

BOARD MEETING DATE: December 1, 2023

AGENDA NO. 20

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee held a hybrid meeting on Friday, November 17, 2023. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Mayor Larry McCallon, Chair
Stationary Source Committee

JA:cr

Committee Members

Present: Mayor Larry McCallon, Committee Chair
Supervisor Holly J. Mitchell, Committee Vice Chair
Chair Vanessa Delgado
Vice Chair Michael A. Cacciotti
Councilmember José Luis Solache
Board Member Veronica Padilla-Campos

Call to Order

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

For additional information of the Stationary Source Committee Meeting, please refer to the [Webcast](#).

Roll Call

INFORMATIONAL ITEM S:

- 1. Update on Proposed Amended Rule 1180 – Fenceline and Community Air Monitoring for Petroleum Refineries and Related Facilities and Proposed Rule 1180.1 – Fenceline and Community Air Monitoring for Other Refineries**
Heather Farr, Planning & Rules Manager/Planning, Rule Development and Implementation, provided a summary of the latest changes to Rule 1180 and proposed Rule 1180.1 regarding applicability and air monitoring requirements since presenting at the Stationary Source Committee on September 15, 2023. For additional details please refer to the [Webcast](#) beginning at 8:00.

Board Member Padilla-Campos asked and received confirmation that the root cause analysis requirement is currently required by the rule, inquired how related facilities is determined, requested staff to consider shorter timelines for plan submittals and fenceline air monitoring system installations, and urged staff to consider more community requests. For additional details please refer to the [Webcast](#) beginning at 15:50.

Vice Chair Cacciotti asked for clarification on the 310,000-barrel capacity exemption. Councilmember Solache asked for clarification on the inclusion of hydrogen plants and whether the requirements are enforced. For additional details please refer to the [Webcast](#) beginning at 17:32.

Cindy, Paola, and Cristal, East Yard Communities for Environmental Justice, opposed extending timelines for fenceline air monitoring plan submittals and fenceline air monitoring system installation as well as providing an exemption for low emission tank terminals. For additional details please refer to the [Webcast](#) beginning at 18:55.

Byron Chan, Earthjustice, raised a concern about the applicability criteria of 50 percent product related to non-local refineries and the low emission tank exemption. For additional details please refer to the [Webcast](#) beginning at 21:41.

Harvey Eder, Public Solar Power Coalition, also opposed applicability criteria of 50 percent. For additional details please refer to the [Webcast](#) beginning at 24:49.

Chair Delgado and Committee Vice Chair Mitchell sought clarification on the rule schedule and if the public has been provided enough time to review recent updates. For additional details please refer to the [Webcast](#) beginning at 34:12.

Staff responded to comments regarding timelines, exemptions, and scheduled hearing dates. For additional details please refer to the [Webcast](#) beginning at 39:56.

2. Proposed Amended Rule 461.1 – Gasoline Transfer and Dispensing for Mobile Fueling Operations

Michael Krause, Assistant Deputy Executive Officer/Planning, Rule Development and Implementation, provided a summary of proposed amended Rule 461.1 to clarify that mobile fuelers dispensing aviation gasoline are exempt from the rule to align with the original intent and applicability of the rule. For additional details please refer to the [Webcast](#) beginning at 42:02.

Vice Chair Cacciotti asked for clarification regarding the responsible agency that monitors and permits the dispensing of aviation gasoline at small and large airports. Board Member Padilla-Campos sought further clarification on how aviation gasoline

dispensing is regulated as well as those filling containers with gasoline. For additional details please refer to the [Webcast](#) beginning at 45:32.

Staff clarified aviation gasoline is used only for small aircraft, whereas commercial aircraft located at large airports use jet fuel which is not subject to proposed amended Rule 461.1. In addition, Jason Aspell, Deputy Executive Officer/Engineering and Permitting, clarified that emissions from mobile fuelers dispensing aviation gasoline are evaluated by South Coast AQMD during the permitting process. For additional details please refer to the [Webcast](#) beginning at 46:14.

There were no public comments.

3. Quarterly Permitting Update for Implementation of Rule 1109.1 - Emissions of Oxides of Nitrogen from Petroleum Refineries and Related Operations

Bhaskar Chandan, Senior Engineering Manager/Engineering and Permitting, presented the quarterly Rule 1109.1 permitting updates. For additional details please refer to the [Webcast](#) beginning at 52:09.

