



South Coast
Air Quality Management District
21865 Copley Drive, Diamond Bar, CA 91765
(909) 396-2000, www.aqmd.gov

STATIONARY SOURCE COMMITTEE MEETING

Committee Members

Council Member Ben Benoit, Chair
Senator Vanessa Delgado (Ret.)
Supervisor Janice Hahn
Mayor Judith Mitchell
Supervisor V. Manuel Perez
Supervisor Janice Rutherford

October 18, 2019 ♦ 10:30 a.m. ♦ Conference Room CC8
21865 Copley Dr., Diamond Bar, CA 91765

TELECONFERENCE LOCATIONS

Wildomar City Hall
City Council Chambers
23873 Clinton Keith Road
Wildomar, CA 92595

Rolling Hills Estates
City Hall
4045 Palos Verdes Dr. North
Rolling Hills Estates, CA 90274

302 West 5th Street
Suite 200
San Pedro, CA 90731

8575 Haven Ave.
Ste. 110
Rancho Cucamonga, CA 91730

(The public may attend at any location listed above.)

Call-in for listening purposes only is available by dialing:

Toll Free: 866-244-8528

Listen Only Passcode: 5821432

In addition, a webcast is available for viewing and listening at:

<http://www.aqmd.gov/home/library/webcasts>

AGENDA

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't. Code Section 54854.3(a)). Please provide a Request to Address the Committee card to the Committee Secretary if you wish to address the Committee on an agenda item. If no cards are available, please notify South Coast AQMD staff or a Board Member of your desire to speak. All agendas for regular meetings are posted at South Coast AQMD, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the regular meeting. Speakers may be limited to three (3) minutes each.

CALL TO ORDER

INFORMATION ITEMS (Items 1-2)

1. **Summary of Proposed Rule 1480 –Ambient Monitoring and Sampling of Metal Toxic Air Contaminants.** (15 mins.) Susan Nakamura
(No Motion Required)
Assistant Deputy
Executive Officer
Proposed Rule 1480 will establish requirements for ambient monitoring of certain metal toxic air contaminants for facilities that meet specific criteria. Proposed Rule 1480 includes provisions for reducing the frequency of monitoring, and ceasing monitoring and sampling.
(Written Material Attached)

2. **RECLAIM Quarterly Report – 6th Update** (10 mins.) Susan Nakamura
(No Motion Required)
Staff will provide an update on the transition of NO_x RECLAIM facilities to a command-and-control regulatory program.
(Written Material Attached)

WRITTEN REPORTS (Items 3-4)

- 3 **Twelve-month and Three-month Rolling Price of 2018 and 2019 Compliance Years RTCs** Amir Dejbakhsh
(No Motion Required)
Acting Deputy
Executive Officer
The attached quarterly report summarizes the twelve-month and three-month Rolling average prices of NO_x and SO_x RTCs.
(Written Material Attached)

4. **Notice of Violation Penalty Summary** Bayron Gilchrist,
(No Motion Required)
General Counsel
This report provides the total penalties settled in September of 2019 which includes Civil, Supplemental Environmental Projects, Mutual Settlement Assessment Penalty Program, Hearing Board and Miscellaneous.
(Written Material Attached)

OTHER MATTERS

5. **Other Business**
Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter, or may take action to direct staff to place a matter of business on a future agenda. (Gov't. Code Section 54954.2)

6. Public Comment Period

At the end of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's authority that is not on the agenda. Speakers may be limited to three (3) minutes each.

7. Next Meeting Date: November 15, 2019 at 10:30 a.m.

ADJOURNMENT

Americans with Disabilities Act

The agenda and documents in the agenda packet will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't. Code Section 54954.2(a)). Disability-related accommodations will also be made available to allow participation in the Stationary Source Committee meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please contact Catherine Rodriguez at 909.396-2735 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to Crodriguez@aqmd.gov.

Document Availability

All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available prior to the meeting for public review at the South Coast Air Quality Management District, Public Information Center, 21865 Copley Drive, Diamond Bar, CA 91765.



Proposed Rule 1480

Ambient Monitoring and Sampling of Metal Toxic Air Contaminants

Stationary Source Committee

October 18, 2019

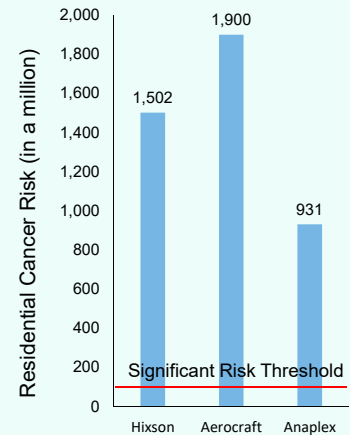
Background

- PR 1480 is an ambient monitoring and sampling rule for metal toxic air contaminants (TACs)
- During the 2018 rule development of amendments to Rule 1469 (chrome plating and anodizing)
 - Community representatives requested that ambient air monitoring be incorporated into Rule 1469
 - Metal Finishing Association of Southern California commented that ambient monitoring should not be specific to Rule 1469 sources - many different industries emit metal TACs
- Ambient monitoring was not included in Rule 1469, and is being addressed in PR 1480 to be more consistent across all metal TAC emitting facilities
- PR 1480 was developed through a public process – Nine Working Group meetings starting in 2018



