

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**

Mayor Pro Tem Ben J. Benoit, Chair Supervisor Sheila Kuehl, Vice Chair Senator Vanessa Delgado (Ret.) Board Member Veronica Padilla-Campos Vice Mayor Rex Richardson Supervisor Janice Rutherford

November 19, 2021 ♦ 10:30 a.m.

Pursuant to Assembly Bill 361 the South Coast AQMD Stationary Source Committee meeting will only be conducted via video conferencing and by telephone. Please follow the instructions below to join the meeting remotely.

**ELECTRONIC PARTICIPATION INFORMATION** (Instructions provided at bottom of the agenda)

Join Zoom Webinar Meeting - from PC or Laptop <u>https://scaqmd.zoom.us/j/94141492308</u> Zoom Webinar ID: 941 4149 2308 (applies to all) Teleconference Dial In +1 669 900 6833 One tap mobile +16699006833,94141492308#

Audience will be able to provide public comment through telephone or Zoom connection during public comment periods.

### PUBLIC COMMENT WILL STILL BE TAKEN

### **AGENDA**

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't. Code Section 54954.3(a)). If you wish to speak, raise your hand on Zoom or press Star 9 if participating by telephone. All agendas for regular meetings are posted at South Coast AQMD Headquarters, 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.

Cleaning the air that we breathe...

### CALL TO ORDER

### **ROLL CALL**

### **INFORMATIONAL ITEMS (Items 1 through 3)**

 Proposed Rule 461.1 – Gasoline Transfer and Dispensing (15 mins) 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 (*No Motion Required*) Proposed Rule 461.1 would reduce emissions from mobile fuelers by requiring use of CARB certified vapor recovery equipment for transferring and dispensing gasoline. The proposed amendments to Rule 461 would remove mobile fueling. The proposed amendments to Rule 219 and Rule 222 would require previously exempt gasoline mobile fuelers and locations where gasoline

is being dispensed to be either be permitted or registered. The proposed amendments to Rule 222 would establish the filing requirements for dispensing locations.

(Written Material Attached)

### 2. Proposed Amended Rule 1135 – Emissions of Oxides of (10 mi Nitrogen from Electricity Generating Facilities; and Proposed Rule 429.2 – Startup and Shutdown Exemption Provisions for Oxides of Nitrogen from Electricity Generating Facilities (*No Motion Required*)

Rule 1135 reduces NOx emissions from electric generating units at electricity generating facilities. Proposed Amended Rule 1135 will remove ammonia limits, address NOx emission limits for diesel internal combustion engines, update provisions for Continuous Emission Monitoring Systems, and reference Proposed Rule 429.2 for startup and shutdown requirements. Proposed Rule 429.2 will provide an exemption from Rule 1135 NOx concentration limits during startup and shutdown events for specified durations with provisions for best management practices and recordkeeping. (*Written Material Attached*)

# 3. 2020 Annual Report on AB 2588 Program (No Motion Required)

The Air Toxics "Hot Spots" Information and Assessment Act of 1987 (AB 2588) requires local air pollution control districts to prepare an annual report and present it at a public hearing. This report provides information regarding South Coast AQMD's implementation of AB 2588 through Rule 1402. This annual update describes the various activities including quadrennial emissions reporting and prioritization, preparation and review of Air Toxics Inventory

Reports, Health Risk Assessments, Voluntary Risk Reduction Plans, Risk Reduction Plans, and additional South Coast AQMD activities related to air toxics.

(Written Material Attached)

November 19, 2021

Susan Nakamura Assistant Deputy Executive Officer

(10 mins) Michael Morris Planning and Rules ides Manager

(10 mins) Ian MacMillan Assistant Deputy

Executive Officer

### WRITTEN REPORTS (Items 4 through 5)

# 4. Monthly Update of Staff's Work with U.S. EPA and CARB on New Source Susan Nakamura Review Issues for the Transition of RECLAIM Facilities to a Command-and-Control Regulatory Program (*No Motion Required*) This is a monthly update on staff's work with U.S. EPA and CARB regarding New Source Review issues related to the RECLAIM transition.