Staff recommended providing quarterly written reports to the Committee starting next year and one annual presentation. Mayor McCallon approved the staff recommendation. For additional details please refer to the [Webcast](#) beginning at 1:01:41.

Vice Chair Cacciotti inquired if the Marathon permitting Boiler project was related to the project discussed a few months back at the Stationary Source Committee meeting. Mr. Chandan clarified that the current Boiler permitting project was at the Wilmington Refinery and was separate from the project that was previously discussed that involved shutting down a rotary kiln at a different location. For additional details please refer to the [Webcast](#) beginning at 1:01:53.

Mr. Eder commented about the February 8, 2019, Administrative Committee and claimed testimony was purged from the record. For additional details please refer to the [Webcast](#) beginning at 1:02:35.

4. Annual Progress Report for Assembly Bill 617 (AB 617) Community Emission Reductions Plans (CERPs)

Uyen-Uyen Vo, Planning and Rules Manager/Diversity, Equity & Inclusion with Community Air Programs, provided an overview of the 2023 AB 617 Annual Progress Report For additional details please refer to the [Webcast](#) beginning at 1:05:03.

Board Member Padilla-Campos thanked staff for collaborating with the community and noted that the Spanish translation on the presentation was appreciated. Board Member Padilla-Campos also highlighted the reoccurring comment regarding text

message notifications for the community and supported staff in incorporating text message notifications in rules. Additionally, Board Member Padilla-Campos commended the efforts in highlighting each community's priorities. For additional details please refer to the [Webcast](#) beginning at 1:14:54.

Committee Vice Chair Mitchell supported Board Member Padilla-Campos' comments and asked if the percentage of work completed was sufficient or if there were improvements to be made. Executive Officer Wayne Nastri replied that the results should be better, and staff are trying to accelerate and prioritize actions in collaboration with the communities. Mr. Nastri emphasized the importance of providing results as the legislature is looking at the program to ensure funding is spent expediently and effectively, and staff will continue to work towards these goals. For additional details please refer to the [Webcast](#) beginning at 1:16:08.

Krystal Otworth, Leadership Counsel for Justice and Accountability and Eastern Coachella Valley CSC member, thanked staff for facilitating the All-CSC Annual Progress Report meetings. Ms. Otworth provided four comments regarding the 2023 AB 617 Annual Progress Report, Community Air Monitoring Plans, and calculation of emission reductions. Ms. Otworth appreciated staff increasing the comment period to two weeks but recommended a minimum 30-day public comment period to allow sufficient time for the public to review and comment. For additional details please refer to the [Webcast](#) beginning at 1:17:45.

WRITTEN REPORTS :

5. 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

The report was acknowledged by the committee.

6. Notice of Violation Penalty Summary

The report was acknowledged by the committee.

OTHER MATTERS :

7. Other Business

There was no other business to report.

8. Public Comment Period

Darby Gottlieb, AdvaMed, commented that proposed amended Rule 1405 should be changed to prevent disruptions to patient access to medical technology and stakeholders have urged the Board and Committee to be cautious when adopting these regulations. She stated that The Hospital Association of Southern California, San Antonio Regional Hospital in Upland, several Chambers of Commerce, Veterinary Hospitals, the Healthcare Distribution Alliance and Healthcare Industry Distributors Association are concerned about the impact of this rule. For additional details please refer to the [Webcast](#) beginning at 1:22:23.

Mr. Eder expressed concerns about the 2016 AQMP plan and the recently released Federal Government Climate plan. For additional details please refer to the [Webcast](#) beginning at 1:25:02.

9. Next Meeting Date

The next Stationary Source Committee meeting is scheduled for Friday, January 19, 2024 at 10:30 a.m.

Adjournment

The meeting was adjourned at 11:56 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
3. Notice of Violation Penalty Summary

