

BOARD MEETING DATE: October 6, 2023

AGENDA NO. 21

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee held a hybrid meeting on Friday, September 15, 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
Vice Chair Michael A. Cacciotti
Board Member Veronica Padilla-Campos

Absent: Chair Vanessa Delgado
Councilmember José Luis Solache

Call to Order

Chair McCallon called the meeting to order at 10:58 a.m.

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

Roll Call

INFORMATIONAL ITEM S:

1. Quarterly Permitting Update for 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 3:52.

Board Member Padilla-Campos inquired about industry's time commitments in completing the permit applications and the method of communication. Mr. Chandan explained that the time commitment varies based on the complexity of the project and that communication on permit applications is mostly on the phone or via Zoom. For additional details, please refer to the [Webcast](#) beginning at 11:00.

Harvey Eder, Public Solar Power Coalition, commented that this item was covered at the February 8, 2019 Administrative Committee and claimed testimony was purged from the record. For additional details, please refer to the [Webcast](#) beginning at 12:98.

2. Update on Proposed Rule 1110.3 – Emissions from Linear Generators and Proposed Amended Rule 1110.2 – Emissions from Gaseous- and Liquid-Fueled Engines

Michael Morris, Planning and Rules Manager/Planning, Rule Development and Implementation, provided a summary on Proposed Rule 1110.3 and Proposed Amended Rule 1110.2. For additional details, please refer to the [Webcast](#) beginning at 15:10.

Committee Chair McCallon expressed support to make linear generator technology available and to remove barriers to implementation.

Board Member Padilla-Campos asked about the five-year source testing proposal and the certification program. Mr. Morris clarified that the five-year source testing schedule was acceptable to U.S. EPA, but the certification was not. Mr. Morris explained that the five-year source testing schedule was selected as the technology was relatively clean and staff was providing a balance between the need to source test with the costs associated with it. For additional details, please refer to the [Webcast](#) beginning at 21:53.

Mr. Eder asked if the technology was a low temperature boiling fluid or a heat engine. Chair McCallon responded that linear generators are an alternative technology to generate electricity. For additional details, please refer to the [Webcast](#) beginning at 23:40.

Committee Chair McCallon sought clarification on staff meeting with U.S. EPA and their involvement with the certification. Mr. Morris responded that staff has been in communication with U.S. EPA regarding a possible certification pathway throughout the rule development process. Committee Chair McCallon questioned if staff would be providing an update since the hearing is being set next month. Michael Krause, Assistant Deputy Executive Officer/Planning, Rule Development and Implementation, explained that staff would include the proposal in the amendments presented at the public hearing if U.S. EPA was to determine that the

manufacturer's proposed language was approvable. For additional details, please refer to the [Webcast](#) beginning at 24:54.

Technical malfunction on [Webcast](#) beginning at 25:59.

3. Summary of Proposed Amended Rule 2011 – Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Sulfur (SO_x) and Proposed Amended Rule 2012 – Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO_x) Emissions

Mr. Krause presented a summary of Proposed Amended Rules 2011 and 2012 . For additional details, please refer to the [Webcast](#) beginning at 26:00.

Bill Quinn, California Council for Environmental and Economic Balance, acknowledged the need for the proposed amendments to address potential compliance issues as RECLAIM facilities retrofit equipment to comply with the landing rules and expressed support for the adoption of the rule amendments. For additional details, please refer to the [Webcast](#) beginning at 29:50.

Curtis Coleman, Southern California Air Quality Alliance, expressed appreciation to staff for expeditious work in rule development and indicated support of the adoption of the rule amendments. For additional details, please refer to the [Webcast](#) beginning at 30:42.

Mr. Eder expressed concerns over political and economic equity. For additional details, please refer to the [Webcast](#) beginning at 31:49.

There were no comments from committee members.

4. Update on Proposed Amended Rule 1405 – Control of Ethylene Oxide Emissions from Sterilization and Related Operations

Dr. Kalam Cheung, Planning & Rules Manager /Planning, Rule Development and Implementation, presented updates to Proposed Amended Rule 1405 (PAR 1405) since the last update to Stationary Source Committee on August 18, 2023. For additional details, please refer to the [Webcast](#) beginning at 32:46.

Vice Chair Michael Cacciotti asked about off-gassing for downstream users and warehouses. Executive Officer Wayne Nastri responded that emissions are expected to be de minimis and that mobile monitoring around warehouses only detected one or two instances of enhanced signals. Vice Chair Cacciotti also inquired about recent conversations with sterilization facilities to address misunderstandings. Mr. Nastri provided an overview of the discussions and added that discussions with facilities would continue. For additional details, please refer to the [Webcast](#) beginning at 40:28.