(Written Material Attached)

### 5. Notice of Violation Penalty Summary (*No Motion Required*)

This report provides the total penalties settled in October of 2021 which includes Civil, Supplemental Environmental Projects, Mutual Settlement Assessment Penalty Program, Hearing Board and Miscellaneous. (Written Material Attached)

**OTHER MATTERS** 

### 6. 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)

### 7. 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.

8. Next Meeting Date: Friday, January 21, 2022 at 10:30 a.m.

### ADJOURNMENT

### Americans with Disabilities Act and Language Accessibility

Disability and language-related accommodations can be requested to allow participation in the Stationary Source Committee meeting. The agenda will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't Code Section 54954.2(a)). In addition, other documents may be requested in alternative formats and languages. Any disability or language related accommodation must be requested as soon as practicable. Requests will be accommodated unless providing the accommodation would result in a fundamental alteration or undue burden to the South Coast AQMD. 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 <u>crodriguez@aqmd.gov</u>.

Bayron Gilchrist General Counsel

### **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 by contacting Catherine Rodriguez at (909) 396-2735, or send the request to <u>crodriguez@aqmd.gov</u>.

### **INSTRUCTIONS FOR ELECTRONIC PARTICIPATION**

### Instructions for Participating in a Virtual Meeting as an Attendee

As an attendee, you will have the opportunity to virtually raise your hand and provide public comment.

Before joining the call, please silence your other communication devices such as your cell or desk phone. This will prevent any feedback or interruptions during the meeting.

**Please note:** During the meeting, all participants will be placed on Mute by the host. You will not be able to mute or unmute your lines manually.

After each agenda item, the Chairman will announce public comment.

Speakers may be limited to a total of 3 minutes for the entirety of the consent calendar plus board calendar, and three minutes or less for each of the other agenda items.

A countdown timer will be displayed on the screen for each public comment.

If interpretation is needed, more time will be allotted.

Once you raise your hand to provide public comment, your name will be added to the speaker list. Your name will be called when it is your turn to comment. The host will then unmute your line.

### Directions for Video ZOOM on a DESKTOP/LAPTOP:

• If you would like to make a public comment, please click on the **"Raise Hand"** button on the bottom of the screen. This will signal to the host that you would like to provide a public comment and you will be added to the list.

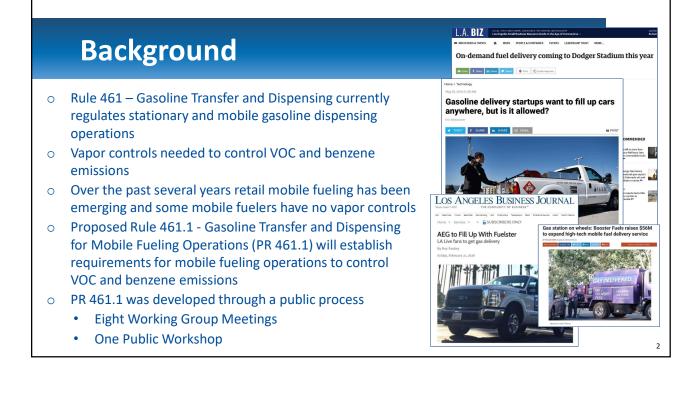
### Directions for Video Zoom on a SMARTPHONE:

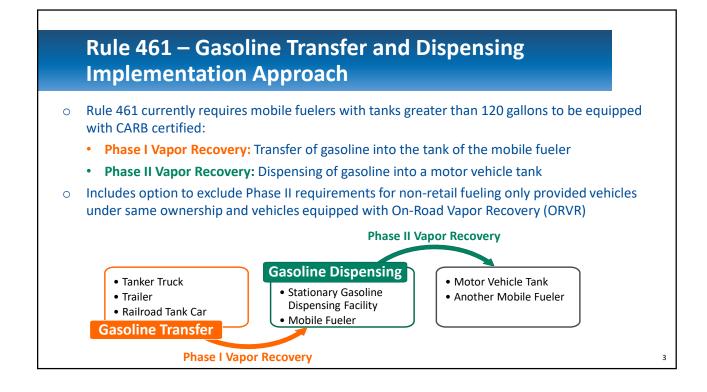
- If you would like to make a public comment, please click on the "Raise Hand" button on the bottom of your screen.
- This will signal to the host that you would like to provide a public comment and you will be added to the list.