Need for PR 1480

- Through ambient monitoring, South Coast AQMD has found elevated levels of metal TACs near some facilities with metal TAC emissions
- Some facilities had estimated health risks well over the Rule 1402 Significant Risk Threshold
- Monitoring of metal TACs while permanent pollution controls are being installed – can take years
- PR 1480 will require facilities that meet specific criteria to conduct ambient monitoring until permanent pollution controls are installed under a Rule 1402 Risk Reduction Plan



3

Rule 1402 Potentially High Risk Level Facility

- Rule 1402 establishes health risk thresholds for existing facilities
- Facilities that are expected to or have exceeded the Significant Risk Level (cancer risk > 100 in-a-million) can be determined to be a Potentially High Risk Level Facility



Three facilities have been determined to be Potentially High Risk Level Facilities since this provision was added to Rule 1402 in 2016

4

PR 1480 Complements Rule 1402

- PR 1480 uses a similar approach as the Rule 1402 Potentially High Risk Level facility to identify facilities that will be required to conduct monitoring and sampling
- PR 1480 will complement Rule 1402
 - PR 1480 provides additional information to ensure Metal TACs don't increase
 - Requires notification when levels of metal TACs are elevated



5

Potentially Affected Industries



Potentially Affected Industries

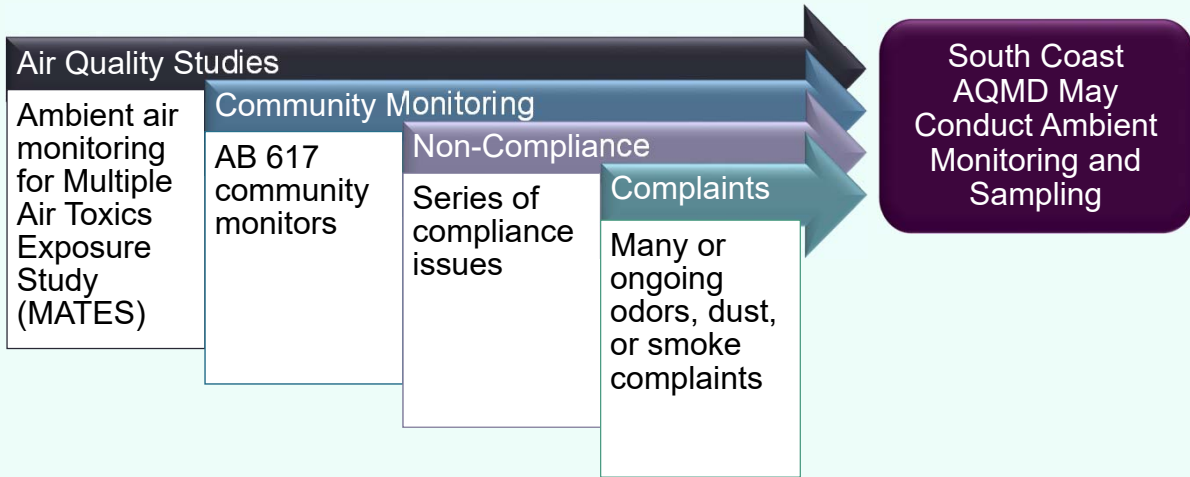
- Metal grinding and buffing
- Metal melting
- Forges and other hot metal work
- Welding and hot cutting (without use of lubricants)
- Metal heat treating
- Chromate-based primers
- Chromic acid anodizing and plating
- Metal scrapyards and recyclers
- Cement facilities

Metal TACs

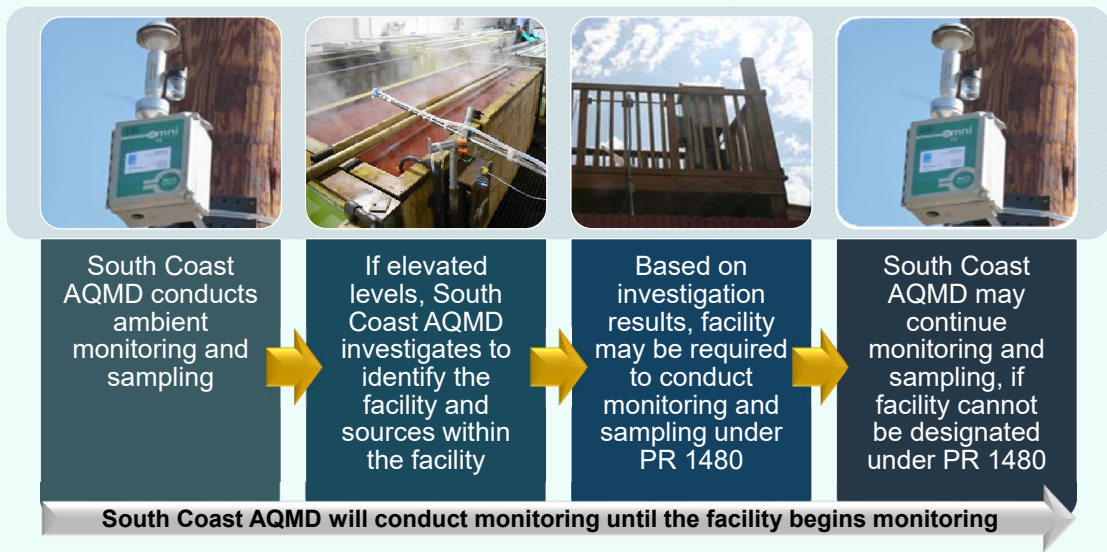
- Arsenic
- Cadmium
- Hexavalent Chromium
- Manganese
- Mercury
- Nickel
- Selenium

