

BOARD MEETING DATE: March 1, 2024

AGENDA NO. 17

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee held a hybrid meeting on Friday, February 16, 2024. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Mayor Pro Tem Larry McCallon, Chair
Stationary Source Committee

JA:cr

Committee Members

Present: Mayor Pro Tem Larry McCallon, Committee Chair
Supervisor Holly J. Mitchell, Committee Vice Chair
Chair Vanessa Delgado
Vice Chair Michael A. Cacciotti
Mayor José Luis Solache

Absent: 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 ITEMS:

1. Update on Proposed Amended Rule 1118 – Control of Emissions from Refinery Flares

Michael Krause, Assistant Deputy Executive Officer/Planning, Rule Development and Implementation, presented an overview of Proposed Amended Rule 1118 (PAR 1118), which will achieve further emission reductions from refinery flares and fulfill an AB 617 CERP air quality priority. For additional details please refer to the [Webcast](#) beginning at 4:05.

Vice Chair Cacciotti asked for clarification regarding how facilities can achieve the annual throughput threshold for non-hydrogen clean service flares and asked if the changes are reasonable and cost effective. Mr. Krause replied on approaches that facilities can achieve the annual throughput threshold, which have been determined to be cost effective. For additional details please refer to the [Webcast](#) beginning at 12:35.

Committee Vice Chair Mitchell sought further clarification as to why the process to develop this amendment took so long considering this commitment was made during the 2017 amendments. Mr. Krause explained that time was needed for the refineries to submit scoping documents required from 2017 amendments and that staff resources were limited due to the same staff working on the development of Rule 1109.1. For additional details please refer to the [Webcast](#) beginning at 14:30.

Committee Chair McCallon inquired about the possibility of the socioeconomic report being provided to the Stationary Source Committee instead of waiting until the Public Hearing. Mr. Krause explained state law requires the socioeconomic impact analysis to be released 30 days in advance of the Public Hearing date and the assessment is prepared after the cost-effective analysis is conducted, and rule proposals are developed and finalized. Chief Operating Officer Susan Nakamura stated that staff is trying to accelerate the socioeconomic analysis, and noted that results of cost-effectiveness analysis are being provided to the Committee and presented at the Public Workshop. For additional details please refer to the [Webcast](#) beginning at 15:47.

Julia May, Communities for a Better Environment, stated that preventing flaring is cost-effective and the rule should propose a more stringent SO_x performance target threshold as well as include a new VOC annual performance target. For additional details please refer to the [Webcast](#) beginning at 17:42.

Oscar Espino Padron, Earthjustice, supported Julia May's comments and recommended the addition of a VOC annual performance standard. For additional details please refer to the [Webcast](#) beginning at 21:17.

Harvey Eder, Public Solar Power Coalition, suggested using the knowledge gained from this rule development to be applied to dairy farms where the methane emissions can be controlled through flaring. For additional details please refer to the [Webcast](#) beginning at 23:03

2. Annual RECLAIM Audit Report for 2022 Compliance Year

Jason Aspell, Deputy Executive Officer/Engineering and Permitting, presented an overview of the RECLAIM NO_x and SO_x Annual Report for Compliance Year 2022, and the actions required under Rule 2015 - Backstop Provisions resulting from NO_x RECLAIM Trading Credit price threshold exceedances. For additional details please refer to the [Webcast](#) beginning at 27:12.

There were no comments received by Committee members and from the public.

WRITTEN REPORTS:

3. 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.

4. Notice of Violation Penalty Summary

Board Vice Chair Cacciotti pointed out Macera Crematory's Rule 203 violation settlement and asked if South Coast AQMD regulates crematories and what is the process. Terrence Mann, Deputy Executive Officer/Compliance and Enforcement, responded that the South Coast AQMD regulates crematories and their emissions. Mr. Mann noted the violations had to do with permit conditions and source testing. Board Vice Chair Cacciotti asked if staff goes to the site and regularly do inspections. Mr. Mann confirmed the community raised their concerns about this facility and inspectors frequently perform onsite inspections and surveillance. For additional details please refer to the [Webcast](#) beginning at 41:41.

OTHER MATTERS:

5. Other Business

There was no other business to report.

6. Public Comment Period

Mr. Eder commented on the SunShot Initiative and expressed concerns over the number of deaths caused by air pollution and political and economic equity. For additional details please refer to the [Webcast](#) beginning at 43:44.

8. Next Meeting Date

The next Stationary Source Committee meeting is scheduled for Friday, March 15, 2024 at 10:30 a.m.