Board Member Padilla-Campos asked if the two-year timeline remains a challenge for facilities. Dr. Cheung noted operators expressed concerns on the timeline to permit and construct a PTE. Mr. Nastri added that there are potential supply chain issues for technologies including those for monitoring and CEMS to allow facilities to meet implementation deadlines. For additional details, please refer to the [Webcast](#) beginning at 44:56.

Committee Chair McCallon expressed concern regarding significant background EtO levels and asked what is being done to address it. Mr. Nastri responded that PAR 1405 addresses known EtO sources and background EtO emission would be addressed separately. Committee Chair McCallon asked if information would be collected from all warehouses. Mr. Krause responded that information would be collected from a limited number of warehouses. For additional details, please refer to the [Webcast](#) beginning at 47:32.

Committee Chair McCallon also inquired about permitting activities for the Sterigenics facility. Jason Aspell, Deputy Executive Officer/Engineering and Permitting, responded that the application in question was delayed because the facility did not provide the designs required to process their application. Mr. Aspell added that staff has been receiving monthly updates that the design is still in progress. For additional details, please refer to the [Webcast](#) beginning at 49:10.

Maya Lopez Grasse, Alston & Bird, provided additional information regarding the Illinois facility discussed in the presentation. Ms. Lopez Grasse added that the California facilities had already begun upgrading before the PAR 1405 rulemaking started. For additional details, please refer to the [Webcast](#) beginning at 51:43.

Joseph Hower, Ramboll, agreed with Mr. Aspell's description of the application processing with Sterigenics. However, the Sterigenics facilities are currently under negative pressure, and that the facility could not shut down for many months to make upgrades because of potential impacts to sterilized product availability. For additional details, please refer to the [Webcast](#) beginning at 53:21.

5. Update on Proposed Amended Rule 1180 - Major Petroleum Refinery Fenceline and Community Air Monitoring and Proposed Rule 1180.1 – Other Refinery Fenceline and Community Air Monitoring

Heather Farr, Planning & Rules Manager/Planning, Rule Development and Implementation, provided a summary of Proposed Amended Rule 1180 and Proposed Rule 1180.1 to broaden fenceline and community air monitoring requirements to include smaller refineries and facilities with operations related to refineries. For additional details, please refer to the [Webcast](#) beginning at 55:06.

Board Member Padilla-Campos asked for clarification on how the monitoring stations are funded and asked if the nearby communities would be notified about

refinery air monitoring station installations. Committee Vice Chair Mitchell sought clarification on scheduled hearing dates. Committee Chair McCallon asked if the rules are tied to the current Senate Bill 674 (SB 674) and suggested another presentation to the Stationary Source Committee before the set hearing. Staff responded to comments regarding alignment with SB 674 and indicated the projected date for the Public Hearing would be January 2024. For additional details, please refer to the [Webcast](#) beginning at 1:04:22.

Cindy (no last name provided), East Yard Communities for Environmental Justice, proposed collaborating with other districts to understand the comprehensive impacts of air pollutant exposure and recommended organizing an additional evening meeting with the community. For additional details, please refer to the [Webcast](#) beginning at 1:08:58.

WRITTEN REPORTS :

6. 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.

7. Notice of Violation Penalty Summary

The report was acknowledged by the committee.

OTHER MATTERS :

8. Other Business

There was no other business to report.

9. Public Comment Period

Mr. Eder expressed concerns about not having access to presentations when attending meetings remotely. He advocated for the use of solar. For additional details, please refer to the [Webcast](#) beginning at 1:11:28.

10. Next Meeting Date

The next Stationary Source Committee meeting is scheduled for Friday, October 20, 2023 at 10:30 a.m.

Adjournment

The meeting was adjourned at 12:09 p.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 –September 15, 2023