### **Directions for TELEPHONE line only:**

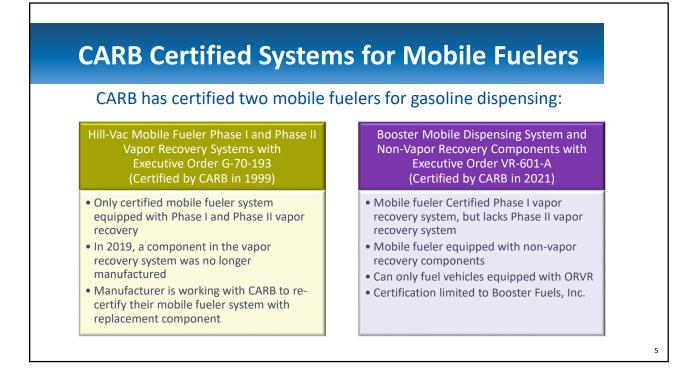
• If you would like to make public comment, please **dial \*9** on your keypad to signal that you would like to comment.







Scenario	Equipped with Phase I Vapor Recovery System?	Equipped with Phase II Vapor Recovery System?	Mobile Fueler Emissions Compared to Stationary Gasoline Dispensing Facility
Stationary gasoline dispensing	Yes	Yes	N/A
1 🚛	Yes	Yes	<ul> <li>Loading and dispensing emissions are similar to stationary dispensing facility</li> </ul>
2	Yes	No, but limited to fueling ORVR vehicles only	<ul> <li>Loading emissions are similar to stationary dispensing facility</li> <li>Dispensing emissions are higher than stationary dispensing facility<sup>1</sup></li> </ul>
3	No	No	<ul> <li>Loading emissions are 50 times higher than stationary dispensing facility</li> <li>Dispensing emissions are 20 times higher if no ORVR, compared to stationary facility</li> </ul>



### **Need for Proposed Rule 461.1**

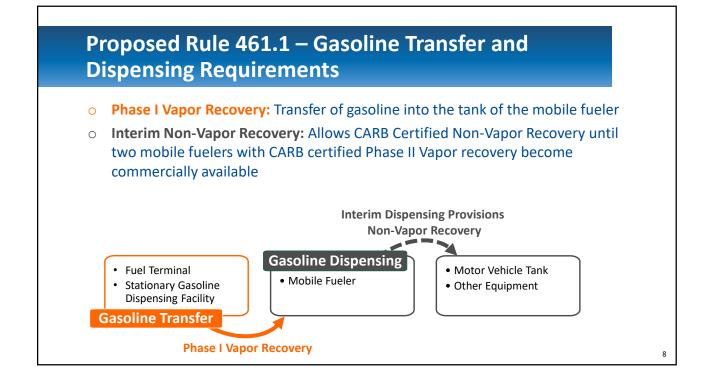
- New retail mobile fuelers cannot meet Rule 461 requirements since there is no CARB certified mobile fuelers with Phase I and Phase II vapor recovery systems
- Retail mobile fuelers with tanks 120 gallons or less are uncontrolled and currently unregulated
- Inequities between retail mobile fuelers that are required to have controls and those that are unregulated
- Proposed rulemaking will:
  - Address unregulated retail mobile fuelers
  - Align permitting requirements for mobile fuelers
  - Ensure mechanisms in place to minimize VOC and benzene emissions and to minimize public health impacts