Adjournment

The meeting was adjourned at 11:15 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 –February 16, 2024

Councilmember Michael A. Cacciotti	South Coast AQMD Board Member
Senator Vanessa Delgado (Ret)	South Coast AQMD Board Member
Mayor Pro Tem Larry McCallon	South Coast AQMD Board Member
Supervisor Holly J. Mitchell	South Coast AQMD Board Member
Mayor José Luis Solache	South Coast AQMD Board Member
Uduak-Joe Ntuk	Board Consultant (Solache)
Mark Taylor	Board Consultant (Rodriguez)
Mark Abramowitz	Community Environmental Services
Ramine Cromartie	WSPA
Harvey Eder	Public Solar Power Coalition
Oscar Espino Padron	Earthjustice
Bill LaMarr	California Alliance of Small Business Associations
Julia May	Communities for a Better Environment
Bill Pearce	The Boeing Company
Derrick Alatorre	South Coast AQMD staff
Jason Aspell	South Coast AQMD staff
Barbara Baird	South Coast AQMD staff
Cindy Bustillos	South Coast AQMD staff
De Groeneveld	South Coast AQMD staff
Sheri Hanizavareh	South Coast AQMD staff
Anissa Heard-Johnson	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
Terrence Mann	South Coast AQMD staff
Ian MacMillian	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
Jillian Wong	South Coast AQMD staff
Paul Wright	South Coast AQMD staff
Victor Yip	South Coast AQMD staff

February 2024 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 February
- Next meeting planned for first quarter 2024 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 (01/01/2024 - 01/31/2024)

Total Penalties

Civil Settlement: \$576,773.15

MSPAP Settlement: \$183,408.00

Total Cash Settlements: \$760,181.15

Total SEP Value: \$0.00

Fiscal Year through 01/31/2024 Cash Total: \$3,207,707.43

Fiscal Year through 01/31/2024 SEP Value Only Total: \$628,125.00

Fac ID	Company Name	Rule Number	Init	Notice Nbrs	Total Settlement
Civil					
139787	A&J ENVIRONMENTAL SVC'S, INC.	1166	SH	P70471	\$500.00
147514	ASBESTOS REMOVAL, INC. (DBA "SIRRIS ABATEMENT")	1403	ND	P70511, P74420, P74440	\$11,124.50
107656	CALMAT, CO.	403, 2004	RM	P66092, P66878, P78351	\$8,800.00
162293	CALTRANS - DIST 8	1403, 40 CFR 61.145	RM	P70417, P70418, P73605, P73610	\$8,259.00
119219	CHIQUITA CANYON, LLC	402, 802,1403, H&S 41700, 40 CFR 61.145	MR/KR	P67619, P69440, P69441, P70537, P70538, P70539, P70541, P70542, P70543, P70544, P70545, P70547, P70548, P70549, P74321, P74402, P74403, P74404, P74405, P74406, P74410, P74441, P74444, P74552, P74555, P74559, P74565, P74566, P74573, P74575	\$308,944.00
190075	CORONA WINDOW COVERINGS, LLC	109, 203	SP	P74173, P74199	\$2,500.00
13854	EAST LOS ANGELES COLLEGE	1146.1, 1470, 3002, 3003, 3004	SP	P65577, P68857, P74007, P74012, P74020	\$12,000.00

Fac ID	Company Name	Rule Number	Init	Notice Nbrs	Total Settlement
155202	GORDON RHYS TILLEY (DBA "RHYS TILLEY'S 76")	203, 461	ND	P66030	\$2,049.25
166541	JHA ENVIRONMENTAL, INC.	1466	SH	P74315	\$750.00
236	K&L ANODIZING CORP.	203, 1426, 1469	SH	P75258	\$3,000.00
192851	MACERA CREMATORY	203	NS	P77603, P77606	\$49,663.95
182970	MATRIX OIL, CORP.	1173, 2004	EC	P73328, P75655	\$20,500.00
193509	MURRIETA SHELL CENTER	461	EC	P73115, P73134	\$1,500.00
165356	NATIONAL ENGINEERING CONSULTING GROUP	403, 1466	RM	P67427, P69820, P69821, P70274, P70275, P70276, P70277, P70287, P70288, P74317, P74318	\$33,000.00
190070	NEW PERSHING APARTMENTS	203	SH	P68856	\$1,000.00
69646	OC WASTE & RECYCLING, FRB	3002	KCM	P65521, P65522, P74706, P74726	\$13,200.00
151448	QUALITY ENVIRONMENTAL, INC.	1403	ND	P74416, P76204, P76224, P78954	\$25,480.70
16947	SERV-RITE MEAT CO., INC.	203, 402, H&S 41700	ND	P74015, P75302, P75956, P76550	\$24,883.75
184146	SOUTH CORONA 76	203	ND	P70373	\$2,927.50
194634	SYLVANA KALITERNA	1403	JL	P73405	\$750.00
191698	SYNERGY OIL & GAS, LLC	203, 463, 1173	JL	P74381, P74383, P74384	\$24,500.00
800436	TESORO REFINING AND MARKETING CO.	463, 1118, 3002, 40 CFR 61.145	DH	P68979, P68981, P68982	\$2,500.00
800067	THE BOEING COMPANY	1466, 2004	SH	P66945, P67316, P72857, P72864, P74314	\$6,000.00
146165	TIM GREENLEAF ENGINEERING	1403, 40 CFR 61.145	ND	P70125, P70126, P70127	\$1,756.50
800393	VALERO WILMINGTON ASPHALT PLANT	2004	SH	P66097	\$6,500.00
193543	WISHING WELL MOBILE HOME PARK, LLC	1403, 40 CFR 61.145	ND	P70128	\$4,684.00
Total Civil Settlements: \$576,773.15					