6

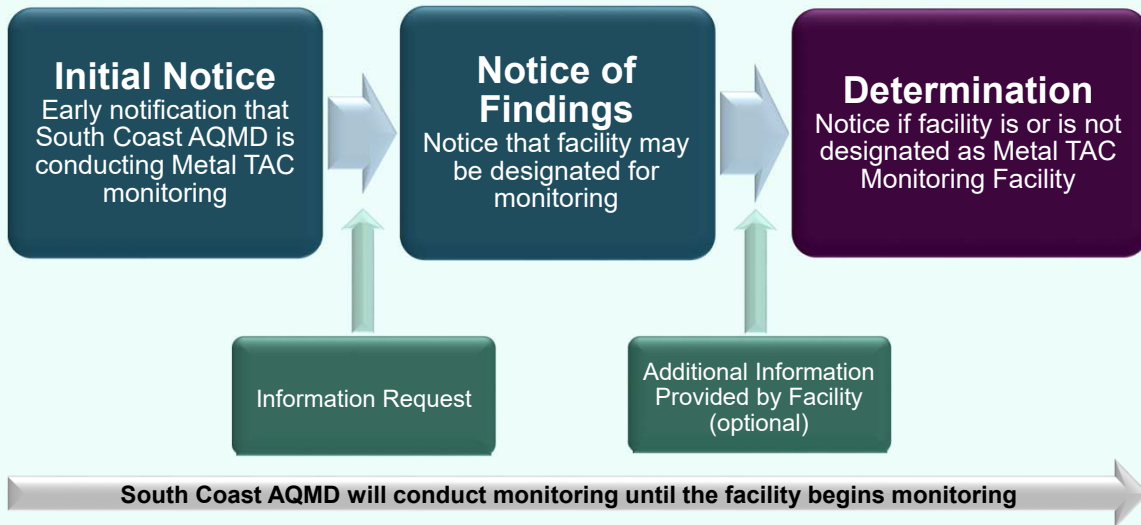
Possible Pathways South Coast AQMD Initiates Facility-Specific Monitoring



General Approach to PR 1480



Designation Process



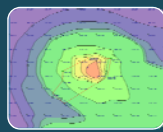
Criteria to Designate a Facility as a Metal TAC Monitoring Facility



Facility has equipment or processes with Metal TAC emissions



Metal TAC emissions capable of being released into ambient air

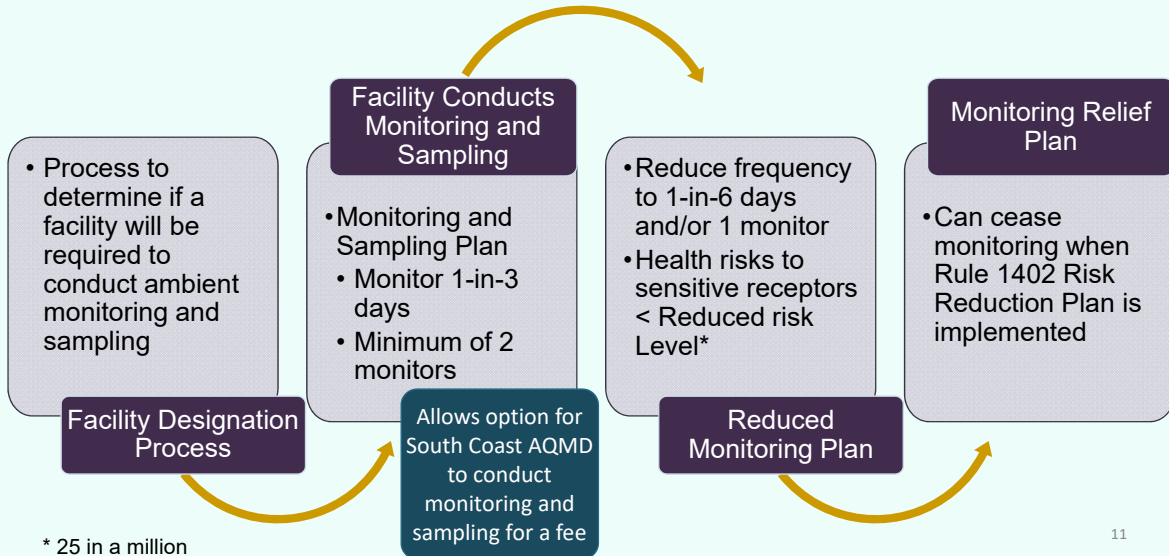


Facility emissions met or exceeded Significant Risk Level at a sensitive receptor using air dispersion modeling

Significant Risk Threshold:

- Cancer risk of 100 in one million; or
- Non-cancer Chronic Hazard Index of 5

PR 1480 Overview



Key Issue #1 – Designation Process

Comment	Response
Additional time needed to gather information to respond to a Notice of Findings	<ul style="list-style-type: none"> • PR 1480 Initial Notice provides at least 30 days before the Notice of Findings is issued • Allows time for owner or operator to collect information • 60 days is sufficient for the owner or operator to respond to a Notice of Findings since the operator has the opportunity to begin collecting information after the Initial Notice is received

