



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

## **STATIONARY SOURCE COMMITTEE MEETING**

### **Committee Members**

Council Member Ben Benoit, Chair  
Senator Vanessa Delgado (Ret.)  
Board Member Gideon Kracov  
Council Member Judith Mitchell  
Supervisor Janice Rutherford

**November 20, 2020 ♦ 9:30 a.m.**

**\*PLEASE NOTE TIME CHANGE\***

**Pursuant to Governor Newsom's Executive Orders N-25-20 (March 12, 2020) and N-29-20 (March 17, 2020), 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)**

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**Audience will be allowed 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, 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

### ACTION ITEM (Item 1)

- 1. Approve Financial Incentive Program to Reduce Emissions from Hexavalent Chromium Plating Facilities, Issue Program Opportunity Notices, Execute Contracts, Release Unspent Project Funds, and Reimburse General Fund (15 mins)** Jillian Wong  
Planning and Rules  
Manager

*(Motion Requested)*

As part of the Community Air Protection Program incentive funds, \$5,040,000 was allocated for projects to reduce emissions from hexavalent chromium plating facilities. Emission reductions from metal processing facilities was a recommended action in the East Los Angeles, Boyle Heights, West Commerce Community Emission Reduction Plan under AB 617. Staff is recommending establishment of a financial incentive program to assist chrome plating facilities in environmental justice communities with a focus on the AB 617 communities that are currently using chemical fume suppressants to install add-on air pollution control devices or to switch to less toxic trivalent chromium plating technologies, which would achieve emission reductions beyond existing regulatory requirements, and further decrease community exposure to hexavalent chromium. This action is to: 1) approve a financial incentive program; 2) issue two Program Opportunity Notices to solicit submission of proposals; 3) execute contracts with selected entities to implement the program; 4) release unspent projects funds to be used by the back-up list of mobile source projects; and 5) reimburse the General Fund for program administrative costs.

*(Written Material Attached)*

### INFORMATIONAL ITEMS (Items 2 through 7)

- 2. Summary of Proposed Rule 1407.1 – Control of Toxic Air Contaminant Emissions from Chromium Alloy Melting Operations (15 mins)** Michael Morris  
Planning and Rules  
Manager

Staff will provide a summary of Proposed Rule 1407.1 which will establish hexavalent chromium emission limits and fugitive emission control requirements for chromium alloy melting operations.

*(Written Material Attached)*

- 3. Summary of Proposed Rule 1150.3 – Emissions of Oxides of Nitrogen from Combustion Equipment at Landfills (15 mins)** Michael Morris

Staff will provide a summary of Proposed Rule 1150.3 and any key remaining issues.

*(Written Material Attached)*

- 4. Community Emissions Reduction Plan for Southeast Los Angeles** (10 mins) Daniel Garcia  
Planning and Rules  
Manager  
*(No Motion Required)*  
Assembly Bill 617 requires CARB to select communities for the preparation of Community Emissions Reduction Plans (CERPs) and air districts with a selected community to adopt the CERP within one year of selection. CARB selected the Southeast Los Angeles Community in December 2019. The Southeast Los Angeles CERP provides a blueprint for air pollution emission and exposure reductions to address the community's air quality priorities. The CERP also includes a description of the process to develop the plan, actions to reduce emissions and exposures, an implementation schedule and an enforcement plan.  
*(Written Material Attached)*
- 5. Community Emissions Reduction Plan for Eastern Coachella Valley** (10 mins) Daniel Garcia  
*(No Motion Required)*  
Assembly Bill 617 requires CARB to select communities for the preparation of Community Emissions Reduction Plans (CERPs) and air districts with a selected community to adopt the CERP within one year of selection. CARB selected the Eastern Coachella Valley Community in December 2019. The Eastern Coachella Valley CERP provides a blueprint for air pollution emission and exposure reductions to address the community's air quality priorities. The CERP includes a description of the process to develop the plan, actions to reduce emissions and exposures, an implementation schedule and an enforcement plan.  
*(Written Material Attached)*
- 6. Regulatory Overview of Retail Mobile Fueling Operations** (15 mins) Susan Nakamura  
Assistant Deputy  
Executive Officer  
*(No Motion Required)*  
Staff will provide regulatory background information on retail mobile fueling operations and associated regulatory gaps in existing South Coast AQMD rules.  
*(Written Material Attached)*
- 7. Update of the Flare Event Notification System** (10 mins) Michael Krause  
Planning and Rules  
Manager  
*(No Motion Required)*  
Staff will present the new features recently updated in the Flare Event Notification System (FENS).  
*(Written Material Attached)*

**WRITTEN REPORTS (Items 8 through 9)**

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

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

Bayron Gilchrist  
General Counsel

This report provides the total penalties settled in October of 2020 which includes Civil, Supplemental Environmental Projects, Mutual Settlement Assessment Penalty Program, Hearing Board and Miscellaneous.  
*(Written Material Attached)*

**OTHER MATTERS**

**10. 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)

**11. 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.

**12. Next Meeting Date:** Friday, January 22, 2021 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 [Crodriguez@aqmd.gov](mailto: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 by contacting Catherine Rodriguez at (909) 396-2735, or send the request to [Crodriguez@aqmd.gov](mailto:Crodriguez@aqmd.gov).*

## **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.

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.

# Incentive Funding Program for Hexavalent Chromium Emission Reductions at Rule 1469 Facilities

Stationary Source Committee  
November 20, 2020

## Background

- At the November 2019 Stationary Source Committee meeting staff committed to seek funding to incentivize smaller chrome plating facilities to install pollution controls in lieu of using chemical fume suppressants
- South Coast AQMD received \$5 million of CARB's Community Air Protection (CAP) funds to further reduce hexavalent chromium emissions through:
  - Installation of control devices in lieu of using chemical fume suppressants; or
  - Conversion from hexavalent chromium to trivalent chromium plating process



## Incentivizing Facilities Out of PFAS Chemical Fume Suppressants

- Rule 1469 establishes hexavalent chromium emission limits for chromium plating, anodizing, and associated processes
  - Certified chemical fume suppressants are allowed, in lieu of installing more expensive add-on pollution controls, for smaller facilities with lower throughputs
  - These facilities are typically small businesses conducting decorative plating (i.e. car parts, tools, and household items)
- Most of the certified chemical fume suppressants contain per- and polyfluoroalkyl substances (PFAS)
  - PFAS chemicals are persistent in the environment and linked to a variety of health issues
  - Air quality impact from PFAS is very small
  - Water and other environmental agencies are discussing potential bans on use of PFAS



<sup>1</sup> Staff conducted emission testing of PFAS containing chemical fume suppressants and determined that the PFAS emissions were 0.000775 mg/amp-hr

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## Proposed Incentives for Chrome Plating and Anodizing Operations

- Provide funding to chrome plating and anodizing operations to:
  - Replace chemical fume suppressants with add-on air pollution control devices; or
  - Convert from hexavalent chromium to trivalent chromium plating process or other less toxic alternatives
- Issue two Program Opportunity Notices (PON) for facilities and contractors
  - Inform facilities of program criteria
  - Staff can screen contractors to ensure they have experience installing air pollution controls
  - PONs will streamline implementation

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## Overall Approach



### Project Plan

- Prepare and Submit Project Plan to CARB for approval



### Project Opportunity Notices

- Two Program Opportunity Notices:
- Chrome Plating and Anodizing Facilities
- Equipment Contractors and Installers



### Outreach

- Community meeting
- Update the AB 617 ELABHWC Community Steering Committee
- Coordinate with Metal Finishing Association



### Implementation

- Execute contracts with facilities and contractors
- Complete by June 30, 2022

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## Challenges and Contingency

- Based on initial outreach to Rule 1469 facilities regarding this incentive program many businesses are hesitant to participate
  - Currently experiencing hardships and challenges due to COVID
  - Concerns that air pollution controls such as HEPA filtration have higher operating costs than using chemical fume suppressants
- If staff does not obtain sufficient response and qualified projects, unspent funds will be used for back-up list of mobile source projects

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## Staff Recommendations

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- Approve the financial incentive program
- Issue two Program Opportunity Notices to solicit responses from facilities and contractors
- Execute contracts with selected entities to implement the program
- Release unallocated project funds for the back-up list of mobile source projects
- Reimburse the General Fund for program administrative costs

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BOARD MEETING DATE: January 8, 2021

AGENDA NO.

**PROPOSAL:** Establish Financial Incentive Program to Reduce Hexavalent Chromium Emissions from Hexavalent Chromium Plating Facilities, Issue Program Opportunity Notices, Execute Contracts, Release Unspent Funds, and Reimburse General Fund

**SYNOPSIS:** As part of the Community Air Protection incentive funds, \$5,040,000 was approved for projects to reduce hexavalent chromium emissions from hexavalent chromium plating facilities. Emission reductions from metal processing facilities was a recommended action in the East Los Angeles, Boyle Heights, West Commerce Community Emission Reduction Plan under AB 617. Staff is recommending establishment of a financial incentive program to assist hexavalent chromium plating facilities in environmental justice communities with a focus on the AB 617 communities to implement projects which will reduce hexavalent chromium emissions beyond existing regulatory requirements and further decrease community exposure to hexavalent chromium. This action is to: 1) establish a financial incentive program to reduce hexavalent chromium emissions from hexavalent chromium plating facilities; 2) issue two Program Opportunity Notices to solicit submission of pre-proposals; 3) authorize the Executive Officer to execute contracts with selected entities to implement hexavalent chromium emission reduction projects; 4) release unallocated hexavalent chromium reduction project funds for use by the back-up list of mobile source projects; and 5) reimburse the General Fund for program administrative costs from the Community Air Protection AB 134 Fund (Fund 77).

**COMMITTEE:** Stationary Source, November 20, 2020; Recommended for Approval

## RECOMMENDED ACTIONS:

1. Establish a financial incentive program using Community Air Protection grant funding to assist chrome plating facilities in implementing projects to reduce hexavalent chromium emissions beyond regulatory requirements;
2. Approve issuance of two Program Opportunity Notices for Hexavalent Chromium Plating Facilities and Contractors;

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3. Authorize the Executive Officer to execute contracts up to \$5,040,000 to implement emission reduction projects at hexavalent chromium plating facilities from the Community Air Protection AB 134 Fund (77);
4. Release unallocated funds for projects to reduce hexavalent chromium emissions for use by the Board approved back-up list of mobile source projects; and
5. Reimburse the General Fund up to 6.25% of the CAP grant amount from the Community Air Protection AB 134 Fund (77).

