



**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**

Mayor Ben Benoit, Chair  
Dr. Joseph Lyou, Vice Chair  
Mayor Pro Tem Judith Mitchell  
Supervisor Shawn Nelson  
Supervisor Janice Rutherford  
Supervisor Hilda L. Solis

**March 16, 2018 ♦ 10:30 a.m. ♦ CC8  
21865 Copley Dr., Diamond Bar, CA 91765**

**TELECONFERENCE LOCATION**

Hall of Administration  
Planning Commission Room  
333 West Santa Ana Blvd.  
Santa Ana, CA 92701

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

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

*Toll Free: 866-244-8528*

*Listen Only Passcode: 5821432*

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

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

## AGENDA

### CALL TO ORDER

### INFORMATIONAL ITEMS (Items 1 – 3)

1. **RECLAIM Quarterly Report – 2<sup>nd</sup> Update** (15 mins.) Susan Nakamura,  
Staff will provide an update on the transition of NO<sub>x</sub> RECLAIM facilities to a  
command-and-control regulatory structure. Assistant Deputy  
(Written Material Attached) Executive Officer
2. **Summary of Proposed Amended Rule (PAR) 408** (15 mins.) Michael Krause,  
Staff will provide a briefing on PAR 408 – Circumvention, and the key issues  
raised by the stakeholders. Manager  
(Written Material Attached)
3. **Update on Proposed Amended Rule 1469 – Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations** (20 mins.) Susan Nakamura  
At the March 2, 2018 Governing Board Meeting, the Board delayed the set  
hearing for PAR 1469 and requested that staff return to Stationary Source  
Committee in March to provide an update on key issues raised regarding the  
proposed amendments. Staff will provide the additional information regarding  
these key issues and proposed requirements of PAR 1469 that seek to address the  
issues raised.  
(Written Material Attached)

### WRITTEN REPORTS

4. **Notice of Violation Penalty Summary** Bayron Gilchrist,  
This report provides the total penalties settled in February of 2018 which  
includes Civil, Supplemental Environmental Projects, Mutual Settlement  
Assessment Penalty Program, Hearing Board and Miscellaneous. General Counsel  
(Written Material Attached)
5. **Home Rule Advisory Group – January 2018 Meeting Minutes** Philip Fine,  
This report summarizes the topics discussed at the January 2018 Home Rule  
Advisory Group meeting. Deputy Executive  
(Written Report Attached ) Officer

### 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**

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)). All agendas for regular meetings are posted at District Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of a regular meeting. 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. Speakers may be limited to three (3) minutes each.

**8. Next Meeting Date: April 20, 2018**

**ADJOURNMENT**

**Americans with Disabilities Act**

*The agenda and documents in the agenda packet will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't. Code Section 54954.2(a)). Disability-related accommodations will also be made available to allow participation in the Stationary Source Committee meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please contact Evangelina Barrera at 909.396-2583 from 7:30 a.m. to 6:00 p.m., Tuesday through Friday, or send the request to [ebarrera@aqmd.gov](mailto:ebarrera@aqmd.gov).*

