several coatings and products for facilities emitting greater than 15 pounds per day. In addition, the VOC emission limits in Rule 1115 for several coating types are less stringent than those in the corresponding Antelope Valley AQMD and San Joaquin Valley APCD's rules. Therefore, South Coast AQMD commits to amend Rule 1115 to address these deficiencies.
2. With the exception of Rule 1115, South Coast AQMD's current rules for the applicable sources of VOC and NO_x meet or exceed federal RACT requirements and meet the U.S. EPA's criteria for RACT acceptability and inclusion into the SIP.

In summary, staff concludes that with the exception of the CTG for Automobile and Light-Duty Truck Assembly Coatings, all applicable RACT emissions sources in the South Coast AQMD are subject to either South Coast AQMD rules or California State Regulations that meet or exceed RACT requirements. These rules are either SIP-approved or have been submitted to the U.S. EPA for consideration for inclusion into the SIP. As part of the ongoing efforts to identify additional emission reduction opportunities, South Coast AQMD commits to amend Rule 1115 by evaluating more stringent emission control requirements, as appropriate, working closely with affected sources and stakeholders through a public process.

Appendices to Draft Staff Report for 2015 8-Hour Ozone Standard Reasonably Available Control Technology (RACT) Demonstration

- Appendix I - RACT Demonstration CTG Checklist**
- Appendix II - Negative Declaration for Control Techniques Guidelines for Paper, Film, and Foil Coatings**
- Appendix III - Recently Adopted (March 2014 to February 2020) Rules and Regulations and Federal Guidance Evaluated for RACT Demonstration (NO_x and VOC only)**
- Appendix IV - Evaluation of South Coast AQMD VOC Rules**
- Appendix V - Evaluation of South Coast AQMD NO_x Rules**

Appendix I
RACT Demonstration CTG Checklist

	CTG #	CTG Title	South Coast AQMD Rule Meeting RACT	Negative Declaration Submitted
1	EPA-450/R-75-102	Design Criteria for Stage I Vapor Control – Gasoline Service Stations	Rule 461	No
2	EPA-450/2-77-008	Surface Coating of Cans	Rule 1125	No
3	EPA-450/2-77-008	Surface Coating of Coils	Rule 1125	No
4	EPA-450/2-77-008	Surface Coating of Paper	Rule 1128	No
5	EPA-450/2-77-008	Surface Coating of Fabric	Rule 1128	No
6	EPA-450/2-77-008	Surface Coating of Automobiles and Light-Duty Trucks	Rule 1151	No
7	EPA-450/2-77-022	Solvent Metal Cleaning	Rule 1122, Rule 1171	No
8	EPA-450/2-77-025	Refinery Vacuum Producing Systems, Wastewater Separators, and Process Unit Turnarounds	Rule 465	No
9	EPA-450/2-77-026	Tank Truck Gasoline Loading Terminals	Rule 461, Rule 462	No
10	EPA-450/2-77-032	Surface Coating of Metal Furniture	Rule 1107	No
11	EPA-450/2-77-033	Surface Coating of Insulation of Magnet Wire	Rule 1126	No
12	EPA-450/2-77-034	Surface Coating of Large Appliances	Rule 1107, Rule 1132	No
13	EPA-450/2-77-035	Bulk Gasoline Plants	Rule 462	No
14	EPA-450/2-77-036	Storage of Petroleum Liquids in Fixed-Roof Tanks	Rule 463, Rule 1178	No

	CTG #	CTG Title	South Coast AQMD Rule Meeting RACT	Negative Declaration Submitted
15	EPA-450/2-77-037	Cutback Asphalt	Rule 1108, Rule 1108.1	No
16	EPA-450/2-78-015	Surface Coating of Miscellaneous Metal Parts and Products	Rule 1107	No
17	EPA-450/2-78-029	Manufacture of Synthesized Pharmaceutical Products	Rule 1103	No
18	EPA-450/2-78-030	Manufacture of Pneumatic Rubber Tires	Rule 442 and 40 CFR Part 60 Subpart BBB adopted by reference without change to Regulation IX	No
19	EPA-450/2-78-032	Factory Surface Coating of Flat Wood Paneling	Rule 1104	No
20	EPA-450/2-78-033	Graphic Arts-Rotogravure and Flexography	Rule 1130	No
21	EPA-450/2-78-036	Leaks from Petroleum Refinery Equipment	Rule 1173	No
22	EPA-450/2-78-047	Petroleum Liquid Storage in External Floating Roof Tanks	Rule 463, Rule 1178	No
23	EPA-450/2-78-051	Leaks from Gasoline Tank Trucks and Vapor Collection Systems	Rule 461, Rule 462	No
24	EPA-450/3-82-009	Large Petroleum Dry Cleaners	Rule 1102, Rule 1102.1	No
25	EPA-450/3-83-006	Leaks from Synthetic Organic Chemical Polymer and Resin Manufacturing Equipment	Rule 1141	No
26	EPA-450/3-83-007	Leaks from Natural Gas/Gasoline Processing Plants	Rule 1173	No
27	EPA-450/3-83-008	Manufacture of High-Density Polyethylene, Polypropylene, and Polystyrene Resins	Rule 1141	No
28	EPA-450/3-84-015	Air Oxidation Processes in Synthetic Organic Chemical Manufacturing Industry	Rule 442, 40 CFR Part 60 Subpart NNN, RRR adopted by reference without change to Regulation IX	No
29	EPA-450/4-91-031	Reactor Processes and Distillation Operations in Synthetic Organic Chemical Manufacturing Industry	reference without change to Regulation IX	No

	CTG #	CTG Title	South Coast AQMD Rule Meeting RACT	Negative Declaration Submitted
30	EPA-453/R-96-007	Wood Furniture Manufacturing Operations	Rule 1136	No
31	EPA-453/R-94-032 61 FR 44050; 8/27/96	ACT Surface Coating at Shipbuilding and Ship Repair Facilities Shipbuilding and Ship Repair Operations (Surface Coating)	Rule 1106	No
32	EPA-453/R-97-004 59 FR 29216; 6/06/94	Aerospace MACT and Aerospace (CTG & MACT)	Rule 1124	No
33	EPA-453/R-06-001	Industrial Cleaning Solvents	Rule 1171	No
34	EPA-453/R-06-002	Offset Lithographic Printing and Letterpress Printing	Rule 1130	No
35	EPA-453/R-06-003	Flexible Package Printing	Rule 1130	No
36	EPA-453/R-06-004	Flat Wood Paneling Coatings	Rule 1104	No
37	EPA 453/R-07-003	Paper, Film, and Foil Coatings	Rule 1128	Yes ¹⁷
38	EPA 453/R-07-004	Large Appliance Coatings	Rule 1107	No
39	EPA 453/R-07-005	Metal Furniture Coatings	Rule 1107	No
40	EPA 453/R-08-003	Miscellaneous Metal Parts Coatings Table 2 – Metal Parts and Products	Rule 1107	No
41	EPA 453/R-08-003	Miscellaneous Plastic Parts Coatings Table 3 – Plastic Parts and Products	Rule 1145	No

¹⁷ See Appendix II of this submittal.

	CTG #	CTG Title	South Coast AQMD Rule Meeting RACT	Negative Declaration Submitted
42	EPA 453/R-08-003	Miscellaneous Plastic Parts Coatings Table 4 – Automotive/Transportation and Business Machine Plastic Parts	Rule 1145	No
43	EPA 453/R-08-003	Miscellaneous Plastic Parts Coatings Table 5 – Pleasure Craft Surface Coating	Rule 1106, Rule 1145	No
44	EPA 453/R-08-003	Miscellaneous Plastic Parts Coatings Table 6 – Motor Vehicle Materials	Rule 1145, Rule 1151	No
45	EPA 453/R-08-004	Fiberglass Boat Manufacturing Materials	Rule 1162	No
46	EPA 453/R-08-005	Miscellaneous Industrial Adhesives	Rule 1168	No
47	EPA 453/R-08-006	Automobile and Light-Duty Truck Assembly Coatings ¹⁸	Rule 1115 ¹⁹ , Rule 1107	No
48	EPA 453/B16-001	Oil and Natural Gas Industry	California's Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities ²⁰	No

¹⁸ The U.S. EPA's CTG applies to automobiles and light-duty trucks. For heavy-duty vehicles, the CTG provides an option to satisfy the requirement through metals products or plastic parts coatings.

¹⁹ In the 2014 RACT analysis, all facilities subject to Rule 1115 were heavy-duty vehicles manufacturers, and RACT was fulfilled through Rule 1107 (Coatings of Metal Parts and Products). Since then, new light-duty motor vehicle manufacturing facilities are operating in the Basin that are subject to this CTG. Rule 1115 is not as stringent as the U.S. EPA's CTG for several coatings and products for facilities emitting greater than 15 pounds per day. Accordingly, light-duty motor vehicle manufacturing emission sources do not meet U.S. EPA's CTG requirements and South Coast AQMD commits to amend Rule 1115 to meet the CTG requirements.

²⁰ On October 25, 2018, the California's Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities was submitted to the U.S. EPA for consideration for inclusion into the California SIP.
<https://ww2.arb.ca.gov/sites/default/files/2018-09/O%26G%20CTG%20-%20Staff%20Report.pdf>.

Appendix II
Negative Declaration for Control Techniques Guidelines
for Paper, Film, and Foil Coatings

To ensure compliance with Reasonably Available Control Technology (RACT) requirements found in Clean Air Act (CAA) section 182, a negative declaration for the 2007 Paper, Film, and Foil Coatings CTG (EPA 453/R-07-003) is provided here. A negative declaration is a statement that there are no such operations in the South Coast AQMD that are subject to the CTGs.

South Coast AQMD staff has completed its evaluation with respect to the negative declaration for the 2007 Paper, Film, and Foil Coatings CTG. Specifically, South Coast AQMD staff has examined its permit database, emissions inventory, and has also had discussions with knowledgeable South Coast AQMD's permit and inspection staff. Accordingly, it has been determined that to the best of staff's knowledge, out of the active Title V facilities that do not use add-on controls for the coating operations subject to Rule 1128, no facilities exceed the CTG's applicable threshold (i.e., 25 tons per year of VOC per coating line). For the Title V facilities with add-on controls for the coating operations, their controls meet RACT requirements and are listed on federally enforceable Title V permits.