Fac ID	Company Name	Rule Number	Init	Notice Nbrs	Total Settlement
MSPAP					
147207	11951 WEST HOLDINGS LLC	201	CL	P75715	\$2,042.00
187575	7 ELEVEN #38198	461	CL	P76164	\$3,522.00
144029	7 ELEVEN #33242	203	VB	P78672, P78682	\$3,513.00
137221	ADDISON EQUIPMENT RENTAL	461	VB	P78359	\$2,034.00
129216	ALLEN INDUSTRIAL & MACHINE	1469	CL	P76118	\$2,552.00
99512	ALTERNATIVE TECHNOLOGIES, INC.	1403	CL	P74584	\$11,500.00
121448	AMERICAN SERVICES GROUP OF CA, INC.	1403	VB	P76218	\$1,942.00
41167	ANDY'S AUTO CENTER, INC.	461	CL	P79061	\$1,365.00
125297	ARCO #5802	203, 461	CL	P66032	\$1,365.00
152617	ARCO KAVIR, INC.	461, H&S 41960.2	CL	P74833	\$3,063.00
192972	AXAR, INC.	203	CL	P76176	\$1,942.00
158829	BENDER READY MIX	203	CL	P75619	\$1,021.00
179267	BIO LAB, INC.	203	CL	P73925, P73926	\$8,168.00
129388	BONAKDAR'S CHEVRON	461, H&S 41960.2	CL	P70492	\$3,884.00
180046	C.T. PROPANE	461	CL	P75454	\$1,756.00
117680	CAPITAN, LLC	461	VB	P77728	\$1,735.00
124868	CINTAS CORPORATION NO. 3	1146	CL	P75418	\$1,802.00
150796	CITY OF GARDENA	461	CL	P75316	\$485.00
9032	CITY OF REDONDO BEACH -CITY YARD	461	CL	P78322	\$2,142.00
133119	CITY OF REDONDO BEACH FIRE STATION #1	201, 203	CL	P78323	\$1,742.00
31222	CITY RENTALS	461	VB	P78360	\$2,108.00
18063	CRANE RENTAL SERVICE, INC.	203	CL	P66944	\$736.00
182569	DAD'S MOBIL, INC.	203, 461	VB	P68166	\$2,225.00
129981	DAVDA CHEVRON MART (DBA "HASMUKH DAVDA DBA")	461	CL	P77731	\$2,342.00
175212	DAWUD'S MOBIL, INC.	461	CL	P77733	\$2,342.00
196297	EPI CONSTRUCTION, INC.	1403	CL	P74599	\$1,173.00
201331	FARNHAM CONSTRUCTION, INC.	403	CL	P78324	\$843.00
97465	GD HEIL, INC.	1403	CL	P74598	\$1,456.00
199464	G&M OIL COMPANY #211	461, H&S 41960.2	CL	P79053	\$1,456.00
122599	GAR LABS	1146	VB	P75438	\$2,427.00
108346	GOLF N STUFF	461	CL	P75318	\$1,531.00