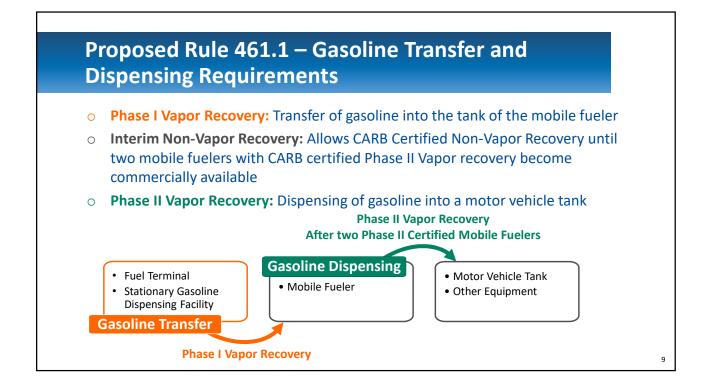
# **Key Requirements for PR 461.1**

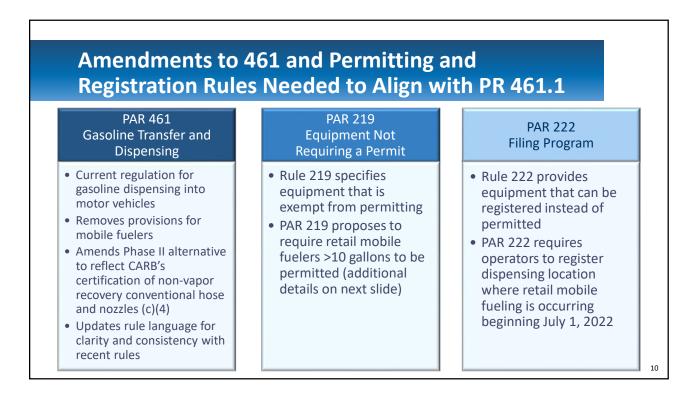
### • Applicability

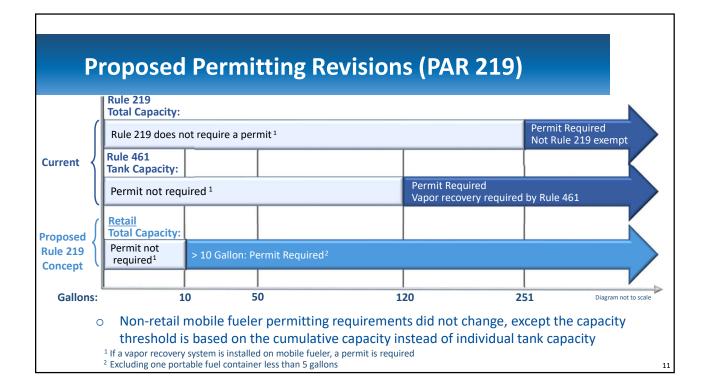
- Retail Mobile Fuelers Greater than 10 gallons
- Non-Retail Mobile Fuelers Greater than 120 gallons
- Dispensing Locations where retail mobile fuelers operate
- Dispensing Location Requirements
  - Limits dispensing of one mobile fueling company per location
  - If dispensing location is with 1,000 feet of a school, prohibits dispensing during school hours
- Additional Requirements
  - Requires mobile fueler to be certified by CARB
  - Other requirements are based on Rule 461 (e.g. recordkeeping, testing, maintenance)











# Key Issue – A Registration Should Not be Required for Operators of a Dispensing Locations

- Stakeholder Comment:
  - Operators of a dispensing location should not be required to register the location
  - South Coast AQMD can obtain dispensing location information from the operator of the mobile fueler
  - o Concerned that operators of dispensing locations may view this as an impediment
- Response:
  - Requiring the operator of the dispensing location to register:
    - o Ensures operator is aware that gasoline is being dispensed on their property
    - Provides the location of the closest school (PR 461.1 prohibits dispensing during school hours if within 1,000 feet of school)
  - o Provides assurance that only one mobile fueling company is operating at a given location
    - Each mobile fueling company will have a monthly throughput limitation
      - $\circ$   $\quad$  Mobile fueling companies do not have access to their competitors dispensing records
      - o Monthly throughput limits are critical to ensure health risks from benzene vapors are not exceeded