Key Issue #2 – Monitoring and Sampling Costs

Comment	Response
Substantial additional costs for facilities to conduct monitoring and sampling while implementing measures to reduce emissions	<ul style="list-style-type: none"> • Expect that facility can meet criteria for Reduced Monitoring in 1 year • Owner or operator can use a third party contractor • South Coast AQMD fees can be reduced if monitor is sited within facility fence line and only 1 field staff is needed

Comparison of Annual Monitoring and Sampling Fees

- ▶ Facility electing to have the South Coast AQMD conduct monitoring and sampling would pay quarterly fees
- ▶ A facility may reduce the fees by qualifying and implementing a Reduced Alternative Monitoring and Sampling Plan
- ▶ Further reductions can occur if only one staff is needed (depends on monitoring siting)

Alternative Monitoring and Sampling Plan

- 2 Hexavalent Chromium Monitors
- 1-in-3 Day Sampling Frequency
- 1-2 Staff

\$114,000-
\$164,000



Reduced Alternative Monitoring and Sampling Plan

- 1 Hexavalent Chromium Monitor
- 1-in-6 Day Sampling Frequency
- 1-2 Staff

\$40,000-
\$60,000

Schedule

Set Hearing

November 1, 2019

Public Hearing

December 6, 2019



NOx RECLAIM Quarterly Update

STATIONARY SOURCE COMMITTEE
OCTOBER 18, 2019

Previous Quarter Update “At a Glance”



RECLAIM Working Group Meetings
1st New Source Review Working Group Meeting



Rule Development
• 8 Working Group Meetings
• 1 Public Workshop

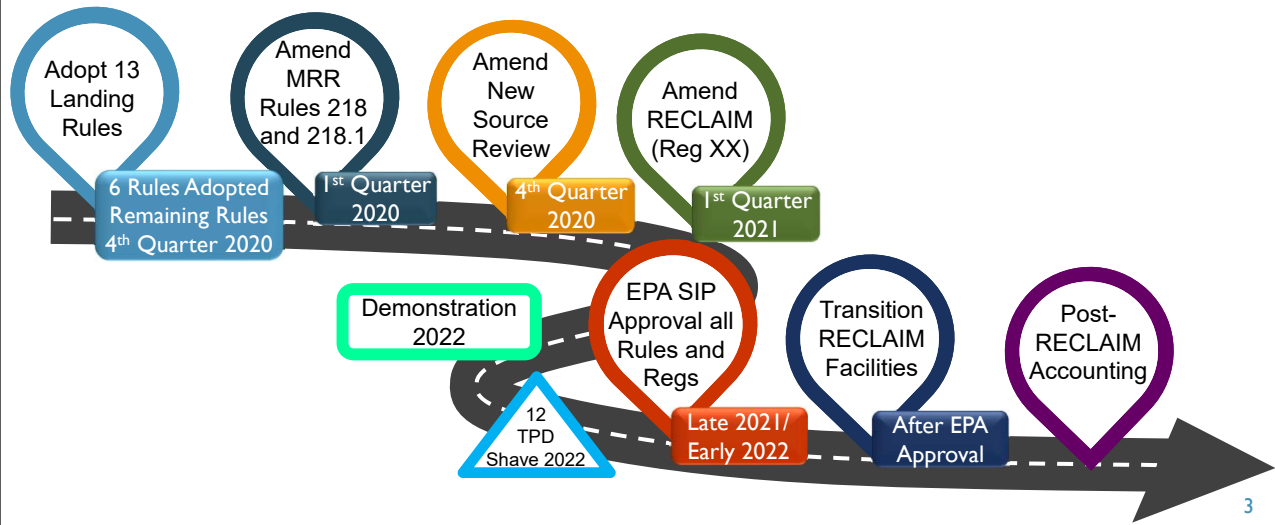


Rule 2001
Amended July 12, 2019



Discussions with EPA
• 5 conference calls
• Face-to-face meeting

Road to Transitioning RECLAIM to Command-and-Control



RECLAIM Working Group Meetings

Discussions with EPA NSR Applicability and Offsetting

- During discussions on Key Issue #2, U.S. EPA raised concerns regarding NSR applicability and offsetting calculations
- Subsequent discussions with U.S. EPA occurred to understand EPA's concerns and possible paths forward
- Updating RECLAIM Working Group on these discussions
- Sit working on details and possible options

SIP Commitment

- In 2022, total RTC allocations for RECLAIM will be 14.5 tons per day (tpd) (12 tpd shave)
- Staff is proposing a programmatic demonstration that will show actual emissions below 14.5 tpd
- Staff is proposing a one-time equivalency demonstration

June 2019

- Discussed EPA's comments regarding NSR applicability and offsetting
- Presented staff's initial proposal to revise the NSR applicability test and offsetting calculation based on U.S. EPA's comments
- Provided update on rulemaking for landing rules

September 2019

- Presented a summary of the face-to-face meeting with U.S. EPA
- Discussed initial recommendations for programmatic equivalency demonstration for Federal CAA 110(l)
- Provided update on rulemaking for landing rules

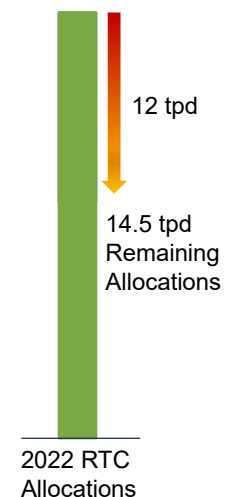
Update on Discussions with U.S. EPA

- Face-to-face meeting with U.S. EPA Region IX on August 15, 2019
- Discussed
 - Rulemaking status
 - Federal CAA 110(I) Demonstration of Existing NOx RECLAIM SIP Commitment
 - Confirmation of NSR applicability and offsetting recommendations
 - Concepts for reducing the demand for offsets