Fac ID	Company Name	Rule Number	Init	Notice Nbrs	Total Settlement
154407	GREEN VALLEY MARKET	461	VB	P72980	\$8,342.00
175062	GURKIRPA PROPERTIES, INC.	461, H&S 41960.2	CL	P73132	\$3,513.00
193014	GUZMAN ENERGY PACIFIC CLARK LEASE	203	CL	P73270	\$867.00
178313	H&S ENERGY, LLC.	461	CL	P69878	\$1,237.00
197980	HANG FAN TRUCKING, INC.	13 CCR 2485	CL	P76257	\$1,381.00
190543	HERC RENTALS	203	VB	P70342	\$6,557.00
177513	HM PETROLEUM GROUP, INC. (DBA "ZY OIL")	461	VB	P75731	\$4,030.00
155320	HMZ, INC.	461	CL	P66042	\$910.00
195279	JET AVIATION CALIFORNIA, LLC	203	CL	P62782	\$971.00
177731	K&R SERVICES	203, 461	VB	P78757, P78766	\$3,029.00
196839	LENNAR/DOLCE	403	CL	P76456	\$4,605.00
162013	LEXINGTON ENT, INC. (DBA "CENTURY CITY 76")	203, 461	CL	P77712	\$1,164.00
172571	LOS ANGELES UNIFIED SCHOOL DISTRICT	1470	CL	P75980	\$971.00
165580	M&Z ENTERPRISES, INC.	461	CL	P77724	\$1,990.00
200515	M3 GRADING & EXCAVATION, INC.	403	VB	P75250	\$6,797.00
53333	MC JACKS CORVETTE, INC.	203	CL	P77605	\$646.00
188124	MERCURY GSE	13 CCR 2460	CL	P74033	\$969.00
199067	MERITAGE HOMES/BERGAMOT	403	CL	P76469	\$6,797.00
94872	METAL CONTAINER CORP	3002	CL	P63838	\$510.00
71144	METROPOLITAN WATER DIST OF SO CAL	1403, 40 CFR 61.145	CL	P79154	\$1,020.00
172423	MOBIL LA CIENEGA ZIBA INVESTMENTS, CORP.	461, H&S 41960	CL	P75735	\$1,021.00
110868	MODEL CLEANERS, INC.	203, 206, 1102	CL	P74476	\$2,145.00
159282	MOWBRAY'S TREE SERVICE	13 CCR 2460	CL	P62794	\$921.00
118059	NABHAN CHEVRON (DBA "SIMAAN NABHAN")	203	CL	P70487	\$867.00
163251	OASIS CLEANERS	203	CL	P74025	\$728.00
182812	OIL LEE	203, 461, H&S 41960.2	VB	P70498	\$4,595.00
174540	PELLISSIER SHELL	461	VB	P77656	\$1,021.00
33973	REDLANDS UNI SCHOOL DIST	461	CL	P79309	\$1,365.00
161908	RIO RANCHO SUPER MALL , LLC	203	CL	P75214	\$776.00
98581	ROBERTSONS READY MIX	1157	CL	P80103	\$4,182.00

Fac ID	Company Name	Rule Number	Init	Notice Nbrs	Total Settlement
18451	SAN GORGONIO PASS MEM HOSP DIST	203	CL	P80151	\$3,884.00
163841	SNR FUEL	461	VB	P66037	\$1,365.00
17415	SO. PASADENA PUBLIC WORKS DEPT.	461	CL	P75983	\$2,427.00
14477	CITY OF SO. PASADENA	461	VB	P75984	\$585.00
146691	SUPERCHARGED, INC	203, 461	VB	P75720	\$2,781.00
109414	THE PLANTATION GOLF CLUB, INC.	461	CL	P79314	\$1,446.00
178670	TORRANCE 76	201, 203, 461	VB	P78674	\$6,850.00
143205	US PETRO, INC.	203	VB	P76173	\$1,171.00
122269	CITY OF VERNON FIRE STATON #1	203, 461	CL	P78419, P78420	\$3,048.00
200409	WEST COAST MANUFACTURING	203	VB	P77613	\$971.00
199400	PALO VERDE WILLIAMS HOMES	403, 403.1	VB	P76471	\$8,739.00
Total MSPAP Settlements: \$183,408.00					

SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX FOR JANUARY 2024 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 206 Posting of Permit to Operate

REGULATION IV - PROHIBITIONS

Rule 402 Nuisance
Rule 403 Fugitive Dust
Rule 403.1 Wind Entrainment of Fugitive Dust
Rule 461 Gasoline Transfer and Dispensing
Rule 463 Storage of Organic Liquids

REGULATION VIII - ORDERS FOR ABATEMENT

Rule 802 Order for Abatement

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1102 Petroleum Solvent Dry Cleaners
Rule 1118 Emissions from Refinery Flares
Rule 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters
Rule 1146.1 Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters
Rule 1157 PM10 Emission Reductions from Aggregate And Related Operations
Rule 1166 Volatile Organic Compound Emissions from Decontamination of Soil
Rule 1173 Fugitive Emissions of Volatile Organic Compounds

REGULATION XIV - TOXICS

Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
Rule 1426 Emissions from Metal Finishing Operations
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
Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX
FOR JANUARY 2024 PENALTY REPORT**

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

Rule 2004 Requirements

REGULATION XXX- TITLE V PERMITS

Rule 3002 Requirements

Rule 3003 Applications

Rule 3004 Permit Types and Content

CODE OF FEDERAL REGULATIONS

40 CFR 61.145 Standard for Demolition and Renovation

CALIFORNIA HEALTH AND SAFETY CODE

41700 Prohibited Discharges

41960 Certification of Gasoline Vapor Recovery System

41960.2 Gasoline Vapor Recovery

CALIFORNIA CODE OF REGULATIONS

13 CCR 2460 Portable Equipment Testing Requirements

13 CCR 2485 Airborne Toxic Control Measure to Limit Diesel-Fueled Commercial Motor Vehicle Idling