Wayne Natri  
Executive Officer

PF:SN:JW:ML

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## **Background**

Under Assembly Bill 617 (AB 617) the California legislature has appropriated incentive funding to address localized air pollution in the most impacted communities for the Community Air Protection (CAP) program. In addition, under Senate Bill 856 (SB 856) which incorporated the Budget Act of 2018, the legislature appropriated additional funds and expanded the scope of new incentives to include toxic air contaminant reductions at stationary sources. To address the new funding opportunity, CARB staff released the CAP Incentives 2019 Guidelines (CAP Guidelines) which added funding guidelines for emission reductions at hexavalent chromium plating facilities, which includes chrome plating and chromic acid anodizing operations.

On April 22, 2020, staff submitted a disbursement request for CAP Year 2 incentive funding for installation of air pollution controls or use of non-hexavalent chromium metal finishing alternatives with the goal to further reduce hexavalent emissions from plating facilities that are currently using chemical fume suppressants. Hexavalent chromium is a potent carcinogen that is associated with nasal and lung cancer. The South Coast AQMD disbursement request also identified a back-up list of mobile source projects which could be funded in the event that there are not a sufficient number of plating facilities that are willing to participate in this funding opportunity. On May 27, 2020, the South Coast AQMD received the CAP Year 2 funds, with \$5,040,000 allocated to projects which reduce hexavalent chromium emissions from hexavalent chromium plating facilities.

## **Proposal**

Staff is proposing to develop a financial incentive program to further reduce hexavalent chromium emissions by providing funding for hexavalent chromium plating facilities to install add-on air pollution control devices in lieu of using chemical fume suppressants. There is an additional environmental benefit of eliminating the use of chemical fume suppressants containing per- and polyfluoroalkyl substances (PFAS) at facilities

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currently using these products. Most chemical fume suppressants contain PFAS which persist in the environment and have been linked with a variety of health problems. The program would also provide funding for facilities to convert to less toxic trivalent chromium plating operations which can eliminate the use of hexavalent chromium and PFAS chemical fume suppressants. Other projects that result in hexavalent chromium emission reductions beyond regulatory requirements may also be eligible for funding, subject to approval by CARB. Public and private entities that own hexavalent chromium plating facilities are eligible to apply and the project emission reductions must be beyond what is currently required by applicable federal, state, or local rules or regulations. Up to \$300,000 in funding is available for each project.

As part of the program, staff is preparing a Project Plan that outlines program eligibility, funding limits and reimbursement provisions. The Project Plan will follow the CAP Guidelines for hexavalent chrome plating facilities (Chapter 4), with higher project funding percentages for small businesses. Most of the facilities which currently use chemical fume suppressants are small businesses and the higher funding percentage is intended to facilitate their participation. Development of the Project Plan will include a public meeting to solicit community input on program elements. The Project Plan will also be presented to the East Los Angeles, Boyle Heights, West Commerce Community Steering Committee as an update on efforts to implement the Community Emission Reduction Plan action item to reduce emissions from metal processing facilities.

## **Program Opportunity Notices**

Staff has consulted with the initially identified facilities and some are very small businesses which do not have capacity to identify contractors to implement projects. Accordingly, staff proposes to release two Program Opportunity Notices (PON) to identify candidate facilities (PON #2020-0X) and contractors (PON #2020-0Y). Facilities meeting the criteria are encouraged to submit a response to PON 2020-0X. The facility can either identify a contractor they will be working with or indicate that they do not have a contractor identified. Contractors that have experience in installing add-on air pollution control devices or trivalent chromium system conversions are encouraged to respond to PON #2020-0Y. Once a facility is selected for the program, the facility can work with their previously identified contractor or select a contractor from the list generated by PON #2020-0Y.

In an effort to minimize paperwork and not unduly burden participating facilities, PON #2020-0X would require interested facilities to provide general facility information, a conceptual description of the intended project, estimated cost information (if available) and an anticipated schedule. PON #2020-0Y is intended to identify contractors interested in assisting facilities with the engineering design and installation of projects. Contractors would be asked to provide general company information (including experience in installing air pollution control devices or converting plating lines to trivalent chromium), general cost estimate information and resources available to provide installation services.

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A review panel will be convened and staff will attempt to include outside experts, such as CARB representatives, along with South Coast AQMD internal experts to conduct an initial feasibility review of the most promising responses to the PONs. Key considerations as part of the review process include: 1) demonstrated compliance history with federal, state, and local regulations; 2) implementation schedule; 3) experience in implementing air pollution reduction projects; and 4) demonstration that projects can meet program goals. Based on information provided in PON responses and review panel recommendations, the Executive Officer may make a funding award as a result of this solicitation. South Coast AQMD may request supplemental information from prospective contractors to develop the scope of work and budget documents as part of the contract development process. The total number of contracts will be limited by the available funding and based on current CARB guidelines.

Funds allocated for this program must be completely expended and contracts closed prior to June 30, 2022. Accordingly, staff is requesting that the Board authorize the Executive Officer to enter directly into contracts with selected facilities and contractors based on their responses to the PONs to provide as much lead time as possible for facilities to get started on implementing these important projects.

## **Outreach**

In accordance with South Coast AQMD's Procurement Policy and Procedure, a public notice advertising the Program Opportunity Notices will be published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Air Basin.

Additionally, potential participants may be notified utilizing South Coast AQMD's own electronic listing of certified minority vendors and Rule 1469 – Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations facilities. Notice of the Program Opportunity Notices will be e-mailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet on South Coast AQMD's website ([www.aqmd.gov](http://www.aqmd.gov)) where it can be viewed by making the selection "Grants & Bids." <http://www.aqmd.gov/nav/grants-bids> Information will also be available on South Coast AQMD's bidder's 24-hour telephone message line (909) 396-2724.

Staff is also proposing to collaborate with representatives from the Metal Finishing Association of Southern California to identify and reach out to candidate facilities and contractors to respond to the Program Opportunity Notices.

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## **Benefits to South Coast AQMD**

The successful implementation of this program would result in a reduction of hexavalent chromium emissions and could potentially help the transition to less toxic alternatives for decorative plating operations.

## **Resource Impacts**

The total cost of the proposed incentive program to reduce hexavalent chromium emissions will not exceed \$5,040,000. Sufficient funds are available from the CARB CAP (Year 2) grant which have been recognized into the Community Protection AB 134 Fund (77). Administrative costs will not exceed 6.25%.

## **Attachments**

1. Program Opportunity Notice for Hexavalent Chromium Plating Facilities in the South Coast Air Basin
2. Program Opportunity Notice for Identifying Contractors that Install Air Pollution Control Devices at Hexavalent Chromium Plating Facilities

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**Program Opportunity Notice**

**For**

**Hexavalent Chromium Plating Facilities**

**Interested In**

**Financial Incentive Program to Reduce Emissions at Hexavalent  
Chromium Plating Facilities**

**PON# 2020-0X**

**January 8, 2021**

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## SECTION I: INTRODUCTION

Rule 1469 - Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations establishes requirements for reducing hexavalent chromium emissions from chrome plating and anodizing facilities. Rule 1469 allows facilities with low usage to use chemical fume suppressants instead of installing more expensive add-on air pollution control devices, such as high efficiency particulate arrestor (HEPA) filters. Some of these fume suppressants may contain per- and polyfluoroalkyl (PFAS) substances which have been linked to a variety of health problems and other environmental concerns. Hexavalent chromium is a potent carcinogen and is associated with nasal and lung cancer.

*The South Coast AQMD has identified \$5,040,000 in incentive funds and is seeking hexavalent chromium plating facility owners or operators to implement hexavalent chromium emission reduction projects above and beyond current requirements of Rule 1469.*

The California Air Resources Board (CARB) has made Community Air Protection (CAP) funding available to local air districts to implement air pollution reduction projects. South Coast AQMD staff is proposing to use a portion of CAP funding to develop a hexavalent chromium emission reduction incentive program (Program) that would provide funding for hexavalent chromium plating facilities, which includes chrome plating and chromic acid anodizing facilities, to implement projects that reduce hexavalent chromium emissions beyond current regulatory requirements.

Public and private entities that own their own chromium plating facilities located within the South Coast AQMD are eligible to apply for funding.

Participating in the South Coast AQMD Program offers owners of eligible facilities to receive incentive funding for the early implementation of key air pollution reduction strategies above and beyond current regulatory requirements or ahead of potential future regulatory obligations.

## SECTION II: PURPOSE OF THIS PROGRAM OPPORTUNITY NOTICE

The purpose of this Program Opportunity Notice (or PON) is to identify owners of hexavalent chromium plating facilities located within the South Coast AQMD to implement air pollution reduction strategies and technologies at their facilities that reduce hexavalent chromium emissions and meet program objectives.

*Please note that this Program Opportunity Notice is not a traditional Request for Proposals. The South Coast AQMD is soliciting responses from hexavalent chromium plating facilities interested in hexavalent chromium emission reduction projects above and beyond the current regulatory requirements.*

A response to this Program Opportunity Notice differs from a traditional proposal in that this response will include general information and lacks the level of detail normally associated with a formal proposal. All responses will be evaluated by a Review Panel.

Based on the Review Panel recommendations of the responses to this Program Opportunity Notice, the South Coast AQMD can request additional information or make a funding award by entering into contract development with one or more Program Opportunity Notice respondents.

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The South Coast AQMD is specifically interested in identifying projects that pursue the following strategies:

- **Install add-on pollution controls in lieu of using chemical fume suppressants**
  - Add-on air pollution control devices can achieve a lower hexavalent chromium emission rate than using chemical fume suppressants alone. A higher priority will be assigned to projects that propose replacement chemical fume suppressants that contain per- and polyfluoroalkyl substances (PFAS) which are associated with a variety of health effects and other environmental concerns.
- **Conversion to the less toxic trivalent chromium plating operations or other non-toxic alternatives to hexavalent chromium**
  - The equipment needed for trivalent chromium conversion may vary by facility. Examples of equipment that may be required for trivalent chromium plating conversion include the following:
    - Trichrome plating tank
    - New plating anodes
    - Trichrome rinse tanks (including pre-rinse tank)
    - New rectifier
    - Tank air agitation system with air blower
    - Continuous filtration system
    - Tank heating/cooling system
    - Amp-hour meter/feeders with pumps
    - Ion exchange system
- **Other technologies that provide reductions that are in excess of those otherwise required by federal, State, and local rules and regulations**
  - Please note that South Coast AQMD must consult with CARB staff and receive approval to implement other technologies that are not described in the above listed examples, which have been previously approved and are taken from Chapter 4 of the CAP Funding Guidelines.

*The overall goal of this Program Opportunity Notice is to hear from eligible facilities located within South Coast AQMD's jurisdiction that are interested in implementing the types of above listed projects.*

## **SECTION III: PROGRAM ELIGIBILITY**

At the time of response submittal, the owner or operator of a facility must:

- A. Meet federal, State, or local requirements applicable to chrome plating operations.
- B. Have authority to make any necessary building modifications.

