

BOARD MEETING DATE: December 3, 2021

AGENDA NO. 26

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee held a meeting remotely on Friday, November 19, 2021. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Ben J. Benoit, Chair
Stationary Source Committee

JA:cr

Committee Members

Present: Mayor Pro Tem Ben J. Benoit (Chair)
Supervisor Sheila Kuehl (Vice Chair)
Board Member Veronica Padilla-Campos
Supervisor Janice Rutherford

Absent: Senator Vanessa Delgado (Ret.)
Vice Mayor Rex Richardson

Call to Order

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

INFORMATIONAL ITEM:

- 1. Proposed Rule 461.1 – Gasoline Transfer and Dispensing for Mobile Fueling Operations, Proposed Amended Rule 461 – Gasoline Transfer and Dispensing, Proposed Amended Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II, and Proposed Amended Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II**

Susan Nakamura, Assistant Deputy Executive Officer/Planning Rule Development and Area Sources, presented on proposed rules for mobile fueling.

Chair Benoit requested clarification on permitting thresholds and supported requirements for mobile fuelers that do not have air pollution controls, particularly since other mobile fueling operations have air pollution controls.

Supervisor Kuehl asked that the rule language be clear that dispensing locations are limited to a specific geographic area, such as a parking lot, and not a large regional area.

Supervisor Rutherford commented that information regarding the dispensing location can be obtained without a registration and suggested that the burden be on the mobile fueler rather than the operator of the dispensing location. Ms. Nakamura commented that staff is continuing to work with stakeholders regarding requirements for dispensing locations and will discuss revisions with stakeholders in a working group meeting in early December.

Board Member Padilla-Campos asked what mobile fueling companies service. Ms. Nakamura explained that they can service fleets of vehicles and the general public that include events, stadiums, business campuses, and fixed locations.

Supervisor Rutherford commented that the disabled community is also serviced by mobile fuelers through drive through events.

Laurel Moorhead, Transfer Flow, Inc., commented about emissions tests conducted on their tanks and that these tanks are regulated by other agencies (e.g. Fire Marshal, OSHA and Department of Transportation). She is unclear why this is being addressed by the Stationary Source Committee and not the Mobile Source Committee.

Joseph Okpaku, Booster Fuels, Inc., stated that their mobile fueling system has been deemed to be equivalent to Phase II, provided only Onboard Refueling Vapor Recovery vehicles are being fueled. He expressed concern about requiring registration of dispensing locations and stated this can be accomplished without putting the burden on the client.

Bill LaMarr, California Small Business Alliance, on behalf of the California Fuels and Convenience Alliance (CFCA), and expressed concern that the proposed rule may create a competitive imbalance between CFCA members (gas stations and fuel transporters) and these new mobile fuel service delivery businesses. He indicated support for the proposed rules.

Harvey Eder, Public Solar Power Coalition, requested information on the emissions that are occurring now and expressed concern about benzene and PM emissions. He spoke on the recycling of batteries and heat pumps with CFCs and GHGs and the

benefits of hydrogen fuel cells. He urged supporting infrastructure to move away from the use of fossil fuels.

Cheryl Atkinson, Portable Fuel Container Manufacturer's Association, commented on the exception for portable fuel containers with a capacity of five gallons and that it should be aligned with a standard already in place, such as ASTM F852 for certifying portable fuel containers up to 20 liters or 6.84 gallons. Ms. Nakamura responded that staff will work with stakeholders.

2. Proposed Amended Rule 1135 – Emissions of Oxides of Nitrogen from Electricity Generating Facilities; and Proposed Rule 429.2 – Startup and Shutdown Exemption Provisions for Oxides of Nitrogen from Electricity Generating Facilities

Michael Morris, Planning and Rules Manager/Planning Rule Development and Area Sources, presented a summary of proposed rules.

Mark Abramowitz, Community Environmental Services, commented that staff did not consider fuel cells in their BARCT analysis of the diesel internal combustion engines on Santa Catalina Island. He urged that a BARCT analysis be performed and zero emission technologies be required on the island.

Mr. Eder asked that staff analyze solar renewable technology as BARCT.

Board Member Padilla-Campos asked if staff could perform the BARCT analysis requested by Mr. Abramowitz. Mr. Morris responded that staff did a BARCT analysis, including review of fuel cells. Executive Officer Wayne Natri responded that he will review issues with staff. Chair Benoit agreed that staff should look at the issues raised before the public hearing.

3. 2020 Annual Report on AB 2588 Program

Ian MacMillan, Assistant Deputy Executive Officer/Planning Rule Development and Area Sources provided a summary of various AB 2588 Program activities for 2020 and other activities related to air toxics.

Supervisor Kuehl inquired about operations using hexavalent chromium, rules adopted during the past year and plans to control those emissions. Mr. MacMillan responded that South Coast AQMD is leading the way in understanding the emerging science on how hexavalent chromium emissions impacts communities, and that this work will continue through monitoring, rule adoption, compliance, and the AB 2588 process. Susan Nakamura, Assistant Deputy Executive Officer/Planning Rule Development and Area Sources, added that more work is underway to address hexavalent chromium emissions from various operations, such as metal heat treating for chromium alloys. Proposed Rule 1469 (Rule 1426.1 will

address high temperature sodium dichromate tanks that are not located at plating facilities, and other metal processing facilities. Supervisor Kuehl suggested aligning facilities identified under these proposed rules with the facilities in the AB 2588 Program. Mr. MacMillan responded affirmatively.