This documentation certifies that the South Coast AQMD does not have any major stationary sources that exceed the applicable threshold of the 2007 Paper, Film, and Foil Coatings CTG with no add-on controls. The information presented here supports a negative declaration for the 2007 Paper, Film, and Foil Coatings CTG. South Coast AQMD requests that the U.S. EPA approve this negative declaration with respect to the 2015 8-hour Ozone Standard and include it in the State Implementation Plan (SIP) for South Coast AQMD.

Appendix III
Recently Adopted (March 2014 to February 2020) Rules and Regulations and Federal
Guidance Evaluated for RACT Demonstration (NO_x and VOC only)

AGENCY	RULE NUMBER (TITLE)
Antelope Valley Air Quality Management District	Rule 462 (Organic Liquid Loading); Rule 1110.2 (Emissions from Stationary, Non-Road and Portable Internal Combustion Engines); Rule 1151.1 (Motor Vehicle Assembly Coating Operations); Rule 1171 (Solvent Cleaning Operations)
Bay Area Air Quality Management District	Regulation 8 Rule 18 (Equipment Leaks); Regulation 9 Rule 13 (Nitrogen Oxides, Particulate Matter, and Toxic Air Contaminants from Portland Cement Manufacturing); Regulation 11 Rule 10 (Hexavalent Chromium Emissions From All Cooling Towers And Total Hydrocarbon Emissions From Petroleum Refinery Cooling Towers)
Mojave Desert Air Quality Management District	Rule 461 (Gasoline Transfer and Dispensing); Rule 462 (Organic Liquid Loading); Rule 463 (Storage of Organic Liquids); Rule 464 (Oil-Water Separators); Rule 1104 (Organic Solvent Degreasing Operations); Rule 1106 (Marine and Pleasure Craft Coating Operations); Rule 1114 (Wood Products Coating Operations); Rule 1115 (Metal Parts & Products Coating Operations); Rule 1118 (Aerospace Assembly, Rework and Component Manufacturing Operations); Rule 1157 (Boilers and Process Heaters); Rule 1158 (Electric Power Generating Facilities); Rule 1160 (Internal Combustion Engines); Rule 1161 (Portland Cement Kilns); Rule 1162 (Polyester Resin Operations)
Sacramento Metropolitan Air Quality Management District	Rule 414 (Water Heaters, Boilers and Process Heaters Rated Less Than 1,000,000 BTU Per Hour); Rule 419 (NO_x from Miscellaneous Combustion Units); Rule 442 (Architectural Coatings); Rule 464 (Organic Chemical Manufacturing Operations); Rule 468 (Surface Coating of Plastic Parts and Products)
San Joaquin Valley Air Pollution Control District	Rule 4307 (Boilers, Steam Generators, and Process Heaters - 2.0 MMBTU/HR TO 5.0 MMBTU/HR; Rule 4307 (Certified Units); Rule 4692 (Commercial Charbroiling); Rule 4905 (Natural Gas-Fired, Fan-Type Central Furnaces)
Ventura County Air Pollution Control District	Rule 74.15.1 (Boilers, Steam Generators and Process Heaters) (1 to 5 MMBTUs); Rule 74.20 (Adhesives and Sealants); Rule 74.31 (Metalworking Fluids and Direct-Contact Lubricants); Rule 74.33 (Liquefied Petroleum Gas Transfer or Dispensing); Rule 74.34 (NO _x Reductions from Miscellaneous Sources)
Delaware Department of Natural Resources and Environment Control	Regulation 1124 (Control of Volatile Organic Compound Emissions); Regulation 1142 (Specific Emission Control Requirements); Regulation 1150 (Outer Continental Shelf Air Regulations)
Maryland Department of the Environment	The Code of Maryland Regulations (COMAR) Section 26.11.08 (Control of Incinerators); Section 26.11.09 (Control of Fuel-Burning Equipment, Stationary Internal Combustion Engines, and Certain Fuel-Burning Installations); Section 26.11.10 (Control of Iron and Steel Production Installations); Section 26.11.13 (Control of Gasoline and Volatile Organic Compound Storage and Handling); Section 26.11.14 (Control of Emissions from Kraft Pulp Mills); Section 26.11.19 (Volatile Organic Compounds from Specific Processes); Section 26.11.24 (Vapor Recovery at Gasoline Dispensing Facilities); Section 26.11.29 (Control of NO _x Emissions from Natural Gas Pipeline Compression Stations); Section 26.11.30 (Control of Portland Cement Manufacturing Plants); Section 26.11.36 (Distributed Generation); Section 26.11.38 (Control of NO _x Emissions from Coal-Fired Electric Generating Units); Section 26.11.39 (Architectural and Industrial Maintenance (AIM) Coatings); Section 26.11.40 (NO _x Ozone Season Emission Caps for Non-trading Large NO _x Units)
Texas Commission on Environmental Quality	Chapter 115 Subchapter B Division 1 (Storage Tanks); Chapter 115 Subchapter B Division 2 (Vent Gas Control); Chapter 115 Subchapter B Division 3 (Water Separation); Chapter 115 Subchapter C Division 1 (Loading and Unloading Operations of Volatile Organic Compounds); Chapter 115 Subchapter C Division 3 (Transport Vessels); Chapter 115 Subchapter D Division 2 and Division 3 (Fugitive Emissions); Chapter 115 Subchapter E Division 1 (Degreasing Processes); Chapter 115 Subchapter E Division 2 and Division 5 (Surface Coating Processes); Chapter 115 Subchapter E Division 4 (Offset Lithographic Printing); Chapter 115 Subchapter E Division 6 (Industrial Cleaning Solvents); Chapter 115 Subchapter E Division 7 (Miscellaneous Industrial Adhesives); Chapter 115 Subchapter F Division 1 (Cutback Asphalt); Chapter 117 Subchapter B (Combustion Control at Major Industrial, Commercial, and Institutional Sources in Ozone Nonattainment Areas); Chapter 117 Subchapter C (Combustion Control at Major Utility Electric Generation Sources in Ozone Nonattainment Areas)

U.S. Environmental Protection Agency	40 CFR Part 60 Subpart Ea (Standards of Performance for Municipal Waste Combustors) and Subpart Eb (Standards of Performance for Large Municipal Waste Combustors); 40 CFR Part 63 Subpart GG (National Emission Standards for Aerospace Manufacturing and Rework Facilities), Subpart QQQQ (National Emission Standards for Hazardous Air Pollutants: Surface Coating of Wood Building Products), Subpart VVVV (National Emissions Standards for Hazardous Air Pollutants: Boat Manufacturing), and Subpart WWWW (National Emissions Standards for Hazardous Air Pollutants: Reinforced Plastic Composites Production)
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Appendix IV
Evaluation of South Coast AQMD VOC Rules

To determine whether South Coast AQMD rules satisfy RACT, VOC rules and regulations from other ozone-impacted California air districts and states were identified and compared with the corresponding South Coast AQMD rules.²¹ The key requirements were compared between South Coast AQMD and other agencies' rules and any discrepancies were identified and evaluated. The details of this evaluation, including South Coast AQMD's existing rule requirements and the requirements in other air agencies, states, and federal guidance are included in Appendix IV.

²¹ The 2014 RACT demonstration addressed the rules from other districts and states adopted or amended prior to March 2014. The current RACT demonstration provides updates on rules and regulations that were adopted between March 2014 and February 2020.

Appendix IV
Evaluation of South Coast AQMD Rules and Regulations – VOC Rules

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
461	Gasoline Transfer and Dispensing (Amended 4/6/12)	For Phase I, underground storage tanks: an enhanced vapor recovery system having 98% control efficiency and emission factor not exceeding 0.15 lbs/1,000 gallons; aboveground storage tanks: a vapor recovery system having 95% control efficiency. For Phase II, a vapor recovery system having 95% efficiency and emission factor not exceeding 0.38 lbs/1,000 gallons.	n/a*	Meets RACT.
462	Organic Liquid Loading (Amended 5/14/99)	Class B facilities loading organic liquids with a true vapor pressure of 1.5 psi or greater: a CARB certified vapor recovery system with 90% recovery efficiency.	Mojave Desert Rule 462 (Amended 1/22/18) requires a CARB certified vapor recovery and/or disposal system with 95% recovery efficiency for Class B facilities.	For a subcategory of applicable sources (Class B facilities), South Coast AQMD rule is not as stringent as Mojave Desert AQMD Rule 462 (90 vs. 95% of minimum vapor recovery efficiency required to obtain a CARB certification). However, compliance records indicate that the actual control efficiency exceeds 95%. Together with other requirements in Rule 462, Rule 462 meets the RACT requirements.
463	Organic Liquid Storage (Amended 11/4/11)	Aboveground organic liquids storage tanks with 9,630 gallons or greater, a minimum true vapor pressure is 0.5 psia; tanks with 19,815 gallons or greater, a minimum true vapor pressure is 1.5 psia. The minimum control efficiency of a vapor recovery system is at 95%.	Texas Rule Chapter 115 (Amended 1/5/17) requires 95% control efficiency for aboveground or underground storage tanks storing VOC with a true vapor pressure of 1.5 psia. Exempted tank capacity varies by region ranging from 1,000 to 210,000 gallons. Mojave Desert Rule 463 (Amended 1/22/18) applies to aboveground and underground storage tanks with a capacity of 39,630 gallons or greater storing organic liquids with a true vapor pressure of 0.5 psia or greater.	To the best of staff's knowledge, there are seven underground storage tanks storing organic liquids other than gasoline in South Coast AQMD. These storage tanks are either below the tank capacity threshold or store organic liquids that are below the vapor pressure threshold in other Districts or Agencies' rules. Therefore, the applicable sources in South Coast AQMD meet RACT level of control.
1103	Pharmaceuticals and Cosmetics Manufacturing Operations (Amended 3/12/99)	For reactors, distillation columns, crystallizers, or centrifuges: 15 lbs/day VOC or use surface condensers. For air dryers: 90% control efficiency or 33 lbs/day VOC. Also include other various operating requirements.	Sacramento Metro Rule 464 (Amended 4/28/16) has various requirements that apply to chemical manufacturing and industrial operations. For pharmaceutical and cosmetics manufacturing facilities, a facility exemption limit at 10 lbs/day VOC; process tank VOC pressure at 0.5 psi and 90% control efficiency. Additional VOC vapor pressure requirements for Liquid Transfer and Storage Tanks.	The equivalent level of control is required in South Coast Rule 1103. Also, the three pharmaceutical facilities under Title V program are all minor sources for VOC emitting less than 10 tons per year and thus, not subject to RACT. Liquid transfer and storage tank categories are regulated in different South Coast AQMD rules (Rules 462 and 463) and they meet RACT.
1104	Wood Flat Stock Coating Operation (Amended 8/13/99)	2.1 lbs/gal, less water and exempt solvent. In lieu of VOC limit, use control device having 95% control efficiency (or 50 ppmv outlet) and 90% collecting efficiency	n/a*	Meets RACT.