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- C. Show proof of regulatory compliance or valid operating permit.
- D. Submit quotes from at least two independent contractors. The quote from the selected contractor does not have to match the final invoice submitted for reimbursement if additional work is required for the installation, but parts and labor costs for the major components of the technology should match the initial quote.

After contract execution, the owner or operator of a facility must meet the following requirements:

- A. Maintain the control technology to manufacturer's specifications during the contract period.
- B. May not claim emissions reduction credits from the incentivized technology during the contract period.
- C. Comply with local air district requirements during the contract period, such as parameter monitoring and reporting requirements.
- D. Ensure permits for the control technology remain up-to-date and all permit requirements are met during the contract period as required by the South Coast AQMD.
- E. Maintain compliance with all federal, State, and local rules and regulations.
- F. Make replacement technology available for inspection if requested by South Coast AQMD and/or CARB staff during the contract period.

## **SECTION IV: PROJECT FUNDING**

### **Funding Limits**

Project funding limits are a total maximum grant amount of \$300,000 or \$23 per cubic foot per minute for ventilation systems, whichever is less. Based on facility information, most of the facilities relying on chemical fume suppressants as the sole source of emissions control are decorative operations which are also considered small businesses and might not be able to come up with 20% of project costs. Therefore, in order to allow for program participation, South Coast AQMD is proposing that for small businesses, 100% of the project costs are covered. Facilities would be required to maintain and operate the add-on air pollution control equipment for the term of the project, which is three years. During the project term, the facility would be responsible for ongoing operation and maintenance costs, such as electricity use. Consistent with Table 4-2 in the CAP Guidelines, except for small businesses, the project funding limits are as follows:

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<b>Funding limit</b>	<b>Decorative Operations</b>	<b>Non-Decorative Operations</b>
Maximum total grant amount, including initial performance test	\$300,000	\$300,000
Maximum percentage of eligible cost	90% for trivalent chromium conversion; or 80% for all other projects	90% for all projects
Maximum Percentage of eligible cost for Small Business*	100%	90% for all projects
Maximum dollar amount for ventilation systems	\$23 per cubic foot per minute	\$23 per cubic foot per minute

\*Small Business Definition: Facility is independently owned and operated with average annual gross receipts of three million dollars (\$3,000,000) or less, averaged over the previous three years, and 25 or fewer employees.

## **Contract Payment**

The Program includes two contract payment options: 1) reimbursement after project completion or 2) payment after completion of individual contract milestones (e.g., engineering and design, installation, etc.). Program payment provisions will be established during the contract development process.

## **Contract Period**

The contract period or project term is three years, unless otherwise specified in the contract.

## **Eligible Costs**

Funds may only pay for items essential to the operation of the air pollution control devices or trivalent chromium system, including:

- A. Design and engineering (e.g., labor, site preparation)
- B. Control technology and materials
- C. Instrumentation and monitoring units
- D. Required ventilation ductwork and electrical upgrades
- E. Installation
- F. Initial performance tests conducted to confirm post-technology emissions
- G. Shipping and delivery costs
- H. License fees, environmental fees, commissioning fees (safety testing), onsite required safety equipment, and fees incurred during pre-contract execution (i.e., permits, design, engineering, site preparation)
- I. HEPA filter replacements for the Contract Period

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## SECTION V: HOW TO RESPOND TO THIS PROGRAM OPPORTUNITY NOTICE

**Response Contents:** There are no strict requirements when submitting a response to this PON. However, owner or operators of facilities are encouraged to provide as much detail as possible to facilitate project evaluations. Recommended elements of a response include the following:

1. **Transmittal Letter** that identifies the name of the organization submitting the response, the location of the facility within South Coast AQMD, and contact information including but not limited to company website URL, telephone and e-mail address of the contact person(s) for technical and contractual matters, and any other relevant contact information.
2. **Description of Proposed Project Intended to Reduce Hexavalent Chromium Emissions.** At a minimum, this should include all of the following:
  - a. Conceptual Project Description, including a selection of one of the options included in Section II, a proposed scope of work (if available) as it relates to project design, development, implementation, and funding requirements;
  - b. Strategies of Most Interest to Your Organization, if the Conceptual Project Description involves identification of more than one type of hexavalent chromium emission reduction project, indicate which project is the highest priority for your facility;
  - c. Facility site plan, including distances to sensitive receptors.
  - d. Financial Information, if the facility qualifies as a small business. Please provide supporting documentation.
  - e. Identification of Contractor, if the facility has identified a contractor to work with.
3. **Project Timeline**, including a preliminary time frame for project implementation. Project installation, operation and fund disbursement must occur prior to June 30, 2022.
4. **Estimated Project Costs**, if available, including estimates from at least two contractors, and whether co-funding is secured or anticipated. Please note that although it is not necessary to include estimates from two contractors in the response, South Coast AQMD will require the two estimates during the final contract development process. However, facilities selected for contract development will not need to select the lowest estimate and the estimate from the selected contractor does not have to match the final invoice submitted for reimbursement if additional work is required for the installation, as long as parts and labor costs for the technology components match the initial quote. Reimbursement would only apply to eligible costs.

**Deadline for Response Submittal:** February 5, 2021, unless extended by South Coast AQMD. Responses should be sent via e-mail to: XXX@aqmd.gov

If you have any questions regarding this PON, please direct inquiries to one of the following South Coast AQMD staff contacts:

To be provided

# DRAFT

## SECTION VI: EVALUATION OF RESPONSES

All responses to this PON will be evaluated by a Review Panel. The evaluation will be based on a conceptual project's potential to successfully achieve the objectives of the program as described in Section II,

Based upon this initial evaluation, possible next steps include:

- A request by the Review Panel for more detailed information which would be used to further evaluate the response;
- An offer from South Coast AQMD to enter into contract development based on information submitted;
- Notification that the response has been declined from further consideration.

Respondents to this Program Opportunity Notice should be aware of the following:

- Any future award of incentive funding requires the successful respondent to enter into a formal contract with the South Coast AQMD;
- A specific scope of work for any future contract will be negotiated with the South Coast AQMD prior to contract execution. Attached for reference is a Business Information Request packet which will need to be completed by each applicant prior to contract execution;
- The targeted program funding amount is \$5,040,000; the South Coast AQMD reserves the right to decrease this targeted amount at their discretion.
- Availability of funding will be based on the order of the receipt of responses, with the earlier date and time of receipt of a response given a higher priority than a response with a later date and time of receipt.

Attachment – Business Information Request Packet

To be provided

**DRAFT**



**Program Opportunity Notice**

**For**

**Contractors**

**Interested In**

**Financial Incentive Program to Reduce Emissions at Hexavalent  
Chromium Plating Facilities**

**PON# 2020-0Y**

**January 8, 2021**

# DRAFT

## SECTION I: INTRODUCTION

Rule 1469 - Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations establishes requirements for reducing hexavalent chromium emissions from chrome plating and anodizing facilities. Rule 1469 allows facilities with low usage to use chemical fume suppressants instead of installing more expensive add-on air pollution control devices, such as high efficiency particulate arrestor (HEPA) filters. Some of these fume suppressants may contain per- and polyfluoroalkyl (PFAS) substances which have been linked to a variety of health problems and other environmental concerns. Hexavalent chromium is a potent carcinogen and is associated with nasal and lung cancer.

*The South Coast AQMD has identified \$5,040,000 in incentive funds and is seeking contractors to assist hexavalent chromium plating facilities in implementing hexavalent chromium emission reduction projects above and beyond current requirements of Rule 1469.*

The California Air Resources Board (CARB) has made Community Air Protection (CAP) funding available to local air districts to implement air pollution reduction projects. South Coast AQMD staff is proposing to use a portion of CAP funding to develop a hexavalent chromium emission reduction incentive program (Program) that would provide funding for hexavalent chromium plating facilities, which includes chrome plating and chromic acid anodizing facilities, to implement projects that reduce hexavalent chromium emissions beyond current regulatory requirements.

## SECTION II: PURPOSE OF THIS PROGRAM OPPORTUNITY NOTICE

South Coast AQMD has released Program Opportunity Notice (or PON) 2020-0X (Hexavalent Chromium Plating Facilities) to identify hexavalent chromium plating facilities interested in implementing projects to reduce hexavalent chromium emissions. Many of the identified hexavalent chromium facilities are small businesses which do not have the capacity to identify contractors to implement projects. Therefore, the purpose of this Program Opportunity Notice is to identify contractors interested in providing facilities with engineering design and installation services. Facilities selected to participate in the Program that do not identify contractors will be provided with information on the contractors responding to this Program Opportunity Notice.

*Please note that this Program Opportunity Notice is not a traditional Request for Proposals. The South Coast AQMD is soliciting responses from contractors capable and with experience in implementing projects to reduce hexavalent chromium emissions.*

A response to this Program Opportunity Notice differs from a traditional proposal in that this response will include general information and lacks the level of detail normally associated with a formal proposal. All responses will be evaluated by a Review Panel.

Based on the Review Panel recommendations of the responses to this Program Opportunity Notice, the South Coast AQMD can request additional information or make a funding award by entering into contract development with one or more Program Opportunity Notice respondents.

The South Coast AQMD is specifically interested in identifying projects that pursue the following strategies:

# DRAFT

- **Install add-on pollution controls in lieu of using chemical fume suppressants**
  - Add-on air pollution control devices can achieve a lower hexavalent chromium emission rate than chemical fume suppressants alone. A higher priority will be assigned to projects that propose replacement of chemical fume suppressants that contain per- and polyfluoroalkyl substances (PFAS) which are associated with a variety of health effects and other environmental concerns.
  
- **Conversion to the less toxic trivalent chromium plating operations or other non-toxic alternatives to hexavalent chromium**
  - The equipment needed for trivalent chromium conversion may vary by facility. Examples of equipment that may be required for trivalent chromium plating conversion include the following:
    - Trichrome plating tank
    - New plating anodes
    - Trichrome rinse tanks (including pre-rinse tank)
    - New rectifier
    - Tank air agitation system with air blower
    - Continuous filtration system
    - Tank heating/cooling system
    - Amp-hour meter/feeders with pumps
    - Ion exchange system
  
- **Other technologies that provide reductions that are in excess of those otherwise required by federal, State, and local rules and regulations**
  - Please note that South Coast AQMD must consult with CARB staff and receive approval to implement other technologies that are not described in the above listed examples, which have been previously approved and are taken from Chapter 4 of the CAP Funding Guidelines.