Supervisor Kuehl mentioned a documentary regarding Santa Susana site cleanup and cancer clusters, particularly cancer cases in children. She inquired if there is alignment for facilities that would be subject to rule amendment and AB 2588, to see if there are facilities that should be prioritized. Mr. Nastri stated that staff implement rules quickly in identified sectors as well as ancillary sectors. He highlighted that the Santa Susana site involves radioactive components, where EPA has the expertise rather than South Coast AQMD. He stated that we will continue to work to identify any potential clustering of high risks in communities, and report back to the Board. Supervisor Kuehl mentioned that in Paramount we did not have full understanding at first. Investigations first started with complaints that led to further investigation followed by monitoring. Health risk assessments provided us a good understanding of where there were more serious issues and helped us find solutions.

Mr. Eder expressed concerns benzene emissions.

Duncan McKee, member of the public, stated that South Coast AQMD conducted a recent public meeting regarding Quemetco. Under a risk reduction plan, Quemetco installed a multi-metal CEMS to monitor emissions rather than reduce emissions of arsenic. He stated that the CEMS only measures particulate arsenic and not gaseous arsenic and with the proposed increase in emissions and throughput, they would be adding more arsenic into the process. He requested more communication between community and South Coast AQMD and that the facility should be required to reduce arsenic emissions.

Marilyn Kamimura, Clean Air Coalition of Avocado Heights, stated that she has lived near Quemetco for 49 years. With the arsenic violations, health risk assessment and risk reduction plan, Quemetco should not be allowed to increase its production by 25 percent. She mentioned cancer deaths in the community and is concerned about Quemetco's compliance history. She has worked with USC and reached out to the Public Health Department.

WRITTEN REPORTS:

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

The report was acknowledged by the committee.

5. Notice of Violation Penalty Summary

The report was acknowledged by the committee.

OTHER MATTERS:

6. Other Business

There was no other business.

7. Public Comment Period

Mr. McKee requested staff to open a line of communication to discuss the proposed increase of throughput at Quemetco. He also expressed concerns about how staff accommodates public meeting participants that have special needs.

Mr. Eder supported Mr. McKee's comments and asked if Mr. Nastri was previously a consultant to Quemetco. Jill Whynot, Chief Operating Officer, responded that she is overseeing the process. She explained that Quemetco was a client of Mr. Nastri's before he worked for South Coast AQMD. Mr. Nastri has no legal responsibility to recuse himself, but has done so to avoid any appearance of conflict of interest. Further, he has not done any consulting since being hired with South Coast AQMD.

8. Next Meeting Date

The next Stationary Source Committee meeting is scheduled for Friday, January 21, 2021 at 10:30 a.m.

Adjournment

The meeting was adjourned at 11:57 a.m.

Attachments

1. Attendance Record
2. Monthly Update of Staff's Work with U.S. EPA and CARB on New Source Review Issues for the Transition of RECLAIM Facilities to a Command-and-Control Regulatory Program Notice of Violation Penalty Summary
3. Notice of Violation Penalty Summary

ATTACHMENT 1

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

Attendance –November 19, 2021

Mayor Pro Tem Ben J. Benoit	South Coast AQMD Board
Supervisor Sheila Kuehl	South Coast AQMD Board
Board Member Veronica Padilla-Campos.....	South Coast AQMD Board
Supervisor Janice Rutherford	South Coast AQMD Board
Tricia Almiron	Board Consultant (Benoit)
Ruthanne Taylor Berger	Board Consultant (Benoit)
Tom Gross	Board Consultant (Benoit)
Loraine Lundquist	Board Consultant (Kuehl)
Debra Mendelsohn.....	Board Consultant (Rutherford)
Mark Taylor.....	Board Consultant (Rutherford)
Amy Wong	Board Consultant (Padilla-Campos)
Mark Abramowitz	Community Environmental Services
Erin Berger	Southern California Gas Co.
Curtis Coleman.....	Southern California Air Quality Alliance
Harvey Eder.....	Public Solar Power Coalition
Teja Ganapa.....	LADWP
Jason Henderson.....	CCEEB
Bill Lamarr	California Small Business Alliance
Laurel Moorhead	Transfer Flow, Inc.
Joseph Okpaku.....	Booster Fuels, Inc.
Bethmarie Quiambao.....	Southern California Edison
Carl Raycroft	Quemetco
David Rothbart	LACSD
Jason Aspell.....	South Coast AQMD staff
Barbara Baird.....	South Coast AQMD staff
Bayron Gilchrist	South Coast AQMD staff
Mark Henninger.....	South Coast AQMD staff
Aaron Katzenstein	South Coast AQMD staff
Terrence Mann.....	South Coast AQMD staff
Ian MacMillan	South Coast AQMD staff
Matt Miyasato.....	South Coast AQMD staff
Michael Morris	South Coast AQMD staff
Ron Moskowitz	South Coast AQMD staff
Wayne Nastri	South Coast AQMD staff
Susan Nakamura.....	South Coast AQMD staff
Lisa Tanaka O’Malley.....	South Coast AQMD staff
Sarah Rees	South Coast AQMD staff
Jill Whynot	South Coast AQMD staff
Jillian Wong.....	South Coast AQMD staff
Paul Wright.....	South Coast AQMD staff
Victor Yip.....	South Coast AQMD staff

November 2021 Update on Work with U.S. EPA and California Air Resources Board 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 with U.S. EPA and California Air Resources Board (CARB) since the last report.