5

Federal CAA 110(I) Demonstration

- Federal CAA 110(I) requires an equivalency demonstration of SIP to achieve the 12 tpd NOx RECLAIM Trading Credit (RTC) shave
 - Total RTC allocations after the 12 tpd shave is 14.5 tpd
- Initial Recommendation:
 - One-time programmatic demonstration showing actual emissions below 14.5 tpd
 - Can use future effective rule compliance dates, if needed
 - Submit with RECLAIM SIP submittal in ~2022 timeframe



6

NSR Issues Discussed with Working Group

- U.S. EPA identified two issues with the SCAQMD's Regulation XIII New Source program for major polluting facilities (e.g. NO_x PTE > 10 tons/year) that are modifying an existing source
 - Issue 1: Method to determine applicability; and
 - Issue 2: Method to determine amount of offsets required when the applicability is triggered
- Proposed changes will result in more BACT installations and offsets for modifications at major polluting facilities
- Proposed changes do not affect:
 - Modifications at minor facilities (e.g. NO_x PTE < 10 tons/year)
 - New equipment at any facility

7

Stakeholder Comments

Federal CAA 110(l)
Demonstration

- Demonstration not necessary because RECLAIM was designed to be equivalent to command-and-control (which establishes BARCT)

Rule 2005 Post-RECLAIM

- Consider retaining Rule 2005 post-RECLAIM

Regulation XIII Post-RECLAIM

- Consider not reconciling Regulation XIII with federal NSR

Applicability Determination
and Offsetting for
Major Polluting Facilities

- Explore continued use of PTE-to-PTE applicability test because of inclusion of minor sources
- Explore use of baseline actuals-to-projected actuals

8

Second Version of RECLAIM Transition Plan

- March 2018 release the first version of the RECLAIM Transition Plan
- Stakeholders have asked for an update to the transition plan
- Staff is working on a second version
 - Update on current approach - exit facilities from RECLAIM after Regulation XIII, landing rules, and Regulation XX are SIP approved
 - Update on adoption/amendment of landing rules
 - Discussion of New Source Review issues



9

Rulemaking Status

PAR 1110.2



Gaseous- and Liquid-Fueled Engines

- Maintaining existing NOx concentration
- Public Hearing: November 2019

PR 1109.1



Refinery Equipment

- May 3, 2019 Board approved contracts for two third party consults for review of BARCT assessment
- Staff is close to completing BARCT assessment
- Public Hearing: 2nd Quarter 2020

PAR 218 & 218.1



Monitoring, Reporting, and Recordkeeping – Continuous Emissions Monitoring Systems

- Applicable to non-RECLAIM and RECLAIM facilities
- Specifying CEMS requirements and performance standards
- Public Hearing: 1st Quarter 2020

PAR 1117



Glass Melting Furnaces

- Affects 2 facilities
- Both using new NOx control equipment
- Public Hearing: 1st Quarter 2020

10

Rulemaking Status (Continued)

PAR 1147



Miscellaneous Combustion Sources

- Conducting BARCT analysis – coordinate with PR 1147.1, 1147.2, and 1147.3
- Public Hearing: 1st Quarter 2020

PR 1147.1



Large Miscellaneous Combustion Sources

- Conducting BARCT analysis
- Public Hearing: 1st Quarter 2020

PR 1147.2



Metal Melting Facilities

- Conducting BARCT analysis
- Public Hearing: 1st Quarter 2020

PR 1147.3



Aggregate Facilities

- Staff in data gathering phase
- Public Hearing: 3rd Quarter 2020

11

On-Going Efforts and Next Steps

- Monthly RECLAIM Working Group and Regulation XIII New Source Review Working Group meetings
- Continue rulemaking activities
- Continue working with U.S. EPA, CARB, and stakeholders on addressing NSR issues
- Update RECLAIM Transition Plan

12



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

Twelve-Month and Three-Month Rolling Average Price of Compliance Years 2018 and 2019 NOx and SOx RTCs

October 2019 Quarterly Report to Stationary Source Committee

Table I

Twelve-Month Rolling Average Price Data for Compliance Year 2018 NOx RTCs
(Report to Governing Board if rolling average price greater than \$22,500/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2018 NOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-18	Jan-17 to Dec-17	91.6	\$974,592	3	\$10,639
Feb-18	Feb-17 to Jan-18	91.6	\$974,592	3	\$10,639
Mar-18	Mar-17 to Feb-18	100.7	\$1,041,091	4	\$10,337
Apr-18	Apr-17 to Mar-18	51.6	\$497,246	5	\$9,643
May-18	May-17 to Apr-18	56.6	\$527,075	8	\$9,320
Jun-18	Jun-17 to May-18	53.1	\$502,575	7	\$9,473
Jul-18	Jul-17 to Jun-18	72.6	\$625,883	14	\$8,618
Aug-18	Aug-17 to Jul-18	80.0	\$660,279	19	\$8,251
Sep-18	Sep-17 to Aug-18	86.8	\$698,621	28	\$8,050
Oct-18	Oct-17 to Sep-18	104.3	\$759,871	29	\$7,287
Nov-18	Nov-17 to Oct-18	196.3	\$1,069,361	47	\$5,447
Dec-18	Dec-17 to Nov-18	167.5	\$706,811	49	\$4,219
Jan-19	Jan-18 to Dec-18	270.4	\$1,023,944	57	\$3,786
Feb-19	Feb-18 to Jan-19	521.6	\$1,460,268	87	\$2,800
Mar-19	Mar-18 to Feb-19	625.6	\$1,534,266	97	\$2,452
Apr-19	Apr-18 to Mar-19	636.4	\$1,581,537	98	\$2,485
May-19	May-18 to Apr-19	666.4	\$1,695,472	117	\$2,544
Jun-19	Jun-18 to May-19	668.6	\$1,703,114	119	\$2,547
Jul-19	Jul-18 to Jun-19	674.0	\$1,657,307	118	\$2,459
Aug-19	Aug-18 to Jul-19	962.7	\$2,405,920	136	\$2,499