* There are no analogous requirements in other air agencies that are more stringent than the South Coast AQMD rule being evaluated.

Evaluation of South Coast AQMD Rules and Regulations – VOC Rules (continued)

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
1106	Marine and Pleasure Craft Coatings (Amended 5/3/19)	For pleasure craft coatings, antifoulant coatings-other substrate emission limit 330 g/L and clear wood coatings-sealers emission limit 550 g/L.	<p>Antelope Valley Rule 1161.1 (Amended 6/13/97) generally has the same limits as South Coast Rule 1106, except the limit for antifoulant coatings-other substrate VOC emissions 150 g/L (330 g/L in Rule 1106).</p> <p>Mojave Desert Rule 1106 (Amended 10/24/16) generally has the same limits as South Coast Rule 1106, except it has lower limit for clear wood finishes-sealers at 340 g/L (550 g/L in Rule 1106).</p>	<p>Rule 1106 meets or exceeds EPA CTG requirements.</p> <p>Rule 1106 varies in stringency when compared to other Agencies' requirements. For majority of the categories, Rule 1106 is as stringent as or more stringent than the other Agencies' rules and provides RACT level of control for this source category.</p>
1107	Coating of Metal Parts and Products (Amended 2/7/20)	Coating-specific emission limits from 2.3–3.5 lbs/gal. In lieu of complying with specific emission limits, operator can use air pollution control system with at least 95% control efficiency (or 5 ppmv outlet) and 90% capture efficiency. Solvent cleaning operations must comply with Rule 1171.	<p>Ventura Rule 74.12 (Amended 4/8/08) generally has the same coating-specific limits as South Coast Rule 1107, except in the following categories:</p> <ul style="list-style-type: none"> • Limit for metallic coating and camouflage is 3 lbs/gal (3.5 lbs/gal in Rule 1107); • Limit of pretreatment coatings is 2.3 lbs/gal (3.5 lbs/gal in Rule 1107). • Overall minimum control efficiency is 90%, higher than Rule 1107 requirement at 85%. 	<p>Rule 1107 meets or exceeds EPA CTG requirements.</p> <p>South Coast AQMD Rule 1107 varies in stringency when compared to other Districts' requirements. For the majority of the categories, Rule 1107 is as stringent as or more stringent than the other Districts or Agencies' rules, and provides RACT level of control for this source category.</p>
1110.2	Emissions from Gaseous- and Liquid Fueled Engines (Amended 11/1/19)	<p>VOC limits for all stationary and portable engines over 50 brake horsepower (bhp). VOC limits applicable to 1) stationary, non-emergency engines, and 2) biogas (landfill and digester gas) engines are: • 30 ppmvd VOC</p> <p>Limits for new non-emergency engines driving electrical generators are: • 0.10 lbs VOC per MW-hr</p> <p>Limits for low usage for landfill and biogas engines: • 40 ppmv VOC, landfill gas; • 250 x Efficiency Correction Factor ppmv VOC, digester gas</p> <p>Alternative limit for new non-emergency engines driving electrical generators installed prior to 1/1/24 with no NH3 emissions from add-on control are: • 10 ppmvd VOC</p> <p>Limits for general low usage engines: • 250 ppmvd VOC</p> <p>Engines not subject to the general limits listed above: Portable; Agricultural; Orchard wind machines; Emergency standby, fire-fighting and flood control limited by permit to 200 hours annually; Laboratory engines used in research and testing purposes; Engines operated for performance verification of other engines; Auxiliary engines used to power other engines/turbines' startups; Engines on San Clemente Island; Remote two-way radio transmission towers; Crane engines used on offshore platforms</p>	<p>San Joaquin Valley Rule 4702 (Amended 11/14/13) has NOx, VOC, CO and SOx limits for engines rated over 25 bhp.</p> <ul style="list-style-type: none"> • 250 ppmv VOC (rich-burn) and 750 ppmv VOC (lean burn), and • 2000 ppmv CO <p>-Engines used in agricultural operations (AO), or fueled with waste gas, or limited used, or cyclic loaded and field gas fueled are subject to higher limits than the above</p> <p>In general, all compression ignited engines must meet EPA Tier 4 standards Engines between 25 bhp – 50 bhp, non-agricultural operations (AO), must meet federal standards 40CFR Part 60 Subpart IIII and JJJJ.</p>	<p>In its Technical Support Document (TSD) for the approval of Rule 1110.2 into the California SIP published in 2008, EPA concluded that the rule's emissions limits are more stringent than the corresponding limits in the guidance and policy documents (specified in the TSD) or other California District rules on internal combustion engines. Overall, Rule 1110.2 is as stringent as or more stringent than the other Districts or Agencies' rules and meets the RACT requirements for this source category.</p>

Evaluation of South Coast AQMD Rules and Regulations – VOC Rules (continued)

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
1113	Architectural Coatings (Amended 2/5/16)	The VOC content for Industrial Maintenance Coatings for color indicating safety coatings limits to 480 g/L, that is created to address hydrofluoric acid indicating paint use at refineries.	Sacramento Metro Rule 442 (Amended 9/24/15) limits the VOC contents for Industrial Maintenance Coating to 250 g/L.	Rule 1113 allows refineries that use hydrofluoric acid to use the higher-VOC coatings on color indicating safety coatings provided that they are in one-liter containers or smaller. For Sacramento AQMD, there is no such refinery source and thus, the limit on color indicating safety coatings is lower. Overall, Rule 1113 requirements are at least as stringent as those in other Districts or Agencies for the applicable sources, and Rule 1113 meets RACT.
1115	Motor Vehicle Assembly Line Coating Operations (Amended 5/12/95)	The VOC limits for electrophoretic primer at 145 g/L; spray primer, primer-surfacer, and topcoat at 1,880 g/L.	Antelope Valley Rule 1151.1 (Adopted 6/20/17) has VOC limits for electrophoretic primer at 84 g/L; primer-surfacer, topcoat, and primer-sealer at 1,440 g/L. CTG has VOC limits for electrophoretic primer at 84 g/L (145 g/L in Rule 1115); sprayable primer, primer-surfacer, and topcoat at 1,440 g/L (1,800 g/L in Rule 1115); and trunk coatings, interior coatings, sealers, and deadeners at 650 g/L (Rule 1115 provides an exemption for these categories).	For several coating categories, Rule 1115 is less stringent than the requirements in EPA CTG and other Districts. Also, in recent years, there are new light-duty motor vehicles manufacturing facilities in the South Coast Air Basin that are subject to this CTG. South Coast AQMD staff commits to amend Rule 1115 to provide RACT level of control for these coating categories.
1122	Solvent Degreasers (Amended 5/1/09)	Contain various work practice and design requirements.	n/a*	Meets RACT.
1124	Aerospace Assembly and Component Manufacturing Operations (Amended 9/21/01)	Coating-specific emission limits from 160–1,000 g/L. Specific high transfer coating applications (e.g., HVLP spray). In lieu of complying with specific emission limits, operator can use air pollution control system with at least 95% control efficiency (or 50 ppmv outlet) and 90% capture efficiency. Solvent cleaning operations must comply with Rule 1171.	Mojave Desert Rule 1118 (Amended 10/26/15) has the following limits that are more stringent than those in Rule 1124: <ul style="list-style-type: none"> • Non-Autoclavable Structural Adhesive (850 vs 700 g/L) • High-Temperature Coating (850 vs 720 g/L). Bay Area Rule 29 (Amended 10/25/95) has the following limits that are more stringent than those in Rule 1124: <ul style="list-style-type: none"> • Pretreatment Primer (780 vs 420 g/L) • Interior Topcoat (420 vs 340 g/L) • High-Temperature (850 vs 720 g/L). 	Rule 1124 meets or exceeds the CTG requirements. The categories with lower limits in Mojave Desert and Bay Area rules are low usage. South Coast AQMD Rule 1124 varies in stringency when compared to other Districts' requirements. For the majority of the categories, Rule 1124 is as stringent as or more stringent than the other Districts or Agencies' rules, and provides RACT level of control for this source category.

* There are no analogous requirements in other air agencies that are more stringent than the South Coast AQMD rule being evaluated.

Evaluation of South Coast AQMD Rules and Regulations – VOC Rules (continued)

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
1127	Emission Reductions from Livestock Waste (Adopted 8/6/04)	<p>Requires Good housekeeping practices for dairy farms with 50 or more cows, heifers and/or calves.</p> <p>Note: The South Coast AQMD adopted Rule 223 in June 2006 to reduce emissions for large confined animal facilities. Rule 223 targets various types of large confined animal facilities and includes series of best management practices that are more stringent than Rule 1127.</p>	<p>Sacramento Rule 496 – Large Confined Animal Facilities (Adopted 8/24/06), has more stringent control and good management practices than South Coast Rule 1127 (e.g., venting to control system with at least 80% control efficiency). The more stringent requirements are targeted towards silage emissions, which is not applicable in South Coast for dry feed lot operations.</p> <p>San Joaquin Valley Rule 4570 (Amended 10/21/10) has required best management practices for manure management and other areas to reduce VOC and ammonia emissions. Note that direct comparison with Rule 1127 is difficult due to the significant differences in source operations (dry feed lot in South Coast vs. flushing and lagoon operations in San Joaquin, the focus on corral waste control in South Coast AQMD vs. feed and silage and milk parlor in San Joaquin Valley APCD, etc.). In addition, San Joaquin Valley Rule 4570 applies to all types of large confined animal facilities, while Rule 1127 applies only to dairies with a much lower applicability threshold.</p>	<p>Together with Rule 223, Rule 1127 achieves RACT equivalency for this source category.</p>
1128	Paper, Fabric and Film Coating Operations (Amended 3/8/96)	<p>Coating-specific emission limits from 20–265 g/L. Specific high transfer coating applications (e.g. HVLP spray). Alternatively, operator can also use control system with at least 95% control efficiency (or 50 ppmv outlet) and 90% capture efficiency. Solvent cleaning operations must contain 15% or less VOC or 85% VOC must be collected and disposed of.</p>	<p>The 2007 EPA CTG requires an overall 90% control efficiency for facilities emitting > 15 lbs/day and coating lines emitting > 25 tpy. Rule 1128 is not as stringent as the 2007 EPA CTGs (85.5% overall control efficiency in Rule 1128). CTG alternative compliance emission limit of 80 g/L is also more stringent than the limit of 265 g/L in Rule 1128.</p>	<p>Rule 1128 is not as stringent as the 2007 EPA CTGs (CTG 80 g/L vs. Rule 1128 265 g/L) for facilities emitting > 15 lbs/day and coating lines emitting > 25 tpy. To the best of staff's knowledge, out of the active Title V facilities without add-on control, no facilities exceed the CTG applicable threshold (25 tpy of VOC per coating line) in the Basin, and a negative declaration regarding this source category is submitted in Appendix II of this document.</p> <p>In addition, the incremental increase from 85% to 90–97% in control efficiency is not cost-effective for the existing sources in the Basin. Rule 1128 does not include a trigger for when it is considered implementable and the rule pertains to all paper, fabric, and film coating operations. Rule 1128 covers more sources/facilities regardless of potential emission level. As such, Rule 1128 provides RACT level of control for this source category.</p>