- No meetings to report

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

Settlement Penalty Report (10/01/2021 - 10/31/2021)

Total Penalties

Civil Settlement: \$121,043.80
Criminal Referral Settlement: \$19,477.69
MSPAP Settlement: \$4,589.00
Hearing Board Settlement: \$10,000.00

Total Cash Settlements: \$155,110.49

Fiscal Year through 10/31/2021 Cash Total: \$999,388.99

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
Civil						
124789	ADAN GARCIA FURNITURE REFINISHING	109, 203(a)	10/12/2021	DH	P63773, P69659	\$3,500.00
188467	AMERICAN RETROFITTEES CORP.	1403	10/05/2021	WW	P66472	\$3,600.00
138568	CALIFORNIA DROP FORGE, INC	1430, 2004, 2012	10/13/2021	NS, SH	P65217, P66056, P66057	\$8,000.00
800003	HONEYWELL INTERNATIONAL INC	2004, 2012 Appen A, 3002(c)(1)	10/22/2021	NS	P66167, P68315	\$17,000.00
185343	JAMES K/CANDICE CHO (HYE JEONG KIM)	1401(d)(1)(A)	10/22/2021	GV	P63310	\$5,143.80
121727	PACIFIC PIPELINE SYSTEM LLC	3002(c)(1)	10/22/2021	WW	P62970	\$40,000.00
187036	PM ESTRADA ROOFING	1403	10/13/2021	BT	P66444, P67617	\$5,000.00
71160	U.S. BATTERY MANUFACTURING CO	201, 203, 1420.2	10/13/2021	JL	P67412, P72934	\$25,500.00
195046	VOLKSWAGEN GROUP OF AMERICA	1151, 1168	10/13/2021	BT	SRV2021-00026	\$7,500.00
17956	WESTERN METAL DECORATING CO	2004(f)(1)	10/13/2021	JL	P66861	\$600.00
144695	WESTLAKE WELLBEING PROPERTIES, LLC	1415, 1415.1	10/13/2021	JL	P66966	\$5,000.00
178432	YORBA CANYON CLEANERS, EUNKWAN PARK	203	10/20/2021	VT	P65187	\$200.00
Total Civil Settlements:						\$121,043.80

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
Criminal Referral						
187541	F & M NETWORKING INC	1403	10/22/2021	TCF	P68804, P68805, P68806	\$19,477.69
Total Criminal Referral Settlements: \$19,477.69						
Hearing Board						
104234	SCAQMD v. Mission Foods	202, 203(b), 1153.1, 1303	10/27/2021	KCM	5400-4	\$10,000.00
Total Hearing Board Settlements: \$10,000.00						
MSPAP						
181026	ARCO AM/PM #42960	461	10/13/2021	GC	P66394	\$1,450.00
187562	ENZO COLLISION CUSTOMIZATION CENTER	1151(e)(1)	10/22/2021	GC	P66781	\$800.00
26614	GARDEN GROVE UNIFIED SCHOOL DISTRICT	203(b), 461, 1415	10/22/2021	GC	P63893	\$819.00
800367	IPS CORPORATION	3002(c)(1)	10/22/2021	GC	P69511	\$720.00
189507	MANUEL ZAMORA	1151(e)(1)	10/13/2021	TCF	P65073	\$800.00
Total MSPAP Settlements: \$4,589.00						

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX
FOR OCTOBER 2021 PENALTY REPORT**

REGULATION I - GENERAL PROVISIONS

Rule 109 Recordkeeping for Volatile Organic Compound Emissions

REGULATION II - PERMITS

Rule 201 Permit to Construct
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 1151 Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations
Rule 1153.1 Emissions of Oxides of Nitrogen from Commercial Food Ovens
Rule 1168 Adhesive and Sealant Applications

REGULATION XIII - NEW SOURCE REVIEW

Rule 1303 Requirements

REGULATION XIV - TOXICS

Rule 1401 New Source Review of Toxic Air Contaminants
Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
Rule 1415 Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems
Rule 1415.1 Reduction of Refrigerant Emissions from Stationary Refrigeration Systems
Rule 1420.2 Emission Standards for Lead from Metal Melting Facilities
Rule 1430 Control of Emissions from Metal Grinding Operations at Metal Forging Facilities

REGULATION XX REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

Rule 2004 Requirements
Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions
Appendix A Protocol for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions
Rule 2012

REGULATION XXX - TITLE V PERMITS

Rule 3002 Requirements for Title V Permits