Twelve-Month Rolling Average Price Data for Compliance Year 2018 NOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Sep-19	Sep-18 to Aug-19	997.3	\$2,480,300	146	\$2,487
Oct-19	Oct-18 to Sep-19	Compliance Year 2018 RTCs can no longer be traded after August 2019			

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

Table II

Twelve-Month Rolling Average Price Data for Compliance Year 2019 NOx RTCs
(Report to Governing Board if rolling average price greater than \$22,500/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2019 NOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-19	Jan-18 to Dec-18	18.2	\$103,000	5	\$5,646
Feb-19	Feb-18 to Jan-19	19.0	\$108,200	6	\$5,682
Mar-19	Mar-18 to Feb-19	19.0	\$108,200	6	\$5,682
Apr-19	Apr-18 to Mar-19	29.6	\$181,921	8	\$6,153
May-19	May-18 to Apr-19	30.2	\$186,852	9	\$6,182
Jun-19	Jun-18 to May-19	31.2	\$195,323	10	\$6,256
Jul-19	Jul-18 to Jun-19	44.3	\$278,708	14	\$6,288
Aug-19	Aug-18 to Jul-19	54.2	\$336,213	18	\$6,200
Sep-19	Sep-18 to Aug-19	57.0	\$352,313	22	\$6,184
Oct-19	Oct-18 to Sep-19	119.7	\$639,468	28	\$5,343

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

Table III

Three-Month Rolling Average Price Data for Compliance Year 2018 NOx RTCs
 (Report to Governing Board if rolling average price greater than \$35,000/ton)

Three-Month Rolling Average Price Data for Compliance Year 2018 NOx RTC					
Reporting Month	3-Month Period	Total Volume Traded with Price During Past 3-month (tons)	Total Price of Volume Traded During Past 3-month (\$)	Number of Trades with Price	Rolling Average Price (\$/ton)
Jan-18	Oct-17 to Dec-17	38.1	\$400,092	1	\$10,500
Feb-18	Nov-17 to Jan-18	38.1	\$400,092	1	\$10,500
Mar-18	Dec-17 to Feb-18	9.1	\$66,499	1	\$7,300
Apr-18	Jan-18 to Mar-18	10.0	\$72,654	3	\$7,295
May-18	Feb-18 to Apr-18	15.0	\$102,483	6	\$6,855
Jun-18	Mar-18 to May-18	5.8	\$35,984	5	\$6,160
Jul-18	Apr-18 to Jun-18	24.6	\$153,137	10	\$6,235
Aug-18	May-18 to Jul-18	27.0	\$157,704	12	\$5,848
Sep-18	Jun-18 to Aug-18	33.7	\$196,046	21	\$5,813
Oct-18	Jul-18 to Sep-18	31.7	\$133,988	15	\$4,233
Nov-18	Aug-18 to Oct-18	116.3	\$409,081	28	\$3,517
Dec-18	Sep-18 to Nov-18	118.9	\$408,282	22	\$3,435
Jan-19	Oct-18 to Dec-18	204.3	\$664,165	29	\$3,251
Feb-19	Nov-18 to Jan-19	363.4	\$790,999	41	\$2,177
Mar-19	Dec-18 to Feb-19	467.2	\$893,954	49	\$1,914
Apr-19	Jan-19 to Mar-19	375.9	\$630,248	44	\$1,677
May-19	Feb-19 to Apr-19	159.8	\$337,688	36	\$2,113
Jun-19	Mar-19 to May-19	48.8	\$204,832	27	\$4,196
Jul-19	Apr-19 to Jun-19	62.2	\$228,907	30	\$3,681
Aug-19	May-19 to Jul-19	323.2	\$868,151	31	\$2,686
Sep-19	Jun-19 to Aug-19	362.5	\$973,231	48	\$2,685
Oct-19	Jul-19 to Sep-19	Compliance Year 2018 RTCs can no longer be traded after August 2019			

Table IV

Three-Month Rolling Average Price Data for Compliance Year 2019 NOx RTCs
(Report to Governing Board if rolling average price greater than \$35,000/ton)