Councilmember Michael A. Cacciotti	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
William Kelly	Board Consultant (Cacciotti)
Debra Mendelsohn.....	Board Consultant (McCallon)
Uduak-Joe Ntuk.....	Board Consultant (Solache)
Marisela Santana.....	Board Consultant (Solache)
Mark Abramowitz	Community Environmental Services
Chris Chavez.....	Coalition for Clean Air
Cindy.....	East Yard Communities for Environmental Justice
Curtis Coleman.....	Southern California Air Quality Alliance
Ramine Cromartie.....	WSPA
Harvey Eder.....	Public Solar Power Coalition
Maya Lopez Grasse.....	Alston & Bird
Joe Hower.....	Ramboll
Dan McGivney.....	SoCalGas
Bethmarie Quiambao.....	Southern California Edison
Bill Quinn.....	CCEEB
Scott Weaver.....	Ramboll
Jason Aspell	South Coast AQMD staff
Bhaskar Chandan.....	South Coast AQMD staff
Kalam Cheung.....	South Coast AQMD staff
Heather Farr.....	South Coast AQMD staff
Bayron Gilchrist.....	South Coast AQMD staff
Kathryn Higgins.....	South Coast AQMD staff
Sheri Hanizavareh.....	South Coast AQMD staff
Mark Henninger.....	South Coast AQMD staff
Aaron Katzenstein.....	South Coast AQMD staff
Michael Krause.....	South Coast AQMD staff
Howard Lee.....	South Coast AQMD staff
Jason Low.....	South Coast AQMD staff
Ian MacMillan.....	South Coast AQMD staff
Terrance Mann.....	South Coast AQMD staff
Michael Morris	South Coast AQMD staff
Ron Moskowitz.....	South Coast AQMD staff
Wayne Nastri.....	South Coast AQMD staff
Andrea Polidori.....	South Coast AQMD staff
Sarah Rees.....	South Coast AQMD staff
Catherine Rodriguez.....	South Coast AQMD staff
Lisa Tanaka O’Malley.....	South Coast AQMD staff
Mae Wang.....	South Coast AQMD staff
Jillian Wong	South Coast AQMD staff
Paul Wright.....	South Coast AQMD staff
Victor Yip	South Coast AQMD staff

September 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.

- Provided NSR Equivalency Program summary to CARB
- RECLAIM/NSR Working Group meeting was not held in September
- Next presentation to the Stationary Source Committee is scheduled for October 20, 2023
- Next meeting scheduled for November 9, 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 (08/01/2023 - 08/31/2023)

Total Penalties

Civil Settlement: \$138,075.00
Hearing Board Settlement: \$2,000.00
MSPAP Settlement: \$78,684.00

Total Cash Settlements: \$218,759.00

Fiscal Year through 08/31/2023 Cash Total: \$813,730.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
Civil						
115394	AES ALAMITOS, LLC	2004, 3002	08/04/2023	KCM	P66892	\$2,850.00
115389	AES HUNTINGTON BEACH, LLC	2004, 2012 Appendix A	08/04/2023	KCM	P66881, P66889	\$4,400.00
185801	BERRY PETROLEUM COMPANY, LLC	2004, 3002	08/09/2023	JL	P66548, P68323, P69282	\$24,591.00
190249	CAREY HELLMAN	40 CFR 61.145, 1403	08/23/2023	SP	P67512	\$35,000.00
162551	CE ALLENCOMPANY, INC. DBA ALLENCO	203, 463, 1148.1	08/23/2023	SH	P66538, P66539, P66541, P73323, P75509, P75513	\$10,000.00
90739	COUNTY OF RIVERSIDE FLEET SRVCS DEPT.	461	08/02/2023	RL	P75218, P75224, P75226, P75227, P75228, P75229, P75230, P77901, P77902, P77903, P77904, P77905	\$7,500.00
7417	EASTERN MUNICIPAL WATER DISTRICT	203, 3002	08/16/2023	SP	P67448, P73506, P75854	\$7,500.00
1703	EASTERN MUNICIPAL WATER DISTRICT	203, 431.1, 3002, 3004	08/16/2023	SP	P61124, P67447, P72926, P73504, P75853	\$7,500.00
52835	G&M OIL CO., LLC #30	203	08/23/2023	EC	P70496, P70500	\$8,485.00
119218	G&M OIL CO., LLC #81	203, 461	08/23/2023	EC	P70484	\$2,342.00
145969	G&M OIL CO., #139	203	08/23/2023	EC	P70499	\$2,342.00
179126	SO CAL REMEDIATION, INC.	1403	08/03/2023		P70507, P67485, P74592, P74585	\$7,500.00
				ND		
191387	SUPERIOR CARPET & DESIGN CENTER	40 CFR 61.145, 1403	08/22/2023	RM	P74222	\$500.00
146612	US HENDY OIL, INC.	203, 461	08/04/2023	ND	P66036, P70067, P72201, P74829	\$17,565.00
Total Civil Settlements: \$138,075.00						