Evaluation of South Coast AQMD Rules and Regulations – VOC Rules (continued)

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
1130	Graphic Arts (Amended 5/2/14)	VOC content limits: 16–85 g/l for fountain solution, 150 g/l for adhesives, 225–300 g/l for inks and coatings. In lieu of meeting specific emission limits, control device with overall control efficiency from 90% to 95% can be used to achieve equal or better emission reductions. VOC limits for cleaning solutions for printing presses are in Rule 1171 ranging from 25 g/l (0.21 lbs/gal) for flexographic printing to 100 g/l (0.83 lbs/gal) for lithographic printing.	Bay Area, Regulation 8, Rule 20 (Amended 11/19/08) requires 8% VOC content in fountain solution. In addition, the rule requires recordkeeping for digital printing, cleaning and stripping of UV or electron beam-cured inks for further study potential emission reductions in a near future.	South Coast AQMD Rule 1130 was amended (05/02/14) to be consistent with CTG requirements by updating the overall add-on control device efficiency requirements and VOC content limits for fountain solutions. Overall, Rule 1130 is as stringent as or more stringent than the other Districts' rules and provides RACT level of control for this source category.
1131	Food Product Manufacturing and Processing Operations (Amended 6/6/03)	VOC content limits from 120–200 g/L, or air pollution control system with at least 95% control efficiency and 90% capture efficiency. Solvent cleaning operations must contain 15% or less VOC or 85% VOC must be collected and disposed of.	n/a*	Meets RACT.
1133.2, 1133.3	Rule 1133.2 – Emission Reductions from Co-Composting Operations (Adopted 1/10/03) Rule 1133.3 – Emission Reductions from Greenwaste Composting Operations (Adopted 7/8/11)	Rule 1133.2 establishes various performance standards. Air pollution control must have 80% control efficiency or greater. Existing operations must reduce up to 70% baseline VOC and ammonia emissions. Baseline emission factors are 1.78 lbs VOC/ton throughput and 2.93 lbs NH3/ton throughput. Rule 1133.3 establishes operational best management practices for greenwaste composting operations. If the facility processes more than 5,000 tons per year of foodwaste, any active phase of composting containing more than 10% foodwaste, by weight, must use an emission control device with an overall control efficiency of at least 80% by weight of VOC. For operations less than 5,000 tons/year, require the composting piles to be covered, watered, and turned, or operated with measures that reduce at least 40% VOC emission and 20% NH3 emissions.	San Joaquin Rule 4565 (Adopted 3/15/07) and Rule 4566 (Adopted 8/18/11) have various operational requirements for these operations as well as the operators who landfills, composts, or co-composts these materials. The applicability of Rules 4565/4566 is broader than the applicability of Rule 1133.2/1133.3. Rules 4565/4566 include additional mitigation measures to control VOC from composting active piles (e.g., maintain minimum oxygen concentration of 5%, moisture content of 40-70%, carbon to nitrogen ratio of 20:1).	South Coast AQMD Rule 1133.2 is more stringent than San Joaquin Valley Rule 4565 for larger co-composting facilities and less stringent for smaller co-composting facilities. While South Coast AQMD Rule 1133.2 requires either 70 or 80% overall emission reductions from all parts of composting process, San Joaquin's Rule 4565 requires add-on controls to apply only to the active composting phase. Rule 1133.2 also has more stringent requirements for in-vessel composting. San Joaquin's rule does not address chipping and grinding as in Rule 1133.1. Overall, Rules 1133.2 and 1133.3 are as stringent as or more stringent than other Districts' rules, and meets the RACT requirement for this source category.

* There are no analogous requirements in other air agencies that are more stringent than the South Coast AQMD rule being evaluated.

Evaluation of South Coast AQMD Rules and Regulations – VOC Rules (continued)

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
1136	Wood Products Coatings (Amended 6/14/96)	VOC content limits range from 275–750 g/L VOC. Averaging provisions and add-on control are allowed. Transfer efficiency is at least 65%, or operator must use certain type of equipment (e.g. HVLP). Solvent cleaning operations must comply with Rule 1171. VOC limits are 350 g/L for high-solids stains and 275 g/L for clear sealers categories.	Eastern Kern Rule 410.9 (Adopted 3/13/14) has more stringent limit for high-solids stains and clear sealer categories, with an emission limit of 240 g/L. San Joaquin Valley Rule 4606 (Amended 10/16/08) is more stringent in the high-solids stain category with an emission limit of 240 g/L.	Rule 1136 meets or exceeds the CTG requirements. Rule 1136 varies in stringency when compared to other Agencies' requirements. For majority of the categories, Rule 1136 is as stringent as or more stringent than the other Agencies' rules, and provides RACT level of control for this source category.
1138	Control of Emissions from Restaurant Operations (Adopted 11/14/97)	Pursuant to the Protocol Determination of PM and VOC Emissions from Restaurant Operations of Rule 1138, 83% reduction of VOC emissions from chain-driven charbroilers are required.	San Joaquin Valley Rule 4692 (Amended 6/21/18) requires 86% reduction of VOC emissions from chain-driven charbroilers.	Rule 1138 is primarily intended to reduce PM emissions. However, existing controls are expected to achieve similar level of VOC reductions because San Joaquin Valley requires chain-driven charbroilers/catalytic oxidizers combinations be certified by South Coast AQMD test protocol that are deemed compliant with their Rule 4692. South Coast AQMD Rule 1138 VOC control requirements are similar to San Joaquin Valley Rule 4692 and meet RACT.
1141	Control of Volatile Organic Compound Emissions from Resin Manufacturing (Amended 11/17/00)	95–98% control or 0.12–0.5 lbs/1,000 lbs of resin produced	n/a*	Meets RACT.
1143	Consumer Paint Thinners and Multi-purpose Solvents (Amended 12/3/10)	Set VOC content of 25 g/l for consumer paint thinner and multi-purpose solvent beginning 1/1/2011	n/a*	Meets RACT.
1144	Metalworking Fluids and Direct-contact Lubricants (Amended 7/9/10)	Various limits from 50–340 g/L. Add-on control at 90% capture efficiency, 95% control efficiency (or 5 ppmv outlet)	n/a*	Meets RACT.
1145	Plastic, Rubber, Leather and Glass Coatings (Amended 12/4/2009)	VOC limits: 50–800 g/L (0.4–6.7 lbs/gal). Average provisions and add-on control at 95% control efficiency (50 ppmv outlet), 90% capture efficiency. High transfer coating equipment (e.g. HVLP). Solvent cleaning operations must comply with Rule 1171.	n/a*	Meets RACT.

* There are no analogous requirements in other air agencies that are more stringent than the South Coast AQMD rule being evaluated.

Evaluation of South Coast AQMD Rules and Regulations – VOC Rules (continued)

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
1149	Storage Tank Degassing (Amended 5/2/08)	Degassing operations must be controlled such that the VOC concentration within the tank is reduced to less than 5,000 ppmv for a minimum time limit estimated in the rule based on volume of the gas to be freed in the tank and the flow rate through control device.	Ventura Rule 74.26, 74.27 (Adopted 10/12/04) requires degassing of crude oil, gasoline and other high TVP liquid storage tanks be controlled by vapor recovery or flare having 95% control efficiency until the vapor concentration in the tanks is less than 10,000 ppmv. Bay Area Rule 8-10 (Adopted 1/21/04) sets requirements for depressurizing process vessels at petroleum refineries and chemical plants. The gases must be vented to control devices until the vapor concentration in the tanks is less than 10,000 ppmv.	Rule 1149 is as stringent as or more stringent than the other Districts' rules, and provides RACT level of control for this source category.
1150.1	Control of Gaseous Emissions from Municipal Solid Waste Landfills (Amended 4/1/11)	98% control or 20 ppmv non-methane organic compounds. 50–500 ppmv total organic compounds above background	n/a*	Meets RACT.
1151	Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations (Amended 9/5/14)	VOC content limits range from 250–840 g/L. Averaging provisions are allowed. High transfer coating equipment (e.g. HVLP) is required. Solvent cleaning operations must comply with Rule 1171.	San Joaquin Valley Rule 4602 (Amended 9/17/09) is more stringent in the following areas: 1) adhesive at 250 g/L (540 g/L in Rule 1151) and 2) truck bed liner coating at 200 g/L (310 g/L in Rule 1151) Sacramento Rule 459 (Amended 8/25/11) is more stringent in the following areas: 1) multi-color coating at 520 g/L for mobile equipment driven on rails (680 g/L in Rule 1151) and 2) truck bed liner coating at 200 g/L (310 g/L in Rule 1151).	South Coast AQMD Rule 1151 varies in stringency when compared to other Districts' requirements. For the majority of the categories, Rule 1151 is as stringent as or more stringent than other Districts' rules, and provides RACT level of control for this source category.
1153	Commercial Bakery Ovens (Adopted 1/13/95)	Emission reduction of 70% or more is required for existing ovens emitting between 50–100 lbs VOC/day, 95% or more for ovens emitting more than 100 lbs/day, and 95% or more for new ovens.	n/a*	Meets RACT.