Three-Month Rolling Average Price Data for Compliance Year 2019 NOx RTC					
Reporting Month	3-Month Period	Total Volume Traded with Price During Past 3-month (tons)	Total Price of Volume Traded During Past 3-month (\$)	Number of Trades with Price	Rolling Average Price (\$/ton)
Jan-19	Oct-18 to Dec-18	18.2	\$102,300	4	\$5,621
Feb-19	Nov-18 to Jan-19	19.0	\$107,500	5	\$5,658
Mar-19	Dec-18 to Feb-19	14.0	\$80,000	4	\$5,714
Apr-19	Jan-19 to Mar-19	11.3	\$78,922	3	\$6,969
May-19	Feb-19 to Apr-19	11.2	\$78,653	3	\$7,034
Jun-19	Mar-19 to May-19	12.2	\$87,123	4	\$7,154
Jul-19	Apr-19 to Jun-19	14.8	\$96,787	6	\$6,560
Aug-19	May-19 to Jul-19	24.0	\$150,060	10	\$6,241
Sep-19	Jun-19 to Aug-19	25.8	\$157,690	13	\$6,113
Oct-19	Jul-19 to Sep-19	75.4	\$361,460	15	\$4,794

Table V

Twelve-Month Rolling Average Price Data for Compliance Year 2018 SOx RTCs
 (Report to Governing Board if rolling average price greater than \$50,000/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2018 SOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price¹ (\$/ton)
Jan-18	Jan-17 to Dec-17	None	-	-	-
Feb-18	Feb-17 to Jan-18	None	-	-	-
Mar-18	Mar-17 to Feb-18	None	-	-	-
Apr-18	Apr-17 to Mar-18	None	-	-	-
May-18	May-17 to Apr-18	None	-	-	-
Jun-18	Jun-17 to May-18	34.2	\$23,974	3	\$700
Jul-18	Jul-17 to Jun-18	34.2	\$23,974	3	\$700
Aug-18	Aug-17 to Jul-18	80.2	\$57,354	5	\$715
Sep-18	Sep-17 to Aug-18	95.2	\$67,854	6	\$713
Oct-18	Oct-17 to Sep-18	163.3	\$135,429	10	\$829
Nov-18	Nov-17 to Oct-18	173.3	\$165,429	11	\$955
Dec-18	Dec-17 to Nov-18	173.3	\$165,429	11	\$955
Jan-19	Jan-18 to Dec-18	173.3	\$165,429	11	\$955
Feb-19	Feb-18 to Jan-19	218.3	\$209,829	14	\$961
Mar-19	Mar-18 to Feb-19	259.7	\$292,629	16	\$1,127
Apr-19	Apr-18 to Mar-19	259.7	\$292,629	16	\$1,127
May-19	May-18 to Apr-19	259.7	\$292,629	16	\$1,127
Jun-19	Jun-18 to May-19	225.4	\$268,655	13	\$1,192
Jul-19	Jul-18 to Jun-19	225.4	\$268,655	13	\$1,192
Aug-19	Aug-18 to Jul-19	188.0	\$263,861	13	\$1,403
Sep-19	Sep-18 to Aug-19	182.5	\$281,861	13	\$1,544
Oct-19	Oct-18 to Sep-19	Compliance Year 2018 RTCs can no longer be traded after August 2019			

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

Table VI

Twelve-Month Rolling Average Price Data for Compliance Year 2019 SOx RTCs
 (Report to Governing Board if rolling average price greater than \$50,000/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2019 SOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price¹ (\$/ton)
Jan-19	Jan-18 to Dec-18	None	-	-	-
Feb-19	Feb-18 to Jan-19	None	-	-	-
Mar-19	Mar-18 to Feb-19	25.0	\$50,000	1	\$2,000
Apr-19	Feb-18 to Jan-20	25.0	\$50,000	1	\$2,000
May-19	May-18 to Apr-19	25.0	\$50,000	1	\$2,000
Jun-19	Jun-18 to May-19	26.4	\$53,376	2	\$2,021
Jul-19	Jul-18 to Jun-19	26.4	\$53,376	2	\$2,021
Aug-19	Aug-18 to Jul-19	78.9	\$263,384	5	\$3,338
Sep-19	Sep-18 to Aug-19	88.9	\$315,130	7	\$3,544
Oct-19	Oct-18 to Sep-19	88.9	\$315,130	7	\$3,544

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

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

[Back to Agenda](#)

**September 2019 Settlement Penalty Report
DRAFT**

Total Penalties

Civil Settlements:	\$257,126.86
MSPAP Settlements:	\$17,450.00
Hearing Board Settlements:	\$25,000.00