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
Hearing Board						
112573	FREUND BAKING COMPANY	1153.1	08/16/2023	JL	6226-1	\$2,000.00
Total Hearing Board Settlements: \$2,000.00						
MSPAP						
198679	2619 WILSHIRE BLVD ASSOCIATES, LLC	203, 222	08/25/2023	CL	P76540	\$2,927.00
179806	5201 W CENTURY BLVD, INC.	203, 461, H&S 41960	08/11/2023	CL	P75724	\$2,552.00
176080	BARJA, INC. - DBA A1 SHELL	461, H&S 41960	08/04/2023	CL	P75719	\$1,756.00
5023	CAL ST UNIV LONG BEACH - EH&S	461	08/11/2023	CL	P76259	\$2,677.00
83386	CALIFORNIA HIGHWAY PATROL	203, 461	08/04/2023	CL	P67742	\$2,442.00
174184	CANOGA PARK SHELL	461	08/25/2023	VA	P77729	\$1,343.00
169951	CHEVRON GAS & FOOD STORE	461	08/25/2023	VA	P68165	\$1,494.00
179152	FLYERS ENERGY, LLC.	461	08/04/2023	CL	P73117	\$2,427.00
119218	G&M OIL CO., LLC #81	203	08/04/2023	CL	P78666	\$1,171.00
182163	GM&J LASER CUTTING	201, 203	08/11/2023	CL	P75424	\$3,063.00
187918	HM COLLISION	109	08/25/2023	CL	P67746	\$2,142.00
97020	HONDA R&D NORTH AMERICAS, INC.	203, 461	08/25/2023	CL	P78311	\$6,126.00
167482	HOUSE OF CLEANERS	203	08/04/2023	CL	P73239	\$1,021.00
191302	INLAND CENTER SHELL	203	08/25/2023	CL	P76175	\$1,121.00
131628	KINDRED HOSPITAL OF LOS ANGELES	222, 1415	08/09/2023	CL	P78410	\$2,042.00
127621	LA COUNTY FIRE DEPT #187	461	08/04/2023	CL	P73166	\$1,300.00
27024	LA COUNTY SHERIFF'S DEPT.	461	08/11/2023	CL	P76262	\$887.00
184839	M2 UNITED, INC.	461	08/25/2023	CL	P69885	\$1,301.00
20280	METAL SURFACES INTERNATIONAL, LLC	203, 1469	08/04/2023	CL	P74790	\$5,764.00
199080	NATIONAL CORE	403	08/11/2023	CL	P76261	\$6,447.00
193896	NCK INDUSTRIES	203	08/04/2023	CL	P74560	\$1,071.00
177169	PACIFIC ENVIRONMENTAL & ABATEMENT	1403	08/25/2023	CL	P76223	\$1,942.00
127546	PMM, INC.	461, H&S 41960.2	08/25/2023	CL	P78678	\$1,305.00
174589	RISSER SURGERY CENTER	203	08/25/2023	CL	P78005	\$971.00
182291	RIVER ROAD X_PRESS CAR WASH	203, 461	08/25/2023	CL	P69900, P78753	\$7,500.00
142730	SANG HAN ENTERPRISE, INC.	203, 461	08/04/2023	VA	P75710	\$1,343.00
110467	LEON'S UNOCAL	203, 461, H&S 41960.2	08/04/2023	CL	P76167	\$3,276.00
177508	VEN TERRA ENVIRONMENTAL, INC.	1403	08/23/2023	CL	P74562	\$7,389.00
179162	VICTORY VALERO - HASSAKE ENT, INC.	203, 461	08/25/2023	CL	P74827, P75458	\$3,884.00
Total MSPAP Settlements: \$78,684.00						

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

REGULATION I - GENERAL PROVISIONS

Rule 109 Recordkeeping for Volatile Organic Compound Emissions

REGULATION II - PERMITS

Rule 201 Permit to Construct

Rule 203 Permit to Operate

Rule 222 Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II

REGULATION IV - PROHIBITIONS

Rule 403 Fugitive Dust- Pertains to solid particulate matter emitted from man-made activities

Rule 431.1 Sulfur Content of Gaseous Fuels

Rule 461 Gasoline Transfer and Dispensing

Rule 463 Storage of Organic Liquids

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1148.1 Oil and Gas Production Wells

Rule 1153.1 Emissions of Oxides of Nitrogen from Commercial Food Ovens

REGULATION XIV - TOXICS

Rule 1403 Asbestos Emissions from Demolition/Renovation Activities

Rule 1415 Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems

Rule 1466 Control of Particulate Emissions from Soils with Toxic Air Contaminants

Rule 1469 Hexavalent Chromium Emissions from Chrome Plating and Chromic Acid Anodizing Operations

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

Rule 2004 Requirements

Rule 2012 Appendix A

Protocol for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO_x) Emissions

REGULATION XXX- TITLE V PERMITS

Rule 3002 Requirements

Rule 3004 Permit Types and Content

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

CODE OF FEDERAL REGULATIONS

40 CFR 61.145 Standard for Demolition and Renovation

CALIFORNIA HEALTH AND SAFETY CODE

41960 Certification of Gasoline Vapor Recovery System

41960.2 Gasoline Vapor Recovery

42402 Violation of Emission Limitations – Civil Penalty