* There are no analogous requirements in other air agencies that are more stringent than the South Coast AQMD rule being evaluated.

Evaluation of South Coast AQMD Rules and Regulations – VOC Rules (continued)

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
1162	Polyester Resin Operations (Amended 7/8/05)	VOC limits (monomer content) from 10-48% by weight or alternatively 90% control efficiency for add-on control.	<p>Mojave Desert Rule 1162 (Amended 4/23/18) VOC limit:</p> <ul style="list-style-type: none"> Tooling Resin Atomized (spray) is 30% weight average monomer (South Coast AQMD Rule 1162's limit for Other Polyester Resin Materials is 35% monomer by weight as applied) Mojave Desert limits the weighted average monomer VOC content for fiberglass boat manufacturing operations (South Coast AQMD has no limits specifically for boat manufacturing operations). <p>Maryland Rule 26.11.19 (Amended 5/26/14) has the following VOC limits for fiberglass boat manufacturing coating categories:</p> <ul style="list-style-type: none"> Production resin by atomized resin application (spray): 28% of total monomer (35% in Rule 1162) Tooling resin by atomized resin application (spray): 30% of total monomer (35% in Rule 1162). 	<p>Rule 1162 meets or exceeds the CTG requirements.</p> <p>Rule 1162 varies in stringency when compared to other Agencies' requirements. For majority of the categories, Rule 1162 is as stringent as or more stringent than the other Agencies' rules, and provides RACT level of control for this source category.</p>
1164	Semiconductor Manufacturing (Amended 1/13/95)	VOC limit for cleanup solvents is 200 g/L or low vapor pressure of 0.64 psia at 68 degrees Fahrenheit. Photoresist applications must be vented to control.	n/a*	Meets RACT.
1166	Volatile Organic Compound Emissions from Decontamination of Soil (Amended 5/11/01)	<p>Requires that contaminated soil be covered and removed within 30 days. Treatment facilities using negative pressure enclosures are required to treat low VOC contaminated soil (< 1,000 ppm) within 30 days of excavation and high VOC contaminated soil (≥ 1,000 ppm) should immediately be placed in a sealed container or trucked off-site or by any other alternative approved by the Executive Officer.</p> <p>Requires from the responsible contractors as follows:</p> <ol style="list-style-type: none"> Prompt monitoring and detection of contaminated soil; Mitigation of VOC emissions through spraying and prompt covering of stockpiles; Prompt transport and/or treatment of soil; and Maintenance of verifiable chain of custody records for the soil that is handled and treated. 	<p>Ventura Rule 74.29 – Soil Decontamination Operations (Amended 4/8/08) has standards for soil decontamination (e.g., 50–100 ppmv). Leaking agricultural tanks is exempted.</p> <p>Bay Area Rule 8-40 (Amended 6/15/05) for soil decontamination and tank degassing. All vapor exceeding the specified limit based on organic content and aeration rate must be vented to control devices with ≥ 90% efficiency until meeting 5,000 ppmv.</p> <p>San Joaquin Valley Rule 4651 (Amended 9/20/07) employs management practices similar to those in South Coast AQMD. For ex-situ decontamination, VOC emissions must be vented to control devices with 95% efficiency or more.</p>	<p>South Coast AQMD Rule 1166 varies in stringency when compared to other Districts' requirements.</p> <p>Note that at the end of 1998, most excavation activities relating to gasoline underground tanks were completed in accordance to the Federal and State requirements.</p> <p>VOC emission emanating from current/new decontamination sites exceeding the major source threshold is unlikely and therefore, Rule 1166 meets RACT.</p>

* There are no analogous requirements in other air agencies that are more stringent than the South Coast AQMD rule being evaluated.

Evaluation of South Coast AQMD Rules and Regulations – VOC Rules (continued)

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
1168	Rule 1168 - Adhesive and Sealant Applications (Amended 10/6/17)	VOC content limit for Foam Insulation Sealants is 250 g/L with a future VOC limit of 50 g/L in 2023.	n/a*	Meets RACT.
1171	Rule 1171 - Solvent Cleaning Operations (Amended 5/1/09)	VOC content limit in a solvent for general solvent cleaning operations is 25 g/L.	n/a*	Meets RACT.
1173	Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants (Amended 2/6/09)	Requires to connect atmospheric pressure relief devices (PRDs) to vapor recovery or add-on control by first turnaround, if the facility experiences: <ul style="list-style-type: none"> • a second release of more than 500 lbs VOC within any five year period, or • any release of 2,000 lbs VOC in any 24 hour period. <p>In lieu of connecting PRDs to control, operator may elect to pay mitigation fee of \$350,000 for any release exceeding the threshold.</p> <p>Leak Detection and Repair (LDAR) program to reduce fugitive emissions. Leak thresholds are:</p> <ul style="list-style-type: none"> • for light liquid/gas/vapor service >10,000 ppmv, • for PRDs > 200 ppmv, • for pumps in heavy liquid > 100 ppmv. 	n/a*	Meets RACT.
1174	Control of Volatile Organic Compound Emissions from the Ignition of Barbecue Charcoal (Amended 10/5/90)	VOC emissions less than 0.02 lbs VOC per start.	n/a*	Meets RACT.
1175	Control of Emissions from the Manufacture of Polymeric Cellular (Foam) Products (Amended 11/5/10)	VOC limit for expandable polystyrene molding operations is less than 2.4 lbs/100 lbs of raw material processed.	n/a*	Meet RACT.
1176	VOC Emissions from Wastewater Systems (Amended 9/13/96)	<ul style="list-style-type: none"> • Wastewater and closed vent systems: 500 ppmv • Sumps and wastewater separators must have floating cover with seals; or fixed cover vented to control • Sewer lines: totally enclosed • Process drains: with South Coast AQMD approved water seals • Junction boxes: totally enclosed • Control device: 95% efficiency or 500 ppmv leak above background • Monthly to annually inspection. 	Bay Area Rule 8-8 (Amended 9/15/04) in general is similar to South Coast Rule 1176, with the following exceptions: <ul style="list-style-type: none"> • Floating covers must have double seals; and • Semi-annual inspection is allowed. 	Rule 1176 is as stringent as or more stringent than other Districts' rules, and provides RACT level of control for this source category.

* There are no analogous requirements in other air agencies that are more stringent than the South Coast AQMD rule being evaluated.

Evaluation of South Coast AQMD Rules and Regulations – VOC Rules (concluded)

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
1177	Liquefied Petroleum Gas Transfer and Dispensing (Adopted 6/1/12)	Requires all LPG bulk loading facilities to have an LPG vapor recovery or equalization system. LPG transfer and dispensing facilities equip a low emission fixed liquid level gauge (FLLG), use low emission connector, and conduct daily inspections.	n/a*	Meets RACT.
1178	Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities (Amended 4/6/18)	Applicable to high emitting facility that has 20 tpy VOC emissions or more and tanks >19,815 gals with liquids having true vapor pressure > 0.1 psia. Rule 1178 requires doming for high emitting external floating roof tanks, better seals and better control for all tanks. (Note that Rule 463 is applicable for tanks >19,815 gals at all facilities and have requirements for fixed roof tanks and floating roof tanks.)	Texas Rule Chapter 115 (Amended 1/5/17) requires 95% control efficiency for aboveground or underground storage tanks storing VOC with a true vapor pressure of 1.5 psia. Exempted tank capacity varies by region ranging from 1,000 to 210,000 gallons. Mojave Desert Rule 463 (Amended 1/22/18) applies to aboveground and underground storage tanks with a capacity of 39,630 gallons or greater storing organic liquids with a true vapor pressure of 0.5 psia or greater.	South Coast AQMD Rule 1178 applies only to aboveground storage tanks. To the best of staff's knowledge, there is a 1.5 million barrel-capacity underground storage tank located at a petroleum facility that stores gas oil having true vapor pressure < 0.1 psia, which is below the applicability threshold in Texas or Mojave Desert. Therefore, Rule 1178 meets RACT.
1179	Publicly Owned Treatment Works Operations (Amended 3/6/92)	Include recordkeeping and emission testing requirements.	n/a*	Meets RACT.
1183	Outer Continental Shelf (OCS) Air Regulations (Adopted 3/12/93)	Adopt by reference Code of Federal Regulations, Part 55, Title 40.	n/a*	Meets RACT.

* There are no analogous requirements in other air agencies that are more stringent than the South Coast AQMD rule being evaluated.

Appendix V

Evaluation of South Coast AQMD NO_x Rules

To determine whether South Coast AQMD rules satisfy RACT, NO_x rules and regulations from other ozone-impacted California air districts and states were identified and compared with the corresponding South Coast AQMD rules.²² The key requirements were compared between South Coast AQMD and other agencies' rules and any discrepancies were identified and evaluated. The details of this evaluation, including South Coast AQMD's existing rule requirements and the requirements in other air agencies, states, and federal guidance are included in Appendix V.

²² The 2014 RACT demonstration addressed the rules from other districts and states adopted or amended prior to March 2014. The current RACT demonstration provides updates on rules and regulations that were adopted between March 2014 and February 2020.