## **Next Steps**

Set Hearing
 December 3, 2021

 Public Hearing January 7, 2022



13



**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

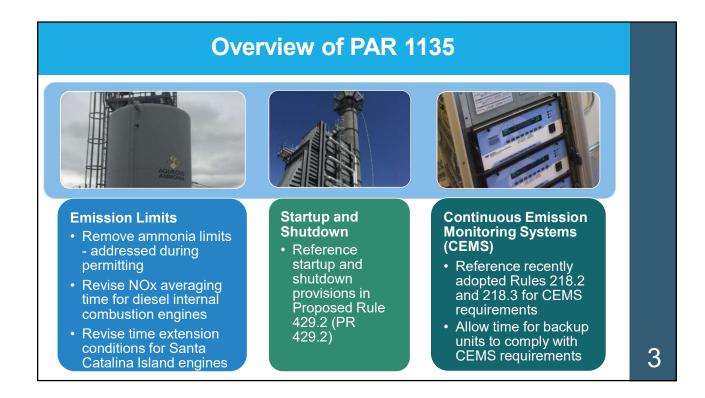


Stationary Source Committee November 19, 2021

### **Rule 1135 Background**

- Rule 1135 was adopted on August 4, 1989; last amended on November 2, 2018 to:
  - Expand the applicability to include all combustion units at electricity generating facilities and to establish NOx BARCT limits for these units
- Applies to 133 combustion units at 32 RECLAIM, non-RECLAIM, and former RECLAIM electricity generating facilities
  - Includes boilers, gas turbines, and diesel internal combustion engines
- Proposed Amended Rule 1135 (PAR 1135) will:
  - Align startup and shutdown provisions with U.S. EPA's 2015 policy
  - Remove ammonia emission limits
  - Revise provisions for Santa Catalina Island engines
  - Provide additional updates and clarifications





### Santa Catalina Island Engine Replacement Project

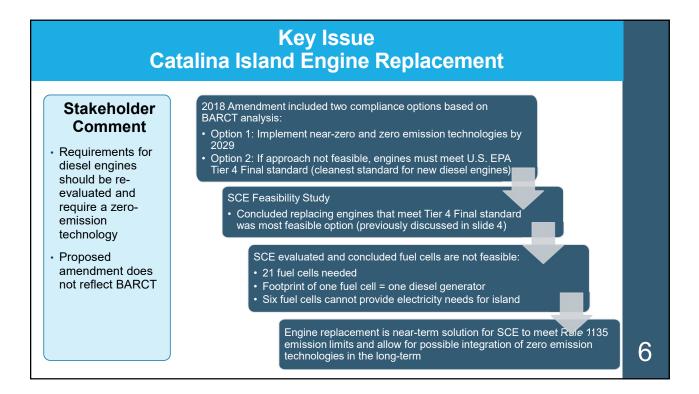
- Southern California Edison (SCE) currently provides electric generation for Catalina Island using six diesel internal combustion engines
- SCE conducted a feasibility study<sup>\*</sup>
  - Evaluated near-zero and zero emission technology options
  - Limited infrastructure, space, permitting, and land ownership considerations precluded cleaner technologies
- SCE will replace all six engines with new U.S. EPA Tier 4 Final engines to meet Rule 1135 emission limits

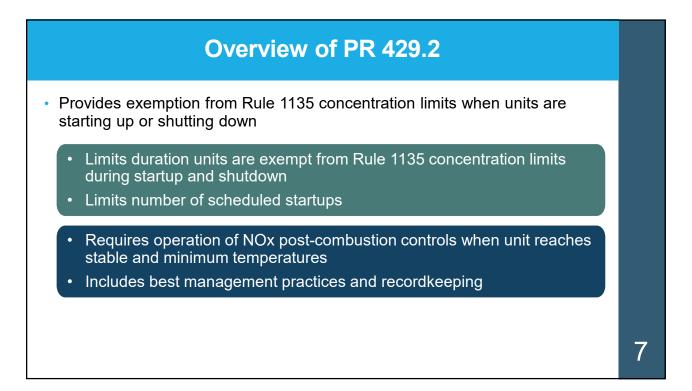


\* "Santa Catalina Island Repower Feasibility Study," authored by consulting group NV5 in partnership with the National Renewable Energy Laboratory and U.S. Environmental Protection Agency. https://www.sce.com/about-us/reliability/upgrading-transmission/catalina-repower

### **Revisions to Rule 1135 Diesel Engine Averaging Period**

- Maintain the NOx BARCT limit established in the 2018 amendment
- Revise the averaging period from 60 minutes to 3 hours
- Shorter averaging period could result in excessive restarting of engines
- Restarting engines would result in higher NOx emissions and could be challenging to provide continuous power for the island
- Revise and add time extension provisions for Catalina Island engines
  - To qualify for time extensions, facility must meet emission caps to maintain NOx emission reductions