ATTACHMENT 1

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

Attendance –November 17, 2023

Councilmember Michael A. Cacciotti	South Coast AQMD Board Member
Senator Vanessa Delgado (Ret).....	South Coast AQMD Board Member
Mayor Larry McCallon	South Coast AQMD Board Member
Supervisor Holly J. Mitchell	South Coast AQMD Board Member
Board Member Veronica Padilla-Campos.....	South Coast AQMD Board Member
Councilmember José Luis Solache.....	South Coast AQMD Board Member
Uduak-Joe Ntuk.....	Board Consultant (Solache)
Andrew Silva.....	Board Consultant (Dawson)
Mark Taylor	Board Consultant (Rodriguez)
Mark Abramowitz.....	Community Environmental Services
Byron Chan.....	Earthjustice
Chris Chavez.....	Coalition for Clean Air
Curtis Coleman.....	Southern California Air Quality Alliance
Ramine Cromartie.....	WSPA
Harvey Eder.....	Public Solar Power Coalition
Darbi Gottlieb.....	AdvaMed
Bill LaMarr.....	California Alliance of Small Business Associations
Krystal Otworth.....	Leadership Counsel for Justice and Accountability
Peter Whittingham.....	Whittingham Public Affairs Advisors
Derrick Alatorre	South Coast AQMD staff
Jason Aspell	South Coast AQMD staff
Barbara Baird.....	South Coast AQMD staff
Bhaskar Chandan.....	South Coast AQMD staff
Heather Farr.....	South Coast AQMD staff
Bayron Gilchrist.....	South Coast AQMD staff
Sheri Hanizavareh.....	South Coast AQMD staff
Anissa Heard-Johnson.....	South Coast AQMD staff
Michael Krause.....	South Coast AQMD staff
Howard Lee.....	South Coast AQMD staff
Terrence Mann.....	South Coast AQMD staff
Ron Moskowitz.....	South Coast AQMD staff
Susan Nakamura.....	South Coast AQMD staff
Wayne Nastri.....	South Coast AQMD staff
Sarah Rees.....	South Coast AQMD staff
Catherine Rodriguez.....	South Coast AQMD staff
Lisa Tanaka O’Malley.....	South Coast AQMD staff
Uyen-Uyen Vo.....	South Coast AQMD staff
Paul Wright.....	South Coast AQMD staff

November 2023 Update on Work with U.S. EPA and CARB 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. Key activities with U.S. EPA and CARB since the last report are summarized below.

- RECLAIM/NSR Working Group meeting was not held in November
- RECLAIM/NSR Quarterly Report was presented to Stationary Source Committee on October 20, 2023
- Next meeting scheduled for December 14, 2023 to discuss the latest considerations for proposed amendments to Regulation XIII and XX

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

Settlement Penalty Report (10/01/2023 - 10/31/2023)