Appendix V
Evaluation of South Coast AQMD Rules and Regulations – NOx Rules

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
476	Steam Generating Equipment (Amended 10/8/76)	<p>For equipment with maximum heat input rate > 50 MMBTU/hr, NOx emission limits are 125 ppm at 3% O2 on gas-fired equipment and 225 ppm at 3% O2 on liquid or solid-fired equipment, averaged over 15 minutes.</p> <p>In South Coast AQMD, one facility (Long Beach City SERFF) has 3 combustors subject to NOx limit of 150 ppm (24-hr average) per 40 CFR Part 60 Subpart Ea and Eb.</p>	<p>Maryland (Section 26.11.08 Control of Incinerators) NOx emission limits for two applicable facilities are 140 and 150 ppm respectively at 24-hr average, and 105 and 145 ppm respectively at 30-day average.</p>	<p>Steam generating equipment in South Coast AQMD is subject to requirements similar to those in Maryland on a 24-hr average basis (140 to 150 ppm in Maryland vs. 150 ppm in South Coast). Thus, the emission source is subject to RACT level of control.</p>
1110.2	Emissions from Gaseous- and Liquid Fueled Engines (Amended 11/1/19)	<p>NOx limits for all stationary and portable engines over 50 brake horse power (bhp). In general, the NOx limits applicable to 1) stationary, non-emergency engines, and 2) biogas (landfill and digester gas) engines are:</p> <ul style="list-style-type: none"> • 11 ppmvd NOx <p>Limits for new non-emergency engines driving electrical generators are:</p> <ul style="list-style-type: none"> • 0.07 lbs NOx per MW-hr <p>Alternative limits for new non-emergency engines driving electrical generators installed prior to 1/1/24 with no ammonia emissions from add-on control are:</p> <ul style="list-style-type: none"> • 2.5 ppmvd NOx <p>Limits for general low usage engines:</p> <ul style="list-style-type: none"> • 36 ppmvd NOx, engines ≥ 500 bhp • 45 ppmvd NOx, engines < 500 bhp <p>Limits for low usage for landfill and biogas engines:</p> <ul style="list-style-type: none"> • 36 × Efficiency Correction Factor ppmvd NOx, engines ≥ 500 bhp • 45 × Efficiency Correction Factor ppmvd NOx, engines < 500 bhp 	<p>San Joaquin Valley Rule 4702 (Amended 8/19/11) has NOx, VOC, CO and SOx limits for engines rated over 25 bhp.</p> <p>For engines over 50 bhp:</p> <ul style="list-style-type: none"> - By 1/1/2017, the limits for spark-ignited engines are: <ul style="list-style-type: none"> • 11 ppmv NOx - Engines used in agricultural operations (AO), or fueled with waste gas, or limited used, or cyclic loaded and field gas fueled are subject to higher limits than the above - In general, all compression ignited engines must meet U.S. EPA Tier 4 standards. <p>Engines between 25–50 bhp, non-AO, must meet federal standards 40CFR Part 60 Subpart IIII and JJJJ.</p>	<p>In its Technical Support Document for the approval of Rule 1110.2 into the California SIP published in 2008, U.S. EPA concluded that the rule’s emissions limits are more stringent than the corresponding limits in the guidance and policy documents or other California District rules on internal combustion engines.</p> <p>Rule 1110.2 provides RACT level of control for this source category.</p>

Evaluation of South Coast AQMD Rules and Regulations – NOx Rules (continued)

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
1110.2 (continued)	Emissions from Gaseous- and Liquid Fueled Engines (Amended 11/1/19) (continued)	Engines not subject to the general limits listed above are: <ul style="list-style-type: none"> • Portable • Agricultural • Orchard wind machines • Emergency standby, fire-fighting and flood control limited by permit to 200 hours annually • Laboratory engines used in research and testing purposes • Engines operated for performance verification of other engines • Auxiliary engines used to power other engines/turbines' startups • Engines on San Clemente Island • Remote two-way radio transmission towers • Crane engines used on offshore platforms. 		
1134	Emissions of Oxides of Nitrogen from Stationary Gas Turbines (Amended 4/5/19)	Requirements that will remain in effect until 2024: Standard = Reference Limit x (Unit Efficiency/25%), where reference limit depends on size of units, varying from 9 ppmv to 25 ppmv. New emission limits become effective 1/1/24: <ul style="list-style-type: none"> • Liquid fuel turbines located on Outer Continental Shelf (OCS): 30 ppmv NOx / 5 ppmv NH3 • Natural gas, combined cycle turbine: 2 ppmv NOx / 5 ppmv NH3 • Natural gas, simple cycle turbine: 2.5 ppmv NOx / 5 ppmv NH3 • Produced gas: 9 ppmv NOx / 5 ppmv NH3 • Produced gas turbine located on OCS: 15 ppmv NOx / 5 ppmv NH3 • Other: 12.5 ppmv NOx / 5 ppmv NH3. 	Sacramento Rule 413 (Amended 03/24/05) has standards from 9–25 ppmv depending on size of units, but are independent on equipment efficiency. San Joaquin Rule 4703 (Amended 9/20/07) has standards from 5–50 ppmv depending on size of units. Combined cycle units > 10 MW has limit of 3 ppmv. Ventura Rule 74.9 (Amended 11/08/05) has standards from 25–125 ppmv depending on fuel type but are independent from equipment size and efficiency. Control efficiency 90–96%. In addition, all units have to meet 20 ppmv NH3.	South Coast AQMD Rule 1134 varies in stringency when compared to other Districts' requirements. For the majority of the categories, Rule 1134 is as stringent as or more stringent than the other Districts' rules. In late 2018 and early 2019, South Coast AQMD staff performed a BARCT analysis based on technological and economic feasibility, and established BARCT emission limits for equipment subject to Rule 1134. As such, Rule 1134 reflects up to date BARCT requirement, which is by definition more stringent than RACT, and provides RACT level of control for this source category.

Evaluation of South Coast AQMD Rules and Regulations – NOx Rules (continued)

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
1135	Emissions of Oxides of Nitrogen from Electricity Generating Facilities (Amended 11/2/18)	Electricity generating facilities (EGF) have NOx emission limits at 5 ppmv for boilers (at 3% O2), 2 ppmv for combined cycle gas turbines, and 2.5 ppmv for simple cycle gas turbines (at 15% O2) that are fired on natural gas. Internal combustion engines firing diesel limit NOx emissions at 45 ppm (at 15% O2). All NOx limits are 60 minutes average.	n/a*	Meets RACT.
1146, 1146.1, 1146.2	<p>Rule 1146 - Emissions of Oxides of Nitrogen from Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters (Amended 12/7/18)</p> <p>Rule 1146.1 - Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters (Amended 12/7/18)</p> <p>Rule 1146.2 - Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers and Process Heaters (Amended 12/7/18)</p>	<p>For industrial and commercial boilers, steam generators, and process heaters > 5 MMBtu/hr:</p> <ul style="list-style-type: none"> • Gaseous fuel: 30 ppm • Non-gaseous fuel: 40 ppm • Landfill gas: 25 ppm • Digester gas: 15 ppm • Atmospheric units: 12 ppm • Group I units, natural gas ≥ 75 MMBtu/hr: 5 ppm • Group II units, gaseous fuels ≥ 20 and < 70 MMBtu/hr: 5–9 ppm • Group III units, gaseous fuels ≥ 5 and < 20 MMBtu/hr: 7–9 ppm • Thermal fluid heaters: 12 ppm <p>For industrial and commercial boilers, steam generators, and process heaters between 2 and 5 MMBtu/hr using the following fuels:</p> <ul style="list-style-type: none"> • Landfill gas: 25 ppm • Digester gas: 15 ppm • Natural gas using non-fire-tube boilers: 9 ppm • Natural using fire-tube boilers: 7 ppm • Thermal fluid heaters: 12 ppm • All other units: 30 ppm <p>For water heaters, small boilers, and process heaters < 2 MMBtu/hr using natural gas: NOx emission limit 30 ppmv.</p>	<p>Ventura County Rule 74.15.1 Boilers, Steam Generators and Process Heaters (1 to 5 MMBTUs), limits on units fired on liquefied petroleum gas to 20 ppm, on units fired on produced oilfield gas to 15 ppm (atmospheric), and on units fired on produced oilfield gas to 12 ppm (pressurized) while South Coast AQMD rules do not have specific requirements for these categories.</p> <p>San Joaquin Valley APCD Rule 4320 (Amended 10/15/08):</p> <ul style="list-style-type: none"> • 20+ MMBtu/hr: 7 ppm • 5-20 MMBtu/hr: 9 ppm 	<p>For units between 20 to 75 MMBtu/hr, South Coast emission limits vary from 5-9 ppm. Based on discussion with vendors, it is not technically feasible to lower emission limits to 7 ppm for non fire-tube boilers. Besides, San Joaquin's rule provides an option to comply with mitigation fee, while South Coast does not have such an option.</p> <p>In South Coast, LPG fired units are evaluated based on the same limit as natural gas equivalent units, and thereby are subject to more stringent requirements than Ventura's requirements at 20 ppm. Units fired by natural gas and field gas are subject to the more stringent natural gas limit varying from 7–12 ppm depending on unit type and size. Units fired exclusively by oilfield gas are subject to the limit of 30 ppm, which is higher than Ventura's limits of 12–15 ppm. To the best of staff's knowledge, there is only one active unit that is fired exclusively by oilfield gas in South Coast AQMD. The annual usage is below the low use threshold in Ventura's rule and would not be subject to the emission limit per Rule 74.15.1 (B)(3). Also, due to the low usage, it is not cost-effective to retrofit the unit to meet the 12/15 ppm requirement. As such, the requirements in South Coast Rule 1146.1 are at least as stringent as other agencies, and meet RACT level of control.</p> <p>Based on the above information, it is concluded that South Coast AQMD Rule 1146 series meet RACT.</p>

* There are no analogous requirements in other air agencies that are more stringent than the South Coast AQMD rule being evaluated.

Evaluation of South Coast AQMD Rules and Regulations – NO_x Rules (concluded)