### **Costs and Emission Reductions**

### Costs

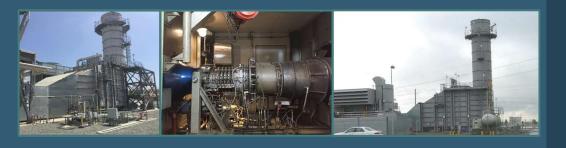
• PAR 1135 and PR 429.2 are not expected to impose any additional costs

### **Emission Reductions**

· No additional emission reductions expected

# **Next Steps**

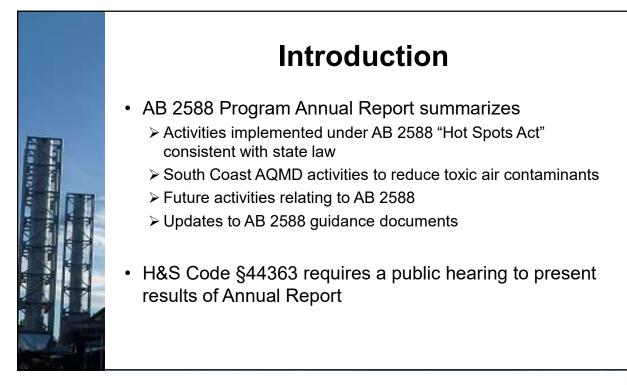
- Set Hearing scheduled for December 3, 2021
- Public Hearing scheduled for January 7, 2022

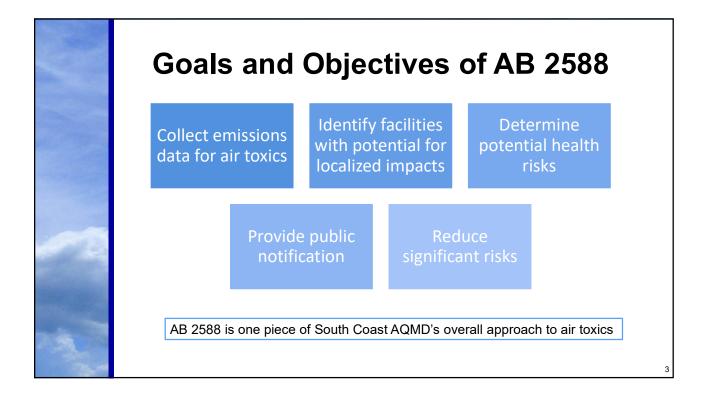


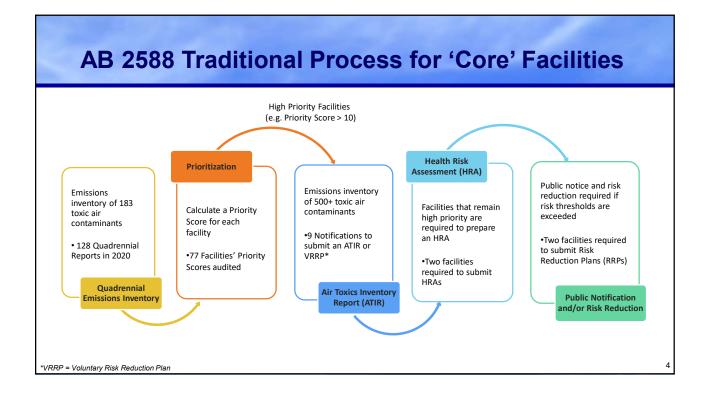


### Stationary Source Committee November 19, 2021









## Pathways for Facilities in Rule 1402

### Traditional Approach

#### Facilities with Priority Score >10 and cancer risks <100 chances in-onemillion

• Air Toxic Inventory Report

- Health Risk AssessmentPublic Notification (if cancer risks
- > 10 in-one-million)
- Risk Reduction Plan (if cancer risks > 25 in-one-million)