Total Penalties

Civil Settlement: \$418,385.50
MSPAP Settlement: \$119,777.28

Total Cash Settlements: \$538,162.78

Fiscal Year through 10/31/2023 Cash Total: \$1,654,477.28

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
Civil						
45489	ABBOTT CARDIOVASCULAR SYSTEMS, INC.	3002	10/11/2023	KCM	P75409	\$2,850.00
188973	AID BUILDERS, INC.	1403, 40 CFR 61.145	10/03/2023	EC	P65049	\$32,000.00
101656	AIR PRODUCTS AND CHEMICALS, INC.	1118, 1173	10/03/2023	RM	P63394, P63395, P65096	\$7,020.00
800196	AMERICAN AIRLINES, INC.	2004	10/04/2023	DH	P66135, P66147, P76070	\$11,700.00
199754	BLACKGEM PROPERTIES. LLC	1403, 40 CFR 61.145	10/23/2023	EC	P78603	\$900.00
22911	CARLTON FORGE WORKS	2004, 3002	10/19/2023	DH	P68316, P69535, P69799, P74265	\$40,521.00
196236	CET CONSTRUCTION CO, INC.	1403	10/04/2023	ND	P76102, P76103, P76104	\$25,000.00
127800	COLLISION EXPERTS	203	10/13/2023	SH	P69915, P76254	\$500.00
182561	COLTON POWER, LP	218, 218.1, 2004, 2012, 3002	10/19/2023	DH	P66085, P66096, P66098, P68680	\$14,638.00
19823	CREE OIL LTD (RIEDEL LEASE)	203, 1148.1, 1173	10/18/2023	JL	P69293, P73268	\$9,953.00
10983	EASTERN MUNICIPAL WATER DISTRICT	1403	10/05/2023	ND	P76101	\$3,500.00
190276	IRVINE RANCH MARKET	1415.1	10/26/2023	BT	P67022	\$32,000.00
77084	KAISER PERMANENTE HOSPITAL	203	10/25/2023	KCM	P66803, P66836	\$1,000.00
68968	LA CO., ISD/NETWORK SERVICES DIVISION	H&S 42402	10/18/2023	JL	P73039	\$500.00
200614	LA STRADA PIPELINE, INC.	403	10/04/2023	JL	P79302	\$3,513.00
197900	LB3	403	10/18/2023	MR	P75413, P75416	\$3,500.00
190670	NORMA OVIEDO	1403	10/19/2023	NS	P69208, P69209, P69210, P69211	\$10,000.00
113091	P&M OIL COMPANY	203, 463, 1148.1	10/04/2023	RM	P69260, P73301, P73304, P75663	\$9,150.00
173488	PG&J ENVIRONMENTAL	221, 1403, 40 CFR 61.145	10/13/2023	RM	P67499, P69831, P69843, P70529, P74583, P78958	\$27,752.00
17953	PACIFIC CLAY PRODUCTS, INC.	2004, 2012, 3002	10/24/2023	JL	P73510, P79204	\$9,350.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
140552	PERFORMANCE COMPOSITES, INC.	3002	10/03/2023	KCM	P69547, P75313	\$4,900.00
123391	PLASKOLITE, INC.	203, 402, H&S 41700	10/04/2023	JL	P73696, P76356	\$7,026.00
167402	REPUBLIC SERVICES, INC.	403	10/10/2023	JL	P76401	\$2,342.00
147968	S&K STATE STREET SERVICE, INC.	461	10/04/2023	JL	P70182	\$935.00
192073	S&S COASTAL FOODS, LLC	1403, 40 CFR 61.145	10/03/2023	NAS	P70411	\$6,282.50
4242	SAN DIEGO GAS & ELECTRIC	1110.2, 2004, 2012, 2012 Appendix A, 3002	10/03/2023	SH	P66073, P66080, P73206, P73322, P73336	\$37,500.00
184301	SENTINEL PEAK RESOURCES CALIFORNIA, LLC	1148.2, 2004	10/03/2023	RM	P69299, P74257, P74266	\$11,335.00
117851	SHORE TERMINALS, LLC	203, 1173	10/04/2023	MR	P74067, P74077, P74078	\$18,000.00
159612	SIGNATURE FLIGHT SUPPORT	203, 461	10/10/2023	JL	P62787, P67743	\$2,341.00
36644	SO ORANGE CO. WASTEWATER AUTHORITY	H&S 42402	10/03/2023	DH	P74713	\$351.00
137508	TONOGA INC, DBA TACONIC	2004, 2012, 2012 Appendix A	10/24/2023	SP	P70020, P78701	\$75,000.00
800265	UNIV OF SO CAL (EIS & NSR USE ONLY)	3002	10/19/2023	EC	P73564	\$1,171.00
193323	ZENITH ENERGY WEST COAST TERMINALS, LLC	463, 2004	10/04/2023	JL	P68678, P75505	\$5,855.00
Total Civil Settlements : \$418,385.50						