RULE NO	RULE TITLE	CURRENT RULE REQUIREMENTS	OTHER AGENCIES' RULES AND FEDERAL GUIDANCE THAT ARE MORE STRINGENT	RACT EVALUATION (2022 AQMP RACT)
1147	NO _x Reductions from Miscellaneous Sources (Amended 7/7/17)	Multiple NO _x emission limits for gas and liquid fuel fired units. For unit heat rating ≥ 325,000 Btu/hr: Gaseous fuel-fired equipment, including burn-off furnace, incinerator with or without integrated afterburner, requires 60 ppm NO _x at process temperature either below or above 1,200 degrees Fahrenheit. Asphalt manufacturing operations are at 40 ppm. Liquid fuel fired units are set at 40 ppm at process temperature below 1,200 degrees Fahrenheit and 60 ppm above 1,200 degrees Fahrenheit.	Ventura County Rule 74.34 NO _x Reductions from Miscellaneous Sources, has a NO _x emission limit of 30 ppm for Incinerators at process temperatures of less than 1200 degrees Fahrenheit while South Coast AQMD requires 60 ppm for Incinerators and Vapor Incinerators. VCAPCD has a NO _x emission limit of 30 ppm for Furnaces at process temperatures of less than 1200 Fahrenheit while South Coast AQMD requires 60 ppm for Burn-Off Furnaces. Sacramento Metro Regulation 04 - Prohibitory Rules - Rule 419 NO _x from Miscellaneous Combustion Units, limits NO _x for Asphalt Manufacturing Operation to 40 ppmv for process temperatures greater than or equal to 1,200 degrees Fahrenheit while South Coast AQMD rules do not have such requirement.	South Coast AQMD Rule 1147 has a less stringent NO _x emission limit for furnaces than Ventura County Rule 74.34 (60 vs. 30 ppm). South Coast AQMD Rule 1147 is currently being amended, and undergoing a BARCT evaluation. It is under consideration to lower the limit of burn-off furnaces (< 1,200 degrees Fahrenheit) from 60 ppm to at least 30 ppm. Staff's BARCT analysis shows going lower than 30 ppm is technically feasible, but cost-effectiveness is under evaluation. Therefore, upon amendment, South Coast AQMD rule is going to meet BARCT, which is more stringent than RACT. To the best of staff's knowledge, asphalt manufacturing operations in South Coast AQMD operate considerably below 1200 degrees Fahrenheit. Therefore, no further action is needed to address the requirements for process temperatures greater than or equal to 1,200 degrees Fahrenheit.
1153.1	Rule 1153.1 - Emissions of Oxides of Nitrogen from Commercial Food Ovens (Amended 11/7/14)	Commercial in-use food ovens set NO _x limit at 40 ppm at process temperature ≤ 500 deg F and 60 ppm at > 500 ppm.	n/a*	Meets RACT.
2002	Allocations for Oxides of Nitrogen (NO _x) and Oxides of Sulfur (SO _x) (Amended 10/5/18)	Include facility allocations for NO _x for RECLAIM facilities	Other Districts do not have RECLAIM, refer to individual rules such as Rule 1146, 1146.1, 1110.2 etc.	BARCT review completed in 2015 and revision to BARCT limits are incorporated in Rule 2002 (version 12/2015). The NO _x Regional Clean Air Incentives Market (RECLAIM) program is transitioning to a command-and-control regulatory structure requiring BARCT as soon as practicable. RECLAIM emission sources are or will be subject to source-specific landing rule(s). All landing rules include a comprehensive BARCT evaluation, which by definition is more stringent than RACT.

* There are no analogous requirements in other air agencies that are more stringent than the South Coast AQMD rule being evaluated.

ATTACHMENT C

Emissions Statement Certification

Section 182(a)(3)(B) of the Clean Air Act (CAA) requires all ozone nonattainment areas to have in place a program that requires emissions statements from stationary sources of oxides of nitrogen (NO_x) or volatile organic compounds (VOC). Specifically, section 182(a)(3)(B)(i) of the CAA requires air agencies to submit to the U.S. EPA a revision to the State Implementation Plan (SIP) requiring the owner or operator of each stationary source to report and certify the accuracy of their reported NO_x and VOC emissions, beginning in 1993 and annually thereafter.

Section 182(a)(3)(B)(ii) of the CAA allows air agencies to waive the requirements under subsection (i) for stationary sources emitting less than 25 tons per year of VOC or NO_x if the State provides an inventory of emissions from such class or category of sources, based on the use of the emission factors established by the U.S. EPA or other methods acceptable to the U.S. EPA as part of the inventories required under section 182(a)(1) (the base year emissions inventory) and section 182(a)(3)(A) (the periodic emissions inventory).

The emissions statement requirement for the 70 parts per billion (ppb) 8-hour ozone standard are described in *Implementation of the 2015 National Ambient Air Quality Standards for Ozone: Nonattainment Area State Implementation Plan Requirements* (83 FR 62998, December 6, 2018). If a nonattainment area has a previously-approved emissions statement rule in force for a previous 8-hour or 1-hour ozone standard covering all portions of the nonattainment area for the 70 ppb 8-hour ozone standard, the existing rule should be sufficient for the 70 ppb 8-hour ozone standard. If the existing rule does not meet section 182(a)(3)(B) requirements, a revised or new rule would have to be submitted as part of the current ozone SIP.

South Coast AQMD Rule 301, Permitting and Associated Fees, fulfills the CAA section 182(a)(3)(B) emissions statement requirements. To address this requirement for the 2008 ozone standard, South Coast AQMD Rule 301 was amended on July 12, 2019, submitted to U.S. EPA on August 5, 2019 and approved by U.S. EPA for inclusion into the SIP on October 31, 2019 (84 FR 52005). The boundaries of the South Coast Air Basin and the Coachella Valley nonattainment areas for the 70 ppb 8-hour ozone standard are the same as those for the 75 ppb 2008 ozone standard. The South Coast AQMD has reviewed existing Rule 301 to ensure it is adequate and, based on the rationale in the table below, determined that the existing rule is adequate to meet the section 182(a)(3)(B) emissions statement requirements for the 70 ppb 8-hour ozone standard.

The South Coast AQMD hereby certifies that the existing provisions of Rule 301 adequately meet the emissions statement requirements of section 182(a)(3)(B) of the CAA for the purposes of the 70 ppb 8-hour ozone standard, and that no revision of the rule is required.

Rationale that South Coast AQMD Rule 301 is adequate to meet the requirements of CAA 182(a)(3)(B) for the 70 ppb 8-hour ozone standard

CAA 182(a)(3)(B) Requirements	South Coast AQMD Rule 301 Provision¹
<p>CAA 182(a)(3)(B)(i)</p> <p>“Within 2 years after November 15, 1990, the State shall submit a revision to the State implementation plan to require that the owner or operator of each stationary source of oxides of nitrogen or volatile organic compounds provide the State with a statement, in such form as the Administrator may prescribe (or accept an equivalent alternative developed by the State), for classes or categories of sources, showing the actual emissions of oxides of nitrogen and volatile organic compounds from that source.”</p>	<p>Rule 301 paragraph (e)(2)²</p> <p><i>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. Each facility subject to subparagraph (e)(1)(B) shall annually report all emissions for all pollutants listed in paragraph (e)(5) and Table IV 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.</i></p>
<p>“The first such statement shall be submitted within 3 years after November 15, 1990. Subsequent statements shall be submitted at least every year thereafter.”</p>	<p>Rule 301 subparagraph (e)(8)(A)²</p> <p><i>(A) The owner/operator of equipment subject to paragraph (e)(2) shall report to the Executive Officer the total emissions for the immediate preceding reporting period of each of the air contaminants listed in Table III and Table IV 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.</i></p>
<p>“The statement shall contain a certification that the information contained in the statement is accurate to the best knowledge of the individual certifying the statement.</p>	<p>Rule 301 subparagraph (e)(8)(D)</p> <p><i>The reported emissions shall be certified by an authorized official. For purposes of reporting, an “authorized official” is defined as an individual who has knowledge and responsibility for emissions data and has been authorized by an officer of the permit holder to submit and certify the accuracy of the data presented in the emissions report on behalf of the permit holder, based on best available knowledge.</i></p>

¹ Rule 301 was submitted to U.S. EPA on August 5, 2019 and approved by U.S. EPA into the SIP on October 31, 2019.

² <http://www.aqmd.gov/docs/default-source/rule-book/reg-iii/rule-301-July-2019.pdf?sfvrsn=4>.

CAA 182(a)(3)(B)(ii)																					
<p>“The State may waive the application of clause (i) to any class or category of stationary sources which emit less than 25 tons per year of volatile organic compounds or oxides of nitrogen if the State, in its submissions under subparagraphs (1) or (3)(A), provides an inventory of emissions from such class or category of sources based on the use of the emission factors established by the Administrator or other methods acceptable to the Administrator.”</p>	<p>Rule 301 applies to facilities exceeding the thresholds set forth in paragraph (e)(5) as listed below:</p> <p>Emission Fee Thresholds</p> <table border="1"> <thead> <tr> <th>Air Contaminant(s)</th> <th>Annual Emissions Threshold</th> </tr> </thead> <tbody> <tr> <td>Gaseous sulfur compounds (expressed as sulfur dioxide)</td> <td>≥4 TPY</td> </tr> <tr> <td>Total organic gases (excluding methane and exempt compounds as defined in Rule 102, and specific organic gases as specified in subdivision(b))</td> <td>≥4 TPY</td> </tr> <tr> <td>Specific organic gases as specified in subdivision (b)</td> <td>≥4 TPY</td> </tr> <tr> <td>Oxides of nitrogen (expressed as nitrogen oxide)</td> <td>≥4 TPY</td> </tr> <tr> <td>Total particulate matter</td> <td>≥4 TPY</td> </tr> <tr> <td>Carbon monoxide</td> <td>≥100 TPY</td> </tr> <tr> <td>Ammonia</td> <td>>0.1 TPY</td> </tr> <tr> <td>Chlorofluorocarbons</td> <td>>1 lb per year</td> </tr> <tr> <td>1,1,1 Trichloroethane</td> <td>>1 lb per year</td> </tr> </tbody> </table>	Air Contaminant(s)	Annual Emissions Threshold	Gaseous sulfur compounds (expressed as sulfur dioxide)	≥4 TPY	Total organic gases (excluding methane and exempt compounds as defined in Rule 102, and specific organic gases as specified in subdivision(b))	≥4 TPY	Specific organic gases as specified in subdivision (b)	≥4 TPY	Oxides of nitrogen (expressed as nitrogen oxide)	≥4 TPY	Total particulate matter	≥4 TPY	Carbon monoxide	≥100 TPY	Ammonia	>0.1 TPY	Chlorofluorocarbons	>1 lb per year	1,1,1 Trichloroethane	>1 lb per year
	Air Contaminant(s)	Annual Emissions Threshold																			
	Gaseous sulfur compounds (expressed as sulfur dioxide)	≥4 TPY																			
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	Ammonia	>0.1 TPY																			
	Chlorofluorocarbons	>1 lb per year																			
1,1,1 Trichloroethane	>1 lb per year																				
<p>In its submissions under CAA 182 (a)(1) or 182(a)(3)(A), California Air Resources Board provides an inventory of emissions from stationary sources which emit less than four tons per year of volatile organic compounds or oxides of nitrogen.</p>																					

ATTACHMENT D



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: REASONABLY AVAILABLE CONTROL TECHNOLOGY (RACT) DEMONSTRATION AND EMISSIONS STATEMENT CERTIFICATION FOR THE 2015 8-HOUR OZONE STANDARD

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (South Coast AQMD), as Lead Agency, has prepared a Notice of Exemption pursuant to CEQA Guidelines Section 15062 – Notice of Exemption for the project identified above.