Total Cash Settlements:	\$299,576.86
Total SEP Value:	\$0.00

Fiscal Year through 9 / 2019 Cash Total:	\$8,352,439.86
Fiscal Year through 9 / 2019 SEP Value Only Total:	\$0.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
Civil Settlements						
187165	ALTAIR PARAMOUNT, LLC	1176(e)(1) 3002(c)(1)	9/17/2019	TRB	P67810 P67813	\$12,000.00
151312	CA FLOOD PROS/STEAMATIC OF SAN DIEGO	40 CFR 60, QQQ 1403	9/4/2019	KCM	P35048	\$142,076.86
186129	CENTER LAKE HOTEL	40 CFR 60, QQQ 1403	9/18/2019	BST	P63316	\$12,000.00
800030	CHEVRON PRODUCTS CO.	402 H&S 41700	9/17/2019	TRB	P63385 P63386	\$20,000.00
800030	CHEVRON PRODUCTS CO.	2004	9/17/2019	TRB	P57893	\$4,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
2526	CHEVRON USA INC	463(c) 3002(c)(1)	9/24/2019	TRB	P65325	\$6,000.00
187894	GRAND SEQUOIA GLOBAL HOLDING CORPORATION	40 CFR 60, QQQ 1403	9/20/2019	NAS	P66428	\$30,000.00
186053	GRIFFITH COMPANY	403	9/20/2019	NSF	P67103 P67106	\$6,000.00
188328	JDR CONSTRUCTION	1403	9/26/2019	MJR	P67456	\$500.00
175638	KB ENVIRONMENTAL, INC.	222 1403	9/10/2019	BST	P65932	\$3,800.00
8345	LOS ANGELES VALLEY COLLEGE	203(a) 1470	9/12/2019	SH	P62177	\$5,000.00
183510	PRO CAST INDUSTRIES	203(a) 1147	9/26/2019	SH	P63712 P63713	\$5,250.00
95762	RESIDENTIAL ASBESTOS	1403	9/25/2019	DH	P65039	\$1,500.00
174711	TESORO LOGISTICS, HATHAWAY TERMINAL	1149 3002(c)(1)	9/25/2019	NSF	P60283 P67911	\$9,000.00
Total Civil Settlements: \$257,126.86						

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
MSPAP Settlements						
163110	#1 MASTER AUTO REPAIR & BODY	1151(d)(1) 1171(c)(1)	9/18/2019	TF	P68553	\$1,000.00
177904	APRO LLC DBA UNITED OIL #118	461	9/13/2019	TF	P67661	\$800.00
163747	CAPISTRANO BEACH 76	461	9/13/2019	TF	P68130	\$800.00
151215	DENT MAN INC	1171(c)(1)	9/26/2019	TF	P65598	\$500.00
139654	FIRESTONE 76	461 H&S 41960.2	9/26/2019	TF	P67665	\$2,000.00
19353	GOLDEN WEST COLLEGE, COMMUNITY COLLEGE	1146.1	9/13/2019	GC	P65159	\$1,800.00
168989	H & E EQUIPMENT SERVICES	461(c)(3)(Q)	9/26/2019	GC	P65854	\$300.00
178160	MANSHADI INVESTMENT LLC, DBA LOS FELIZ C	461	9/13/2019	TF	P67208	\$375.00
180093	MY GOODS MARKET #5669	461	9/26/2019	TF	P68129	\$800.00
155601	PADILLA'S COMPANY	1403	9/26/2019	TF	P65935	\$1,200.00
131093	PREMIERE RADIO NETWORKS	203(b)	9/13/2019	TF	P66823	\$500.00
188900	SAN BERNADINO COUNTY, FLEET MANAGEMENT	203(a)	9/26/2019	TF	P65398	\$800.00
188014	SAND CANYON COUNTRY CLUB	461(c)(2)(C)	9/13/2019	TF	P65592	\$800.00
79671	SANTA ANA UNI SCH DIST, SPURGEON INTERME	222 1415	9/13/2019	TF	P68551	\$825.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
143077	SANTA ANA UNI SCH DIST/MANUEL ESQUEDA EL	1470	9/13/2019	TF	P64094	\$400.00
142727	SEGERSTROM HIGH SCHOOL	1415	9/13/2019	TF	P68552	\$550.00
153542	SHELL STN, PALM SPGS SVC, M HOFFMAN	203	9/18/2019	TF	P36749	\$800.00
65177	TECHNO COATINGS INC	13 CCR 2460	9/26/2019	TF	P68518	\$800.00
163567	TESORO SOUTH COAST CO., CAMPUS SHELL #68	461 H&S 41960.2	9/18/2019	TF	P68124	\$800.00
143624	VALLEY PLAZA UNION 76, KO AND K INC.	461 H&S 41960.2	9/18/2019	TF	P67223	\$800.00
40674	WEBB'S AUTO & TRUCK SERVICE, R. WEBB	461 H&S 41960.2	9/26/2019	TF	P67683	\$800.00

Total MSPAP Settlements: \$17,450.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
--------	--------------	-------------	--------------	------	------------	------------------

Hearing Board Settlements

104234	MISSION FOODS CORPORATION	202 203(b) 1303 1153.1	9/26/2019	KCM	5400-4	\$25,000.00
--------	---------------------------	---------------------------------	-----------	-----	--------	-------------

Total Hearing Board Settlements: \$25,000.00

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX
FOR SEPTEMBER 2019 PENALTY REPORT**

REGULATION II - PERMITS

- Rule 202 Temporary Permit to Operate
- 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 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 1146.1 Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters
- Rule 1147 NOx Reductions from Miscellaneous Sources
- Rule 1149 Storage Tank Degassing
- 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 1171 Solvent Cleaning Operations
- Rule 1176 Sumps and Wastewater Separators

REGULATION XIII - NEW SOURCE REVIEW

- Rule 1303 Requirements

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 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

- Rule 2004 RECLAIM Program Requirements

REGULATION XXX - TITLE V PERMITS

Rule 3002 Requirements for Title V Permits

CALIFORNIA HEALTH AND SAFETY CODE

41700 Violation of General Limitations

41960.2 Gasoline Vapor Recovery

CALIFORNIA CODE OF REGULATIONS

13 CCR 2460 Portable Equipment Testing Requirements

CODE OF FEDERAL REGULATIONS

40 CFR 60, QQQ – Standards of Performance for VOC Emissions from Petroleum Refinery Wastewater