*The overall goal of this Program Opportunity Notice is to hear from eligible contractors which experience in implementing the types of above listed projects and are interested in assisting hexavalent chromium plating facilities in implementing approved projects.*

## **SECTION III: PROJECT FUNDING**

### **Funding Limits**

Project funding limits are a total maximum grant amount of \$300,000 or \$23 per cubic foot per minute for ventilation systems, whichever is less. Based on facility information, most of the facilities relying on chemical fume suppressants as the sole source of emissions control are decorative operations which are also considered small businesses and might not be able to come up with 20% of project costs. Therefore, in order to allow for program participation, South Coast

# DRAFT

AQMD is proposing that for small businesses, 100% of the project costs are covered. Facilities would be required to maintain and operate the add-on air pollution control equipment for the term of the project, which is three years. During the project term, the facility would be responsible for ongoing operation and maintenance costs, such as electricity use. Consistent with Table 4-2 in the CAP Guidelines, except for small businesses, the project funding limits are as follows:

<b>Funding limit</b>	<b>Decorative Operations</b>	<b>Non-Decorative Operations</b>
Maximum total grant amount, including initial performance test	\$300,000	\$300,000
Maximum percentage of eligible cost	90% for trivalent chromium conversion; or 80% for all other projects	90% for all projects
Maximum Percentage of eligible cost for Small Business*	100%	90% for all projects
Maximum dollar amount for ventilation systems	\$23 per cubic foot per minute	\$23 per cubic foot per minute

\*Small Business Definition: Facility is independently owned and operated with average annual gross receipts of three million dollars (\$3,000,000) or less, averaged over the previous three years, and 25 or fewer employees.

## Contract Payment

The Program includes two contract payment options: 1) reimbursement after project completion or 2) payment after completion of individual contract milestones (e.g., engineering and design, installation, etc.). Program payment provisions will be established during the contract development process.

## Contract Period

The contract period or project term is three years, unless otherwise specified in the contract.

## Eligible Costs

Funds may only pay for items essential to the operation of the air pollution control devices or trivalent chromium system, including:

- A. Design and engineering (e.g., labor, site preparation)
- B. Control technology and materials
- C. Instrumentation and monitoring units
- D. Required ventilation ductwork and electrical upgrades
- E. Installation
- F. Initial performance tests conducted to confirm post-technology emissions
- G. Shipping and delivery costs

# DRAFT

- H. License fees, environmental fees, commissioning fees (safety testing), onsite required safety equipment, and fees incurred during pre-contract execution (i.e., permits, design, engineering, site preparation)
- I. HEPA filter replacements for the Contract Period

## SECTION IV: HOW TO RESPOND TO THIS PROGRAM OPPORTUNITY NOTICE

**Response Contents:** There are no strict requirements when submitting a response to this Program Opportunity Notice. However, contractors are encouraged to provide as much detail as possible to facilitate project evaluations. Recommended elements of a response include the following:

1. **Transmittal Letter** that identifies the name of the organization submitting the response, the location within South Coast AQMD, and contact information including but not limited to company website URL, telephone and e-mail address of the contact person(s) for technical and contractual matters, and any other relevant contact information.
2. **Description of Services or Experience Implementing Projects Intended to Reduce Hexavalent Chromium Emissions.** At a minimum, this should include all of the following:
  - a. Work Experiences, including experience in installing air pollution control devices and/or converting hexavalent chromium plating operations to trivalent chromium;
  - b. Licenses, including contractor licenses or certificates to conduct tasks identified in Section II;
  - c. Cost Information and Company Resources – Costs for related tasks identified in Section II and staff available for project implementation.
3. **Project Timeline**, including generalized time frame for project implementation. Project installation, operation and fund disbursement must occur prior to June 30, 2022.

**Deadline for Response Submittal:** February 5, 2021, unless extended by South Coast AQMD. Responses should be sent via e-mail to: XXX@aqmd.gov

If you have any questions regarding this Program Opportunity Notice, please direct inquiries to one of the following South Coast AQMD staff contacts:

To be provided

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Based upon this initial evaluation, possible next steps include:

- A request by the Review Panel for more detailed information which would be used to further evaluate the response;

# DRAFT

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- Notification that the response has been declined from further consideration.

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Attachment – Business Information Request Packet  
To be provided



# Proposed Rule 1407.1

## Control of Toxic Air Contaminant Emissions from Chromium Alloy Melting Operations

### Stationary Source Committee

November 20, 2020

## Background

- ❖ Proposed Rule 1407.1 is a new rule that addresses emissions from melting of chromium alloys
- ❖ Objective is to reduce toxic air contaminant emissions from chromium alloy melting operations
- ❖ PR 1407.1 will control point source and fugitive toxic air contaminant emissions and ensure health protection
- ❖ PR 1407.1 was developed through a public process starting in 2015
  - ❖ 12 Working Group Meetings
- ❖ Rulemaking was paused in December 2018 to conduct emissions testing to confirm the formation of hexavalent chromium from melting of chromium alloys



# Hexavalent Chromium Emissions Testing

## Background

Conducted emissions testing at two volunteer facilities to obtain actual operational emissions data

## Approach

Quantified toxic air contaminant emissions before and after pollution controls  
Evaluated efficacy of pollution controls

## Results

Confirmed chromium alloy melting can generate

- Hexavalent chromium;
- Arsenic;
- Cadmium; and
- Nickel emissions

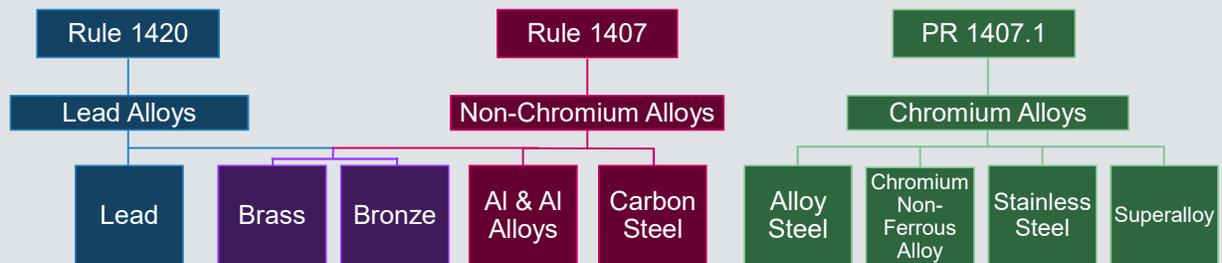
Pollution controls are effective at reducing these metal particulates

3

# Need for PR 1407.1

- ❖ Currently there is no source specific rule that controls hexavalent chromium and other toxic air contaminant emissions from chromium alloy metal melting operations
- ❖ PR 1407.1 is designed to fill a regulatory gap

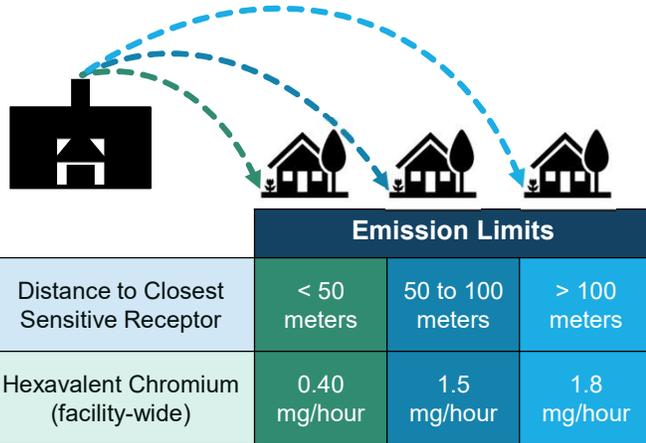
## Regulatory Framework for Metal Melting



4

# Point Source Control Requirements

- ❖ Establishes an aggregate point source hexavalent chromium emission limit
  - ❖ Emission limit varies based on the distance to sensitive receptors
  - ❖ Approach ensures all metal particulate emissions will be reduced to health protective levels\*
- ❖ Requires initial and periodic source testing every five years



\*Less than 10 in one million cancer risk

# Fugitive Emission Requirements



## Enhanced Housekeeping

- Routine cleaning of areas near melting operations
  - Prohibit dry sweeping and use of compressed air
- Additional periodic cleaning of area where dust may accumulate
- Requirements for material storage and transport material



## Buildings

- Addresses cross-drafts in areas where chromium alloy melting operations occur
- Close roof openings above chromium alloy melting furnaces and where molten metal is poured and cooled

# Monitoring Requirements

- ❖ PR 1407.1 requires parameter monitoring to ensure proper operation and to detect issues early
- ❖ Parameter monitoring is the measurement of specific elements or parameters of control equipment such as pressure across filters and air flow to the pollution controls
- ❖ If the operator fails to follow the procedures after a failed provision for parameter monitoring, source testing is required

## Parameter Monitoring Requirements



Install and Maintain Bag Leak Detection System



Measure Pressure Across the Filter Media



Smoke Test to Observe Air Flow



Verify Collection Efficiency

7

# Impacted Facilities and Estimated Total Costs

- ❖ PR 1407.1 applies to eleven facilities
- ❖ Estimated average annual total cost over 22-year period is \$2.2 million
  - ❖ Cost analysis includes estimates of one-time and recurring compliance costs

## One-Time Costs

- Pollution controls
- Parameter monitoring devices
- Building modifications
- Permitting
- Standard and calibration materials for material testing

## Recurring Costs

- Housekeeping and recordkeeping
- Electrical costs for pollution control operation
- Permit renewals
- Source testing and parameter monitoring
- Maintenance of pollution controls and cleaning equipment