### Voluntary Risk Reduction Program

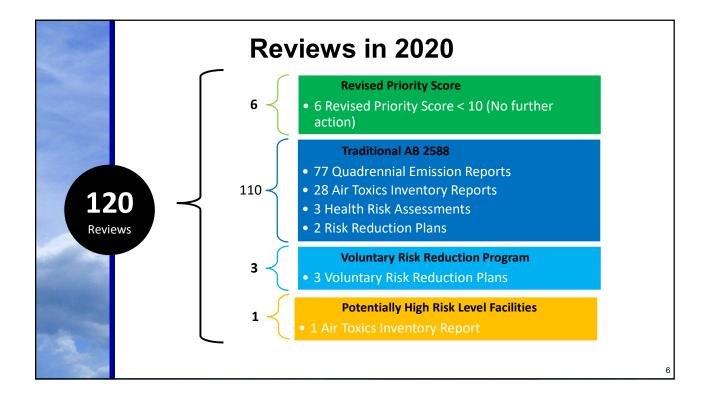
Facilities with cancer risks <100 chances in-onemillion and previously approved Health Risk Assessment

- Air Toxic Inventory Report
  Voluntary Risk Reduction Plan committing to reduce cancer
- risks below 10 in-one-million
- Modified Public Notification

### Potentially High Risk Level

#### Facilities with cancer risks ≥100 chances in-onemillion

- Early Action Reduction Plar
- Air Toxic Inventory Report
- Health Risk Assessment
- Public Notification (if cancer risks ≥ 10 per million)
- Risk Reduction Plan (if cancer risks ≥ 25 per million)



### **Other Key Toxics-Related Activities in 2020\***

Rulemaking

Development of Rule 1407.1 (adopted Jan.

chromium, nickel, cadmium, and lead from

2021) to reduce emissions of hexavalent

chromium from chromium alloy melting

Development of amendments to Rule

1426 (Adopted April 2021) to reduce

fugitive emissions of hexavalent

metal finishing facilities

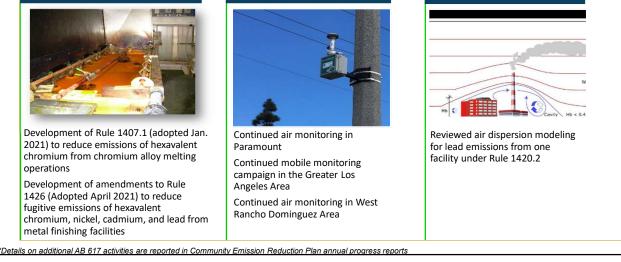
operations

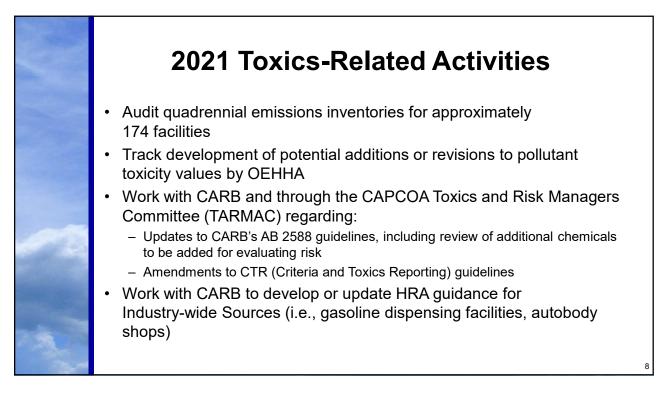
#### **Special Monitoring**



Paramount Continued mobile monitoring campaign in the Greater Los Angeles Area Continued air monitoring in West Rancho Dominguez Area

Rules 1420.2





# **Next Steps**

- Present Annual Report at Public Hearing in December
- Recommended Action:
  - Receive and File the 2020 AB 2588 Annual Report

### 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 RETROFITTERS 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	вт	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 F	Referral							
187541	F & M NETWORKING INC	1403	10/22/2021	TCF	P68804, P68805, P68806	\$19,477.69		
Total Crin	Total Criminal Referral Settlements: \$19,477.69							
Hearing B	oard							
104234	SCAQMD v. Mission Foods	202, 203(b), 1153.1, 1303	10/27/2021	KCM	5400-4	\$10,000.00		
Total Hea	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 MSF	AP 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