The proposed project is comprised of: 1) the identification, analysis and demonstration of the current South Coast AQMD rules which meet or exceed federal RACT requirements; 2) a commitment to conduct a future rulemaking to amend South Coast AQMD Rule 1115 – Motor Vehicle Assembly Line Coating Operations, to meet RACT; 3) a determination that South Coast AQMD Rule 301 – Permitting and Associated Fees, adequately meets the emissions statement requirements for the 2015 8-Hour Ozone Standard; and 4) a submittal of the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard into the state implementation plan (SIP).

The proposed project has been reviewed 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. Since the proposed project is administrative in nature and would not cause any physical changes that would adversely affect any environmental topic area, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. In addition, the proposed project is considered an action to protect or enhance the environment pursuant to CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment. Further, there is no substantial evidence indicating that any of the exceptions to the categorical exemption apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions. If the project is approved, this Notice of Exemption will be electronically filed with the State Clearinghouse to be posted on their CEQAnet Web Portal. Once the Notice of Exemption is posted, members of the public may access it via the following weblink: <https://ceqanet.opr.ca.gov/search/recent>. In addition, this Notice of Exemption will be electronically posted on the South Coast AQMD's webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notice/ceqa-notice/notices-of-exemption/noe---year-2020>. The electronic filing and posting of the Notice of Exemption is being implemented in accordance with Governor Newsom's Executive Order N-54-20 issued on April 22, 2020 for the State of Emergency in California as a result of the threat of COVID-19.

Any questions regarding this Notice of Exemption should be directed to Ryan Bañuelos (c/o Planning, Rule Development and Area Sources) at the above address or at (909) 396-3479. Any questions regarding the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard should be directed to Jong Hoon Lee at (909) 396-3903.

Date: May 1, 2020

Signature:

A handwritten signature in black ink, appearing to read "Barbara Radlein", written over a horizontal line.

Barbara Radlein
Program Supervisor, CEQA
Planning, Rule Development, and Area Sources

**NOTICE OF EXEMPTION FROM THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

To: Governor's Office of Planning and Research - State Clearinghouse 1400 Tenth St, Suite 222 Sacramento, CA 95814-5502	From: South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765
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Project Title: Reasonably Available Control Technology (RACT) Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard

Project Location: The project is located within the South Coast Air Quality Management District (South Coast AQMD) jurisdiction which includes 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).

Description of Nature, Purpose, and Beneficiaries of Project: The proposed project is comprised of: 1) the identification, analysis and demonstration of the current South Coast AQMD rules which meet or exceed federal RACT requirements; 2) a commitment to conduct a future rulemaking to amend South Coast AQMD Rule 1115 – Motor Vehicle Assembly Line Coating Operations, to meet RACT; 3) a determination that South Coast AQMD Rule 301 – Permitting and Associated Fees, adequately meets the emissions statement requirements for the 2015 8-Hour Ozone Standard; and 4) a submittal of the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard into the state implementation plan (SIP).

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) – Common Sense Exemption

CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment

Reasons why project is exempt: Pursuant to the California Environmental Quality Act (CEQA), South Coast AQMD, as Lead Agency, has reviewed the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard 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. Since the proposed project is administrative in nature and would not cause any physical changes that would adversely affect any environmental topic area, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption. In addition, the proposed project is considered an action to protect or enhance the environment pursuant to CEQA Guidelines Section 15308 – Actions by Regulatory Agencies for Protection of the Environment. Further, there is no substantial evidence indicating that any of the exceptions to the categorical exemption apply to the proposed project pursuant to CEQA Guidelines Section 15300.2 – Exceptions.

Date When Project Will Be Considered for Approval (subject to change):

South Coast AQMD Governing Board Hearing: June 5, 2020; South Coast AQMD Headquarters

CEQA Contact Person: Mr. Ryan Bañuelos	Phone Number: (909) 396-3479	Email: rbañuelos@aqmd.gov	Fax: (909) 396-3982
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Rule Contact Person: Mr. Jong Hoon Lee	Phone Number: (909) 396-3903	Email: jhlee@aqmd.gov	Fax: (909) 396-3324
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Date Received for Filing: _____ **Signature:** _____ *(Signed Upon Board Approval)*
Barbara Radlein
Program Supervisor, CEQA
Planning, Rule Development, and Area Sources



Reasonably Available Control Technology Demonstration and Emissions Statement Certification for 2015 Ozone Standard

Governing Board Meeting

June 5, 2020



Background – 2015 8-hour Ozone Standard

- In 2015, the U.S. EPA strengthened the National Ambient Air Quality Standards (NAAQS) for ozone to 70 parts per billion (ppb)
- Nonattainment classifications for South Coast Air Basin and Coachella Valley

Standard	Level	South Coast Classification	Coachella Valley Classification	Attainment Date
2015 8-hour Ozone	70 ppb	Extreme	Severe	August 3, 2038 (South Coast) August 3, 2033 (Coachella Valley)
2008 8-hour Ozone	75 ppb	Extreme	Severe	July 20, 2032 (South Coast) July 20, 2027 (Coachella Valley)
1997 8-hour Ozone	80 ppb	Extreme	Extreme*	June 15, 2024 (both South Coast and Coachella Valley)
1979 1-hour Ozone	120 ppb	Extreme	Attainment	February 6, 2023 (South Coast)

*Voluntary reclassification from severe to extreme in September 2019



Key SIP Elements and Due Dates for Severe and Extreme Nonattainment Areas

	8/3/2020	8/3/2021	8/3/2022	8/3/2028
Severe and Extreme Areas	Baseline Year Emissions Inventory	Nonattainment New Source Review	Attainment Demonstration	Section 185 Fee Program (Failure to attain)
	Emissions Statement		Reasonably Available Control Measures	
	Reasonably Available Control Technology Demonstration		Reasonable Further Progress	
	Vehicle Miles Traveled Offset		Conformity	
Extreme Area Only		Clean Fuels for Boilers	<div style="border: 2px solid blue; padding: 5px; display: inline-block;"> 2022 AQMP </div>	
			Contingency Measures	
			Enhanced Inspection and Maintenance Program	



RACT - Background

- **Reasonably Available Control Technology (RACT)**
 - ❑ “Lowest emission limitation that a particular source is capable of meeting by the application of control technology that is reasonably available considering technological and economical feasibility” (*44 FR 53762*)
- **Guidance**
 - ❑ Based on current information at time of development
 - ❑ Considers controls achieved in practice to be feasible (economically and technologically)
 - ❑ Includes EPA’s Control Techniques Guidelines at minimum (*CAA §182(b)(2)*)





What Emission Sources are Subject to RACT?

EPA Control Technique Guidelines Sources

40+ Control Technique Guidelines sources such as:

- Bulk Gasoline Plants
- Leaks from Petroleum Refinery Equipment
- Petroleum Liquid Storage in External Floating Roof Tanks
- Leaks from Natural Gas/Gasoline Processing Plants
- Shipbuilding and Ship Repair Operations (Surface Coating)
- Paper, Film, and Foil Coatings
- Large Appliance Coatings
- Metal Furniture Coatings
- Miscellaneous Metal and Plastic Parts Coatings
- Miscellaneous Industrial Adhesives
- Automobile and Light-Duty Truck Assembly Coatings
- Oil and Natural Gas Industry

Non-CTG Major Stationary Sources

South Coast Air Basin:

- Facilities exceeding 10 tons per year of VOC or NOx emissions

Coachella Valley:

- Facilities exceeding 25 tons per year of VOC or NOx emissions



RACT Demonstration – Approach



EPA Control Technique Guidelines
EPA Alternative Control Techniques
Code of Federal Regulations



California Air Districts

- Antelope Valley AQMD
- Bay Area AQMD
- Mojave Desert AQMD
- Sacramento Metropolitan AQMD
- San Joaquin Valley APCD
- Ventura County APCD



Maryland
Department of
the Environment



TEXAS COMMISSION
ON ENVIRONMENTAL QUALITY

Other States

- Delaware Department of Natural Resources and Environment Control
- Maryland Department of the Environment
- Texas Commission on Environmental Quality



Summary of Findings

- **South Coast AQMD rules and regulations closely matched those of other agencies, and meet or exceed RACT level of control, with the exception of Rule 1115 (Motor Vehicle Assembly Line Coating Operations)**
 - **South Coast AQMD Rule 1115 is not as stringent as the 2008 EPA's Control Technique Guidelines for Automobile and Light-Duty Truck Assembly Coatings**
 - **New light-duty motor vehicle manufacturing facilities are operating in the Basin that are subject to this CTG**
 - **South Coast AQMD commits to amend Rule 1115 to meet the CTG requirements**



Key Public Comments



Comments	Staff Responses
<p>1</p> <p>EPA Control Technique Guidelines could be out of date; and consider Ultraviolet/Electron Beam (UV/EB) technology as RACT for selected VOC emission sources</p>	<ul style="list-style-type: none">• EPA’s Control Technique Guidelines help define RACT while current requirements by other agencies reflect the control technologies achieved in practice for a source category• When applicable, UV/EB could be one of the compliance options to meet RACT level of control• UV/EB will be evaluated under all feasible measures for the 2022 AQMP
<p>2</p> <p>For Rule 1115 (Motor Vehicle Assembly Line Coating Operations) amendment, South Coast AQMD should not “cherry pick” a lower limit from other agencies without also adopting the same averaging time, solids turnover ratio, applicability threshold and exemptions</p>	<ul style="list-style-type: none">• Feasibility analysis will be conducted during the rule development process• Emission limits and other requirements will be established considering technological feasibility and cost effectiveness



Emissions Statement Certification

- Clean Air Act requires ozone nonattainment areas to have a program that requires emissions statements from stationary sources of NO_x and VOC
- South Coast AQMD Rule 301 (Permitting and Associated Fees) fulfills the emissions statement requirement for the 2008 ozone standard
 - Rule 301 requires emission reporting from major stationary sources of NO_x and VOC greater than or equal to four tons per year
 - U.S. EPA approved Rule 301 as meeting the emissions statement requirements (*84 FR 52005*)
- South Coast AQMD certifies that the existing provisions in Rule 301 are adequate in meeting the emissions statement requirement for the 2015 ozone standard



Public Process





Recommended Actions

- **Adopt the Resolution**
 - **Determining that the RACT Demonstration and Emissions Statement Certification for the 2015 8-Hour Ozone Standard are exempt from the requirements of the California Environmental Quality Act**
 - **Approving the RACT Demonstration and Emissions Statement Certification, and directing staff to forward to CARB for review and submission to the U.S. EPA for inclusion in the State Implementation Plan**