8

# Conclusion

- No remaining key issues
- Public Hearing scheduled for January 8, 2021



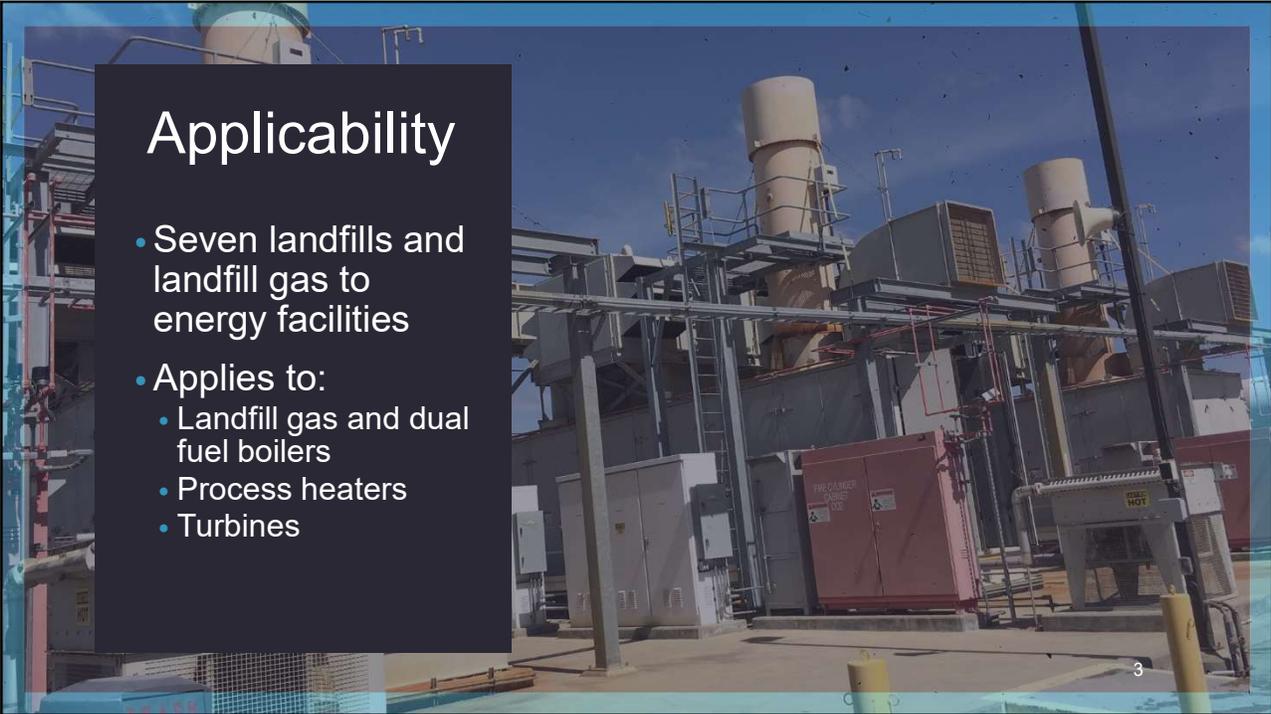
# PROPOSED RULE 1150.3

## EMISSIONS OF OXIDES OF NITROGEN FROM COMBUSTION EQUIPMENT AT LANDFILLS

Stationary Source Committee – November 20, 2020

## Background

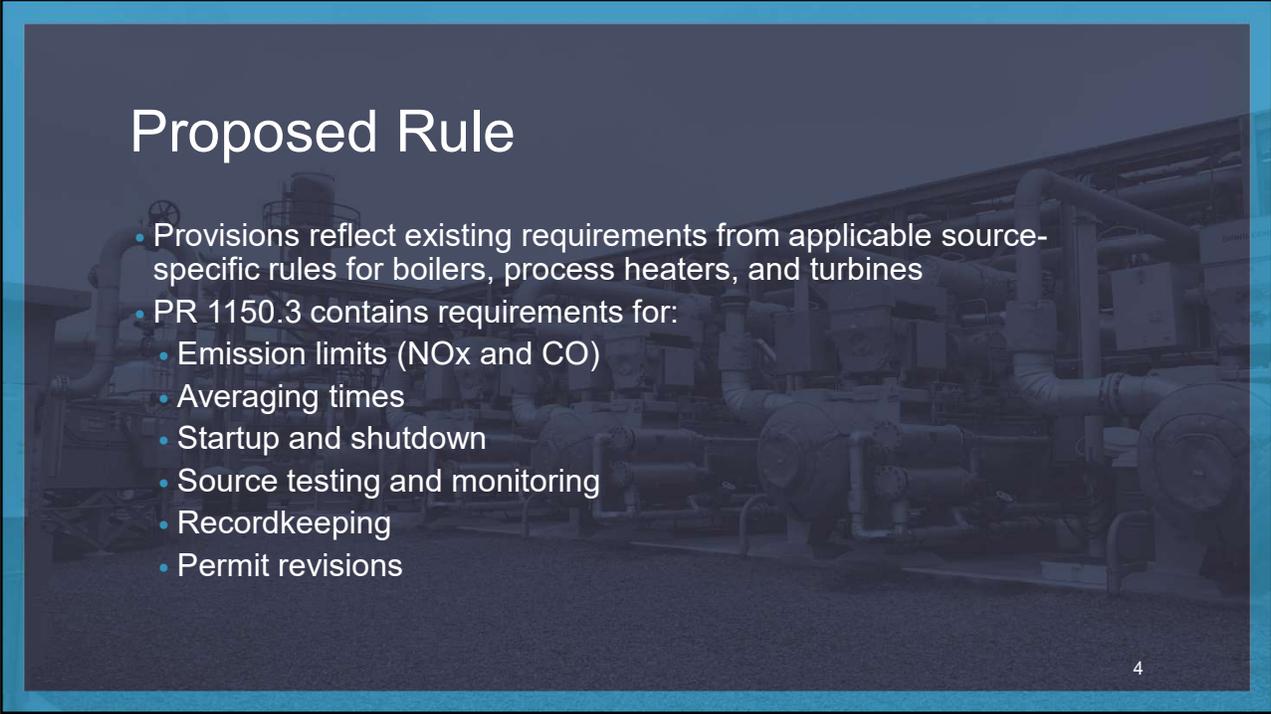
- Proposed Rule 1150.3 (PR 1150.3) was developed to regulate combustion equipment at municipal solid waste landfills and landfill gas to energy facilities from other industry categories recognizing that:
  - Landfills are essential public services
  - Landfill gas is different than natural gas and has additional contaminants that require gas clean up when using certain pollution control technologies
  - Landfills are publicly funded and have additional challenges for procurement of pollution control technologies
- A comprehensive BARCT assessment on boilers and turbines was performed to assess if NO<sub>x</sub> limits could be further reduced
- Proposed NO<sub>x</sub> limits and other provisions considered the unique challenges of these facilities



## Applicability

- Seven landfills and landfill gas to energy facilities
- Applies to:
  - Landfill gas and dual fuel boilers
  - Process heaters
  - Turbines

3



## Proposed Rule

- Provisions reflect existing requirements from applicable source-specific rules for boilers, process heaters, and turbines
- PR 1150.3 contains requirements for:
  - Emission limits (NO<sub>x</sub> and CO)
  - Averaging times
  - Startup and shutdown
  - Source testing and monitoring
  - Recordkeeping
  - Permit revisions

4

# BARCT Assessment



- BARCT emission limits represent the maximum degree of reductions achievable, taking into account environment, energy, and economic impacts for this class/category of sources
- Conducted a BARCT assessment for landfill gas fueled boilers and turbines

5

# Proposed Emission Limits

Equipment Category	NOx Limit (ppmv)	CO Limit (ppmv)	Compliance Date
Boilers > 2 MMBtu/hr (landfill gas or co-fired)	9*	400	January 1, 2031
Turbines < 0.3 MW (landfill gas or dual fuel)	9*	130	Date of Adoption
Turbines ≥ 0.3 MW without post-combustion control (≥ 75% landfill gas)	12.5*	130	Date of Adoption
Turbines ≥ 0.3 MW with post-combustion control (≥ 75% landfill gas)	12.5*	130	Upon turbine replacement
Turbines ≥ 0.3 MW (< 75% landfill gas)	Weighted limit	130	Date of Adoption

\* 3% oxygen on a dry basis, averaged over 15 minutes

\* 15% oxygen on a dry basis, averaged over one hour

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# Emission Reductions and Cost-effectiveness

## Emission Reductions

- PR 1150.3 establishes NOx and CO emission limits for landfill gas turbines
- Total emission reductions for PR 1150.3 are 0.15 tons per day of NOx
  - 0.11 tons per day of NOx reduced from boilers
  - 0.04 tons per day of NOx reduced from turbines

## Cost-effectiveness

- Average cost-effectiveness is \$27,000 per ton of NOx reduced
  - Includes burner replacement costs for boilers to meet proposed emission limit
  - Includes permit revision costs for boilers and turbines

7

## Next steps



Continuing to work with stakeholders to work through details of the proposed rule

- Set Hearing – January 8, 2021
- Public Hearing – February 5, 2021

# SOUTHEAST LOS ANGELES COMMUNITY EMISSIONS REDUCTION PLAN



## SOUTH COAST AQMD AB 617 COMMUNITIES

### (2018) Year 1 – Communities



Wilmington, Carson, West Long Beach



East Los Angeles, Boyle Heights, West Commerce



San Bernardino, Muscoy

### (2019) Year 2 – Communities

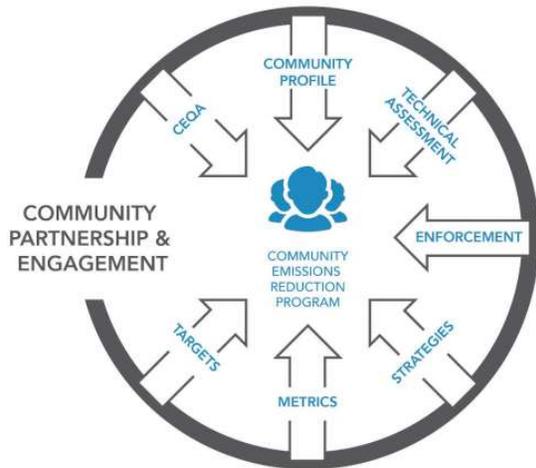


Southeast Los Angeles



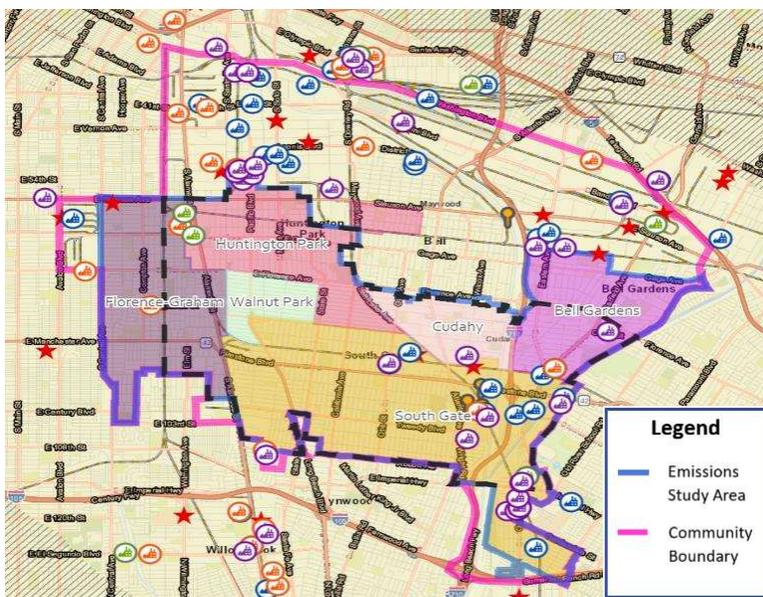
Eastern Coachella Valley

# AB 617 REQUIREMENTS



- One year from community selection, CERP must be adopted by the Governing Board
- CERP must focus on community air quality priorities and include:
  - Community profile
  - Enforcement plan
  - Strategies for implementing actions
  - Metrics
  - Targets

3



# SOUTHEAST LOS ANGELES COMMUNITY BOUNDARY MAP

4



## SOUTHEAST LOS ANGELES (SELA) COMMUNITY STEERING COMMITTEE (CSC)



## CERP DEVELOPMENT TIMELINE – 1 YEAR



\*The CERP is submitted to the CARB Board for approval following Governing Board adoption

# SELA AIR QUALITY PRIORITIES

Reduce emissions and address concerns about:



Truck traffic and freeways



Rendering facilities



Green spaces



Metal processing facilities



Railyards and locomotives



General industrial facilities



**Rendering Facilities and Rule 415**

**What is a Rendering Facility?**

- Rendering facilities are plants that are used for rendering and only the bones and fat feed.
- South Coast AQMD Rule 415 requires rendering facilities to take actions that reduce odors.