MSPAP						
187567	ARCO AM/PM TESORO REFINING & MKTG CO.	203, 461	10/13/2023	VA	P70195	\$3,786.00
194399	ATC SEQUOIA, LLC	203	10/13/2023	CL	P63990	\$971.00
161900	BEVERLY HILLS OIL, INC.	461, H&S 41960.2	10/06/2023	CL	P77703	\$1,456.00
154539	BLVD 5, INC.	461	10/13/2023	CL	P72981	\$459.00
43214	CAL HWY PATROL	461	10/06/2023	CL	P78552	\$1,381.00
194295	CALIFORNIA TOWER, INC.	203	10/13/2023	CL	P63989	\$921.00
51886	CHEVRON DLR	461, H&S 41960.2	10/20/2023	CL	P69898	\$1,531.00
174026	COACHELLA OIL CORP. - BAHMAN NATANZI	461	10/06/2023	CL	P73124	\$1,742.00
184343	DREAM HOLLYWOOD - 6417 SELMA HOTEL	203	10/06/2023	CL	P76514	\$971.00
170654	FOUNTAIN SHELL, INC.	203, 461	10/06/2023	CL	P74848	\$1,380.00
198172	HOTEL DIEU	203	10/27/2023	CL	P76520	\$3,472.78
183247	IMAGE FUEL, INC.	203, 461	10/06/2023	CL	P74850	\$921.00
192127	JD FUEL, INC.	461	10/13/2023	CL	P78652	\$1,927.00
198028	KOIA ANAHEIM FACILITY, LLC	1146	10/06/2023	CL	P75611	\$3,845.00
186084	LA PALMA 76	461	10/06/2023	VA	P78660	\$878.00
194733	LGM PHARMA	3002	10/06/2023	CL	P76403	\$460.00
98247	MAIN ST SERVICE STATION, INC.	203	10/06/2023	CL	P69896	\$671.00
104004	MICROMETALS, INC	3002	10/06/2023	CL	P65658, P69934, P70330	\$8,779.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
166385	MINA FANAR, INC.	203, 461	10/06/2023	VA	P76165	\$2,108.00
58302	MOBIL DLR, VICHAI SANGNGEONON	203, 461	10/06/2023	VA	P75709	\$5,855.00
183855	MOLLER RETAIL #6120	461	10/06/2023	CL	P69892	\$1,071.00
197311	MRJV	403	10/06/2023	CL	P75411	\$3,684.00
144090	NEW CINGULAR WIRELESS-AT&T MOBILITY	203	10/20/2023	VA	P78306	\$937.00
188581	NOIL USA INC., COWLES	203, 461	10/06/2023	CL	P78668	\$2,052.00
117723	OIL OPERATORS, INC.	203	10/06/2023	CL	P73338	\$971.00
197718	OLTMANS CONSTRUCTION CO	403	10/06/2023	CL	P73819, P76253	\$10,815.00
164999	PILOT TRAVEL CENTERS LLC	461	10/13/2023	VA	P75722	\$2,108.00
153952	PRENA LUCKY 777 MARKET, INC.	461	10/06/2023	CL	P75714	\$6,126.00
111238	RIBOST TERMINAL, LLC.	203	10/06/2023	CL	P74076	\$2,042.00
191206	RIVERSIDE CENTER FOR SPIRITUAL LIVING	1403, 40 CFR 61.145	10/06/2023	CL	P72910	\$7,272.00
155670	SAM'S UNIVERSAL AM/PM	461	10/06/2023	CL	P74840	\$1,531.00
46484	SAROYAN LUMBER, CO.	402, 1137, H&S 41700	10/06/2023	CL	P73884	\$6,126.00
169990	SPS TECHNOLOGIES, LLC	3002	10/06/2023	CL	P75803	\$1,155.00
137899	STUDIO CITY 76	461, H&S 41960.2	10/06/2023	CL	P77709	\$1,531.00
183653	UNITED ROCK PRODUCTS CORP.	403	10/20/2023	CL	P74468, P74469	\$13,594.00
194208	USC VERDUGO HILLS HOSPITAL	1146, 1470	10/06/2023	CL	P76508	\$10,681.00
167466	WOANNA, INC.	203, 461	10/06/2023	VA	P78656	\$2,195.00
11369	WORTMANN OIL ,CO.	461	10/06/2023	CL	P72979	\$766.00
140890	Y.S.T., INC.	203, 461	10/20/2023	CL	P77718	\$1,606.00
Total MSPAP Settlements: \$119,777.28						

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX
FOR OCTOBER 2023 PENALTY REPORT**

REGULATION II - PERMITS

- Rule 203 Permit to Operate
- Rule 218 Continuous Emission Monitoring
- Rule 218.1 Continuous Emission Monitoring Performance Specifications
- Rule 221 Plans

REGULATION IV - PROHIBITIONS

- Rule 402 Nuisance
- Rule 403 Fugitive Dust - *Pertains to solid particulate matter emitted from man-made activities.*
- Rule 461 Gasoline Transfer and Dispensing
- Rule 463 Storage of Organic Liquids

REGULATION XI - SOURCE SPECIFIC STANDARDS

- Rule 1110.2 Emissions from Gaseous- and Liquid-Fueled Internal Combustion Engines
- Rule 1118 Emissions from Refinery Flares
- Rule 1137 PM10 Emission Reductions from Woodworking Operations
- 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 1148.2 Hydraulic Fracturing of Oil and Gas Wells
- Rule 1173 Fugitive Emissions of Volatile Organic Compounds

REGULATION XIV - TOXICS

- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
- Rule 1415.1 Reduction of Refrigerant Emissions from Stationary Refrigeration Systems
- Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

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

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX
FOR OCTOBER 2023 PENALTY REPORT**

REGULATION XXX- TITLE V PERMITS

Rule 3002 Requirements

CODE OF FEDERAL REGULATIONS

40 CFR 61.145 Standard for Demolition and Renovation

CALIFORNIA HEALTH AND SAFETY CODE

41700 Prohibited Discharges

41960.2 Gasoline Vapor Recovery

42402 Violation of Emission Limitations – Civil Penalty