**Best Management Practices**

Rendering facilities are required to take steps to reduce odors such as:

- Covering bins
- Loading materials
- Proper ventilation
- Repairing equipment

**Requirements to Enclose Operations & Additional Requirements**

Facilities are required to:

- Operate inside a building that is vented to an odor control system.
- Enclose certain types of processing equipment to prevent odors from escaping. This includes waste water treatment equipment, material cleaning areas, grinders and compressors, storage bins, etc.

If odor violations are confirmed, the facility would be required to identify sources of the odors and take actions to reduce them.

**What should I do if I smell odors?**

Call 1-800-CUT-SMOG (1-800-288-7864) and report:

- Time, date, and location you smelled the odor.
- Location and description of other nearby roads.
- How often it happens.

**Signs**

- Rendering facilities are required to post signs that inform the community to report odors to 1-800-CUT-SMOG.
- Signs help alert the public to the source of a no-during hours odors and to report odors to the South Coast AQMD.

**Railyards and Locomotives**

Approximately 100 rail yards and 100 locomotives are located in the SELA region. These facilities are a significant source of air pollution, including particulate matter, nitrogen oxides, and carbon monoxide.

The South Coast AQMD is working with the rail industry to develop and implement measures to reduce emissions from these facilities. This includes:

- Enclosing locomotives and yard equipment.
- Using cleaner fuels.
- Implementing idling restrictions.

For more information, visit [www.scaqmd.com/rail](http://www.scaqmd.com/rail).

**Sources of Air Pollution**

South Coast AQMD

The South Coast AQMD is responsible for regulating air quality in the SELA region. The agency's primary mission is to protect public health and the environment by reducing air pollution. The agency's jurisdiction extends to all sources of air pollution, including:

- Manufacturing facilities
- Construction sites
- Transportation sources (trucks, trains, ships, and aircraft)
- Off-road equipment (tractors, bulldozers, etc.)
- Residential sources (stoves, water heaters, etc.)

The agency uses a variety of tools to regulate air pollution, including:

- Permitting and enforcement
- Monitoring and modeling
- Public participation and outreach

For more information, visit [www.scaqmd.com](http://www.scaqmd.com).

## CERP DEVELOPMENT EFFORTS

- Provided informational handouts on:
  - Sources of air pollution
  - Rendering facilities and Rule 415
  - Number of vehicles registered in SELA
- Workshops and green papers:
  - Truck traffic and freeways
  - Railyard and locomotives
  - Metal processing facilities
  - Rendering facilities
  - Green spaces
- 9 CSC meetings
- 2 Technical Advisory Group (TAG) Meetings
- Question and answer session on Discussion Draft CERP
- Over 40 one-on-one meetings in person, phone, or Zoom



# SELA CERP FRAMEWORK

## 9 emissions and exposure reduction goals



Reduce emissions from sources of air pollution



Reduce exposures to sources of air pollution



Gather data/information (e.g., monitoring, sampling, etc.)

## 43 actions to achieve goals



### Air Monitoring

- Conduct mobile air monitoring in areas prioritized by the CSC



### Collaboration

- Pursue collaborations with land-use agencies to provide outreach to metal processing facilities (e.g., rule requirements)



### Incentives

- Provide incentives to small businesses and local fleets for zero-emission trucks, where commercially available



### Rule Development

- Initiate rule development process to address housekeeping and best management practices at metal recycling plants



### Enforcement

- Conduct quarterly heavy-duty truck enforcement sweeps in collaboration with CARB

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# CERP ACTIONS – HIGHLIGHTS



## Truck Traffic and Freeways

- CARB to collaborate with South Coast AQMD to conduct quarterly enforcement sweeps, evaluate findings, seek input from CSC, and report back to CSC periodically
- Provide outreach to small businesses (e.g., independent truck owners/operators) and local fleets for incentive funds, prioritizing zero emission trucks where commercially available



## Rendering Facilities

- After the installation of emissions controls required by Rule 415, work with the CSC to identify remaining odor concerns, evaluate the need for additional requirements to address odors, (e.g., conduct additional air monitoring for VOCs and odorous compounds) and establish a rule development schedule, if needed)



## Green Spaces

- Collaborate with land-use, state and local agencies, and nonprofit organizations to develop a list of low-VOC and drought-tolerant trees
- Collaborate with nonprofits, local, and regional agencies to provide letters of support and air quality information for urban greening funding opportunities, including maintenance

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## CERP ACTIONS – HIGHLIGHTS

### Metal Processing Facilities



- Conduct air monitoring to help identify elevated levels of air toxic metals and support efforts to identify potential emission sources
- Make referrals to the appropriate agencies when issues are found during inspections that fall outside of South Coast AQMD's jurisdiction (e.g., Water Board, DTSC, Cal-OSHA)

### Railyards and Locomotives



- Continue development of the Railyard Indirect Source Rule
- Through the development of the Railyard Indirect Source Rule and incentives, pursue the replacement of older diesel-fueled equipment at railyards with lowest emissions technology available

### General Industrial Facilities



- Work with the CSC to identify and prioritize specific industrial facilities of concern in the community
- Provide information about applicable rules, facility compliance history, and available emissions data and air monitoring data collected at or near facilities

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## NEXT STEPS

**November 2020**

Incorporate CSC comments on Discussion Draft CERPs

**December 2020**

Seek Board adoption of CERPs

**Beginning 2021**

If adopted, submit CERPs for CARB Board approval and begin CERP implementation

12



# EASTERN COACHELLA VALLEY COMMUNITY EMISSIONS REDUCTION PLAN



## SOUTH COAST AQMD AB 617 COMMUNITIES

### (2018) Year 1 – Communities



Wilmington, Carson,  
West Long Beach



East Los Angeles, Boyle  
Heights, West Commerce



San Bernardino, Muscog

### (2019) Year 2 – Communities

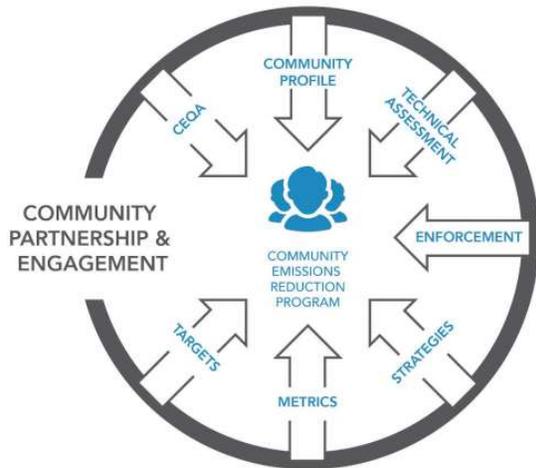


Southeast  
Los Angeles



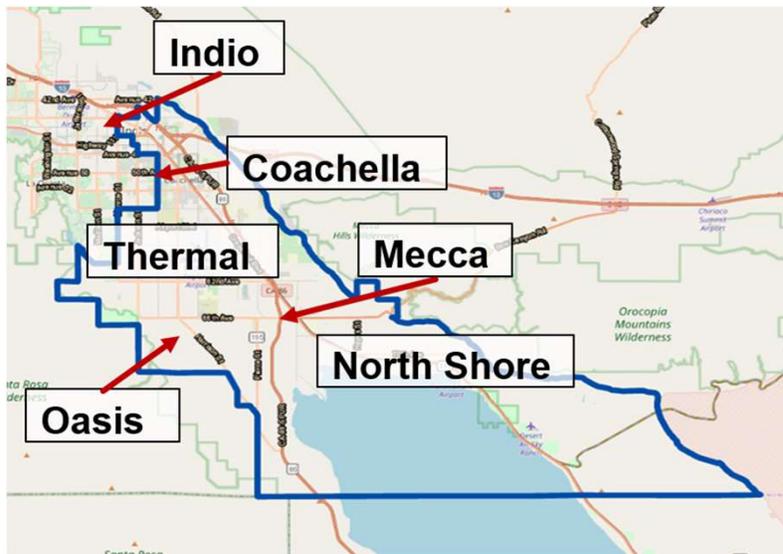
Eastern Coachella Valley

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  - Targets

3



**ECV  
COMMUNITY  
BOUNDARY  
MAP**

4

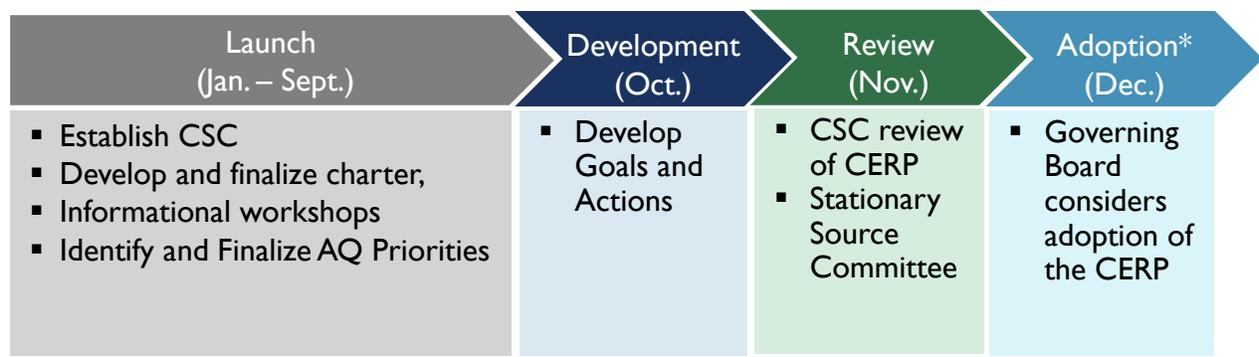




## ECV COMMUNITY STEERING COMMITTEE (CSC)



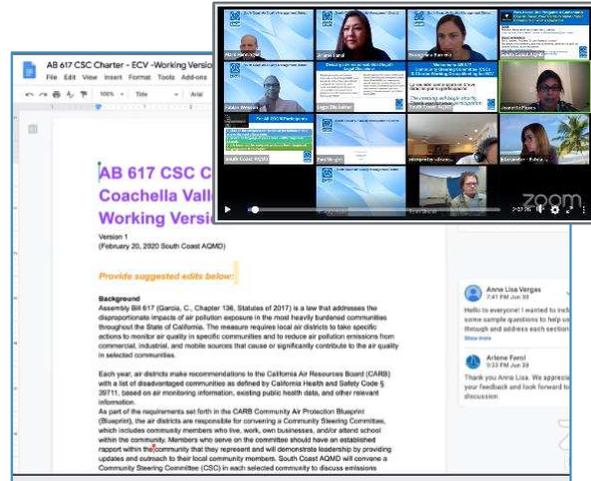
## CERP DEVELOPMENT TIMELINE – 1 YEAR



\*The CERP is submitted to the CARB Board for approval following Governing Board adoption

## CSC CHARTER WORKING GROUP SUMMARY

- 4 Charter Working Group Meetings
- CSC Members provided line-by-line feedback on the charter
- Staff circulated multiple drafts with CSC edits
- September 24th, CSC voted on the charter, resulting in a 25-1-2 for Yes, No, and Abstained, respectively
- The charter establishes roles and responsibilities for the CSC



## ECV AIR QUALITY PRIORITIES

Reduce emissions and address concerns about:



Salton Sea



Pesticides



Fugitive Road Dust



Open Burning and Illegal Dumping



Diesel Mobile Sources



Greenleaf Desert View Power Plant (former Colmac Power Plant)



## CERP ACTIONS – HIGHLIGHTS



### Salton Sea

- Identify opportunities to expand monitoring for H2S and PM10
- Pursue collaborations to support dust suppression projects
- Pursue funding opportunities to install air filtration systems in schools and homes near the Salton Sea



### Pesticides

- Collaborate with CARB to develop a pesticides air monitoring strategy
- Consult with DPR and the Riverside Agricultural Commissioner to evaluate the feasibility of developing a notification system pilot project



### Fugitive Road Dust

- Expand PM10 monitoring network and provide real-time data to the community
- Pursue collaborations to pave unpaved roads and parks
- Identify opportunities to implement home weatherization projects and install air filtration systems at schools, community centers, and homes

## CERP ACTIONS – HIGHLIGHTS



### Open Burning and Illegal Dumping

- Pursue opportunities to develop an online notification system to inform the community when permitted burning is expected to occur
- Pursue funding opportunities for alternatives to burning and illegal dumping (e.g., chippers, waste collection services, fencing around frequent dumping sites)



### Diesel Mobile Sources

- Work with the CSC to identify air quality concerns for diesel mobile source emissions, create a low-cost sensor network for PM2.5 and NO2
- Collaborate with CARB to identify opportunities for focused enforcement and additional regulatory measures, if needed
- Identify incentive opportunities to replace on-road and off-road equipment and school buses with cleaner technology



### Greenleaf Desert View Power Plant

- Gather air quality information about the facility
- Work with the CSC to identify air quality concerns relating to this facility to develop further actions, e.g. low-cost sensor deployments, strategies to reduce emissions

## NEXT STEPS

**November 2020**

Incorporate CSC  
comments on  
Discussion Draft  
CERPs

**December 2020**

Seek Board  
adoption of  
CERPs

**Beginning 2021**

If adopted, submit  
CERPs for CARB  
Board approval  
and begin CERP  
implementation



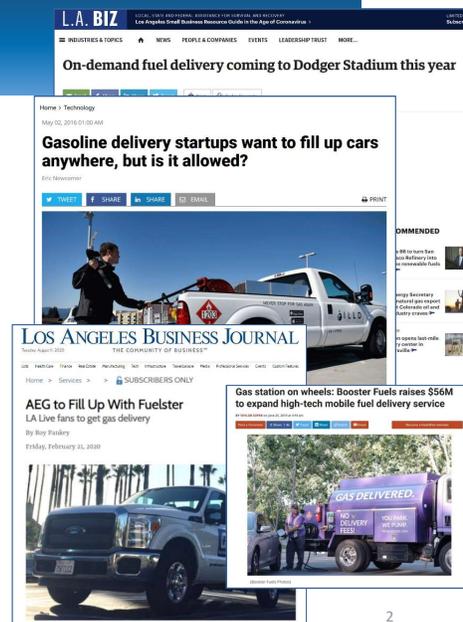
# Rule 461 and Retail Mobile Fueling Operations

Stationary Source Committee

November 20, 2020

## Background

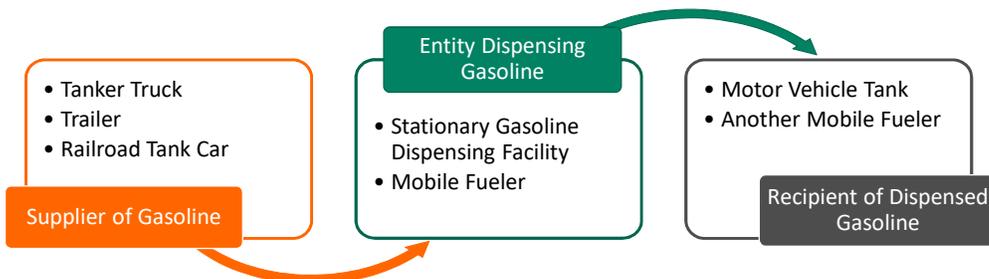
- South Coast AQMD rules have traditionally focused on stationary gasoline dispensing facilities to minimize VOC and toxic emissions such as benzene
- Over the past several years, retail mobile fueling operations have increased
  - Mobile fuelers drive to their customer locations to fuel individual vehicles, fleets, or vehicles at sports and entertainment venues
- Current regulatory requirements:
  - Allow mobile fueling operations, but are generally limited to non-retail operations
  - Do not address various types of retail mobile fueling
- Staff has initiated rule development to address retail mobile fueling operations to ensure public health protection



The screenshot shows a collage of news articles from L.A. BIZ. The top article is titled "On-demand fuel delivery coming to Dodger Stadium this year". Below it is a technology article titled "Gasoline delivery startups want to fill up cars anywhere, but is it allowed?". The bottom section features two articles from the Los Angeles Business Journal: "AEG to Fill Up With Fuelster LA Live fans to get gas delivery" and "Gas station on wheels: Booster Fuels raises \$56M to expand high-tech mobile fuel delivery service". The images in the articles show fuel delivery trucks and personnel at various locations.

## Rule 461 – Gasoline Transfer and Dispensing Implementation Approach

- Gasoline transfer and dispensing systems subject to Rule 461 are required to be equipped with "CARB certified" equipment
- Rule 461 requires that Mobile Fueler tanks greater than 120 gallons be equipped with CARB certified:
  - **Phase I Vapor Recovery:** Transfer of gasoline into the tank of the Mobile Fueler
  - **Phase II Vapor Recovery:** Transfer of gasoline into a motor vehicle tank



Please view regulation for specific requirement.

3

## Importance of Vapor Control Systems for Gasoline Dispensing

- Gasoline has a high vapor pressure and produces VOC and benzene emissions
  - VOC is an ozone precursor regulated by state and federal ozone air quality standards
  - Benzene is a carcinogen and can pose significant health risks to surrounding community
- Vapor recovery systems and other mechanisms used to minimize evaporative gasoline emissions include:



Phase I vapor recovery systems capture vapors during dispensing into tank of mobile fueler



Phase II vapor recovery systems capture vapors during dispensing fuel into motor vehicles



Tank surface color and insulation lowers temperature to reduce evaporative emissions

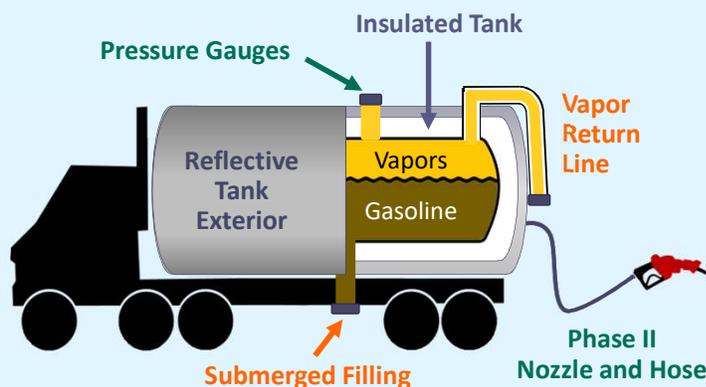
4

# CARB Certification for Mobile Fuelers

- Currently only one Phase I and Phase II mobile fueler system is certified by CARB: Hill-Vac Vapor Recovery System
  - One component in the vapor recovery system is no longer being manufactured
  - The manufacturer of the system is working on getting the replacement component certified by CARB
  - It could be more than a year before system is re-certified
- CARB has certified a component, a nozzle and hose for non-Phase II dispensing
  - Rule 461 allows use of non-Phase II dispensing provided certain conditions are met

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## Key Features of CARB's Phase I and II Vapor Recovery System for Mobile Fuelers



### CARB Certified Phase I Vapor Recovery

- Vapor return line
- Submerged filling

### CARB Certified Phase II Vapor Recovery

- Phase II nozzle and coaxial hose
- Pressure Monitoring Gauges

### Tank Surface Reflectivity and Insulation

- Reflective Tank Exterior
- 2-Inch Tank Insulation

**Hill-Vac Vapor Recovery System includes three key features needed to minimize VOC and benzene emissions from mobile fueling**

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## Comparison of Mobile Fueling Systems

Current Retail Mobile Fueling System	Capacity (Gallons)	Phase I Emission Controls	Phase II Vapor Recovery Nozzle and Coaxial Hose	Tank Surface Reflectivity and Insulation <sup>1</sup>
 Hill-Vac System	≥ 350 to ≤ 4,000	Yes	Yes	Yes
 Large Tank	1,200	Yes	No <sup>2</sup>	Combination <sup>3</sup>
 Truck with Multiple Smaller Tanks	Multiple Tanks Each < 120	No	No	Unknown

<sup>1</sup> Tank surface color and insulation are part of the Hill-Vac Phase II certification

<sup>2</sup> System utilizes an enhanced conventional (ECO) nozzle that is CARB certified for vehicles with On-board Refueling Vapor Recovery Only

<sup>3</sup> One truck is white for purposes of investigating emission differences based on temperature and pressure

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## Challenges Without CARB Certified Equipment for Mobile Fuelers

- Retail mobile fueling is occurring now
  - Difficult to prohibit these mobile operations while waiting for CARB certification
- Interim provisions are needed to minimize VOC and benzene emissions
- Specific equipment and operating parameters can be required upon CARB certification
  - Will need to consider stranded assets

Top loading tanks can be more than **50 times more emissive** than tanks that are bottom loaded and equipped with Phase I vapor recovery



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# Need for Rulemaking



## Permitting

Amendments needed to address permitting for retail mobile fuelers<sup>1</sup>



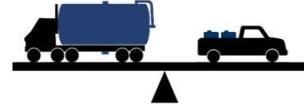
## Public Health Protection

Provisions to ensure mobile fueling does not create significant health risks to local communities



## Provisions to Minimize Emissions

Provisions needed to establish requirements for retail mobile fueling



## Clear and Consistent Requirements

Need to level the playing field for all retail mobile fueling

<sup>1</sup> Permits are required for mobile fuelers with a cumulative capacity of  $\geq 251$  gallons

# Regulatory Challenges Moving Forward



## Developing an Enforceable Rule

- Fueling at varying locations and times with changing customer base
- Substantial recordkeeping needed and difficult to verify throughput



## Filling Data Gaps

- Number of retail mobile fuelers is unknown
- Emissions data is needed to more accurately estimate health risks



## Ensure Public Health Protection

- Must ensure mobile fueling meets all permitting requirements and health risk thresholds are not exceeded



## Agency Coordination

- Ensure provisions are not interfering with local jurisdictions or fire authorities

## Next Steps

- Continue Working Group Meetings and rulemaking process
- Staff has been reaching out to other agencies
- Next Working Group Meeting in December
- Public Hearing for proposed rules is September 2021



## South Coast AQMD Flare Event Notification System (FENS)

STATIONARY SOURCE COMMITTEE  
NOVEMBER 20, 2020

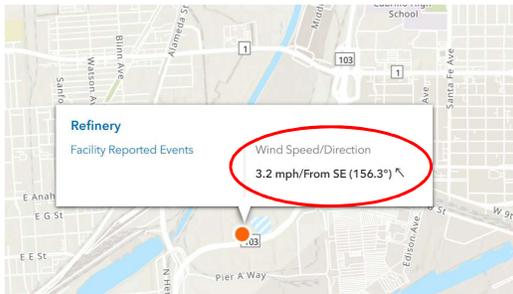
## FENS Background

2

- ▶ Pursuant to Rule 1118 – *Control of Emissions from Refinery Flares*, petroleum refineries, sulfur recovery plants, and hydrogen plants are required to submit notifications for flaring events that exceed certain thresholds
- ▶ Staff developed a web-based Flare Event Notification System (FENS) for refineries to submit flare notifications that includes a public portal with a web-based Flare Map that:
  - Visually displays refineries, sulfur plants, and hydrogen plants in the South Coast Air Basin with flares
  - Provides same information on current, upcoming, and historical information on flaring events in a more accessible format
- ▶ Phase I launched on December 19, 2019
- ▶ Phase II launched on October 14, 2020
  - Includes additional features for both the facilities and the public

## FENS Phase II – New Public Features

- ▶ Added wind speed and direction



- ▶ Directly links to a specific facility webpage, where quarterly data and other refinery information is available

### FACILITY INFO

ALL EVENTS

Name: Refinery 1  
 ID: # xxxxxx  
 Facility Address: 100 Refinery Road, Diamond Bar, CA  
 Flare Operator Information Page: [Click here](#)

## FENS Phase II – New Public Features (cont.)

- ▶ Includes listing of recent past events on flare map
- ▶ Added feature for refineries to flag that a planned flare event **“Did Not Occur”**
  - Facilities are required to notify South Coast AQMD in advance of planned flare events per Rule 1118

### PAST FLARE EVENTS

Flare Event Id: 233360  
 Start Date/Time: 07/08/2020 at 11:59 AM  
 Stop Date/Time: 07/09/2020 at 12:01 PM  
 Reason: **Planned Maintenance**

Flare Event Id: 233359  
 Start Date/Time: 07/14/2020 at 12:06 PM  
 Stop Date/Time: 07/14/2020 at 10:43 PM  
 Reason: **Planned Maintenance**

Flare Event Id: 233357 **Did Not Occur**  
 Start Date/Time: 07/01/2020 at 03:25 PM  
 Stop Date/Time: 07/04/2020 at 03:27 PM  
 Reason: **Planned Maintenance**

# FENS Phase II – New Public Features (cont.)

- ▶ Added feature for South Coast AQMD staff to provide additional information to the public, if any

## CURRENT FLARE EVENTS

Flare Event Id: **233359**  
 Start Date/Time: **07/14/2020 at 12:06 PM**  
 Stop Date/Time: **Not Available**  
 Reason: **Planned Maintenance**  
[AQMD Staff Comments](#)  
 This unplanned flare event is not associated with the planned flare event schedule to occur on the same day.

The screenshot displays the FENS public portal interface. On the left is a map of the South Coast region with a red box highlighting 'Refinery 1' and its 'Facility Reported Events' showing a wind speed of 7.2 mph from the west. To the right, a sidebar contains 'FACILITY INFO' for Refinery 1, 'CURRENT FLARE EVENTS' for event 233359, 'UPCOMING FLARE EVENTS' (none displayed), and 'PAST FLARE EVENTS' for event 233360. A large 'FENS Public Portal' watermark is visible on the right side of the screenshot.

## FENS Phase III



- ▶ Further enhancements to FENS being considered:
  - Streamline the process for reporting unplanned events that span several days
  - Include the ability for the facilities to submit their Specific Cause Analysis and Quarterly Reports directly into FENS
- ▶ Staff will solicit further input from facilities and the public on further enhancements to FENS

### November 2020 Update on Work with U.S. EPA 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 since the last report.

Item	Discussion
Video Conference with CARB – October 13, 2020	<ul style="list-style-type: none"> <li>• Discussed the Rule 2005 on-going RTC holding requirement</li> <li>• Discussed BACT requirements for secondary pollutants</li> </ul>
Video Conference with EPA – October 29, 2020	<ul style="list-style-type: none"> <li>• Discussed BACT requirements for secondary pollutants</li> <li>• Discussed quantification of ERCs and offsets for future generation</li> </ul>
Video Conference with CARB – October 29, 2020	<ul style="list-style-type: none"> <li>• Discussed quantification and surplus discount of ERCs</li> </ul>
Video Conference with EPA – November 12, 2020	<ul style="list-style-type: none"> <li>• Follow-up discussions regarding BACT requirements for secondary pollutants and quantification for offset generation</li> </ul>

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

**Settlement Penalty Report (10/01/2020 - 10/31/2020)**

**Total Penalties**

Civil Settlement : \$62,646.96  
Criminal Referral Settlement : \$43,148.63  
Hearing Board Settlement : \$25,000.00  
MSPAP Settlement : \$7,800.00

**Total Cash Settlements: \$138,595.59**

**Fiscal Year through 10/31/2020 Cash Total : \$3,460,907.59**

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
<b>Civil</b>						
149179	A V PLATING, ANGEL SEDANO DBA	203	10/09/2020	WW	P66432	\$3,000.00
177941	APRO LLC DBA UNITED OIL #143	203	10/02/2020	BT	P64925	\$31,500.00
185861	BESTWAY FOODS	1415.1	10/09/2020	VT	P64838	\$340.00
17818	COACHELLA VALLEY WATER DIST(WPR 7)	201	10/02/2020	WW	P70102	\$13,406.96
9053	ENWAVE LOS ANGELES INC.	2012	10/02/2020	DH	P68654	\$9,500.00
800057	KINDER MORGAN LIQUIDS TERMINALS, LLC	3002(c)(1)	10/09/2020	VT	P60285	\$1,500.00
185894	QUANTUM FREIGHT	403	10/28/2020	SH	P63965	\$2,400.00
126919	QUIKRETE OF SOUTHERN CALIFORNIA	203(b)	10/09/2020	WW	P66798	\$1,000.00
<b>Total Civil Settlements: \$62,646.96</b>						
<b>Criminal Referral</b>						
188149	CHICAM LLC	40 CFR 61.145, 1403	10/21/2020	GC	P65401, P65402	\$20,659.00
187655	THE ROBERTS COMPANIES	40 CFR 61.145, 1403	10/15/2020	GC	P66295	\$21,304.05

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
97908	TRI SPAN INC	1403	10/21/2020	GV	P69418	\$1,185.58

**Total Criminal Referral Settlements: \$43,148.63**

#### Hearing Board

104234	SCAQMD v. Mission Foods	202, 203(b), 1153.1, 1303	10/28/2020	KCM	5400-4	\$25,000.00
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**Total Hearing Board Settlements: \$25,000.00**

#### MSPAP

148888	H B SHELL	461, H&S 41960.2	10/09/2020	TCF	P69860	\$1,500.00
36491	MILLIE & SEVERSON INC	403	10/09/2020	TCF	P59287	\$3,200.00
121252	REGENT AEROSPACE CORP	1171	10/09/2020	TCF	P65600	\$800.00
189259	STAYBRIDGE SUITES	222	10/09/2020	TCF	P63891	\$500.00
1625	UNION PACIFIC RAILROAD	203(b)	10/09/2020	TCF	P69371	\$800.00
139464	YUSEN TERMINALS LLC	461	10/09/2020	TCF	P50747	\$1,000.00

**Total MSPAP Settlements: \$7,800.00**

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX  
FOR OCTOBER 2020 PENALTY REPORT**

**REGULATION II - PERMITS**

- Rule 201 Permit to Construct
- 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 403 Fugitive Dust
- Rule 461 Gasoline Transfer and Dispensing

**REGULATION XI - SOURCE SPECIFIC STANDARDS**

- Rule 1153.1 Emissions of Oxides of Nitrogen from Commercial Food Ovens
- Rule 1171 Solvent Cleaning Operations

**REGULATION XIII - NEW SOURCE REVIEW**

- Rule 1303 Requirements

**REGULATION XIV - TOXICS**

- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
- Rule 1415.1 Reduction of Refrigerant Emissions from Stationary Refrigeration Systems

**REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)**

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

**REGULATION XXX - TITLE V PERMITS**

- Rule 3002 Requirements for Title V Permits

**CALIFORNIA HEALTH AND SAFETY CODE**

- 41960.2 Gasoline Vapor Recovery

**CODE OF FEDERAL REGULATIONS**

- 40 CFR 61.145 Standard for demolition and renovation