**Document Availability**

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

## NO<sub>x</sub> RECLAIM QUARTERLY UPDATE

STATIONARY SOURCE COMMITTEE  
MARCH 16, 2018

### 2<sup>nd</sup> Quarter Update “At a Glance”



**Monthly RECLAIM Working Group Meetings**



**Initiated Work on 7 Command and Control Rules**

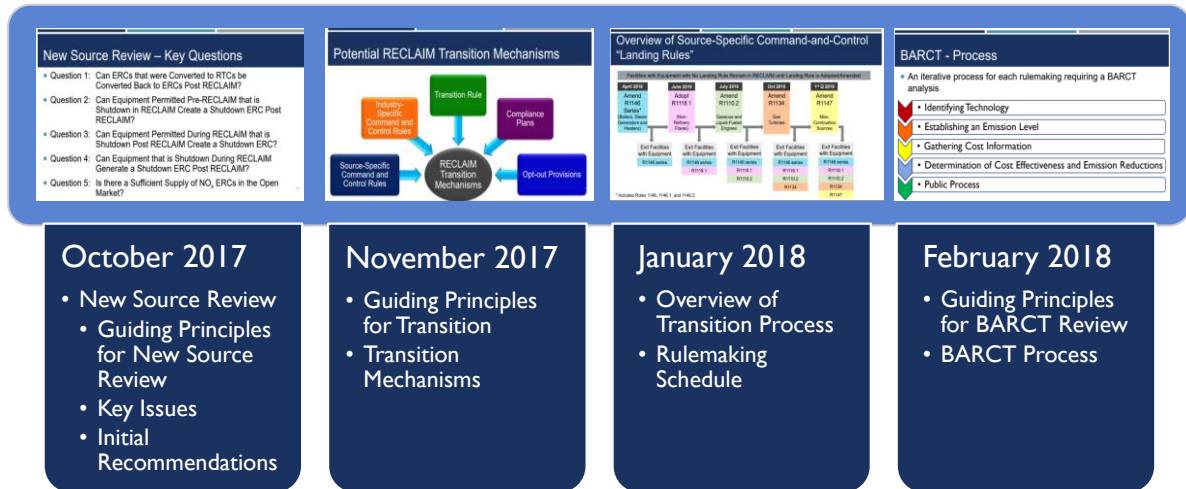


**Amended Rules 2001 and 2002 to Establish Transition Process**



**Issued Letters to 37 Facilities to Initiate RECLAIM Transition**

# RECLAIM Working Group Meetings



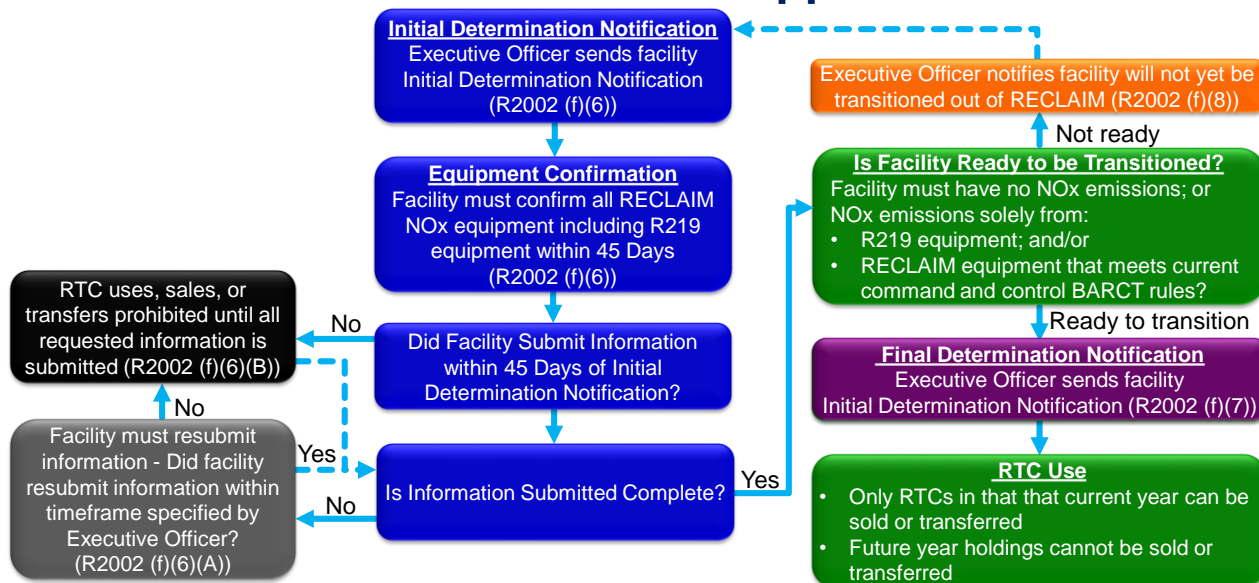
## Transition Process

- Rule 2002 establishes the transition process, including RTC use
- As command-and-control BARCT rules are adopted/amended, staff will initiate the transition process
- A facility will not begin the transition process until the applicable command-and-control rules for all equipment have been adopted/amended
- A facility can be in RECLAIM and be required to meet command-and-control BARCT requirements

<sup>1</sup> Unless the equipment would be subject to a command-and-control rule that it cannot reasonably comply with

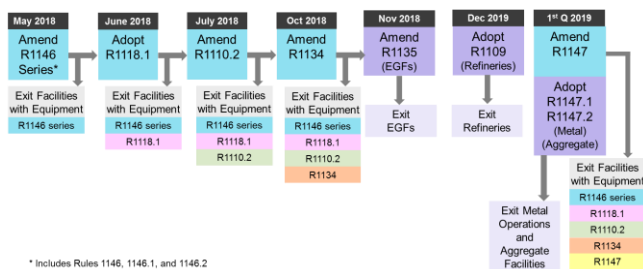
<sup>2</sup> Includes any applicable BARCT command-and-control rule regardless if the equipment is currently meeting the BARCT emission limit

## Overview of Transition Approach



## Update on Rulemaking

- Prior to transitioning facilities out of RECLAIM, command and control “landing rules” are needed
  - Seven source-specific command and control rules identified
  - Four industry-specific rules identified
    - Refineries
    - Electrical Generating Facilities
    - Metal Operations Facilities
    - Aggregate Facilities
- Proposed Rule 1100 will include the implementation for command-and-control source-specific rules



## General Transitioning of RECLAIM Facilities

Rule Action	Estimated Number of Facilities to Exit RECLAIM
Rule 1146 Series (Boilers, Steam Generators and Heaters)	27
Rule 1118.1 (Non-Refinery Flares)	0
Rule 1110.2 (Gas and Liquid-Fueled Engines)	9
Rule 1134 (Gas Turbines)	21
Rule 1135 (Electricity Generating Facilities)	29
Rule 1109.1 (Refineries)	13
Rule 1147 (Misc. Combustion)	85
Rule 1147.1 (Metal Operations Facilities)	29
Rule 1147.2 (Aggregate Facilities)	18

## Command-and-Control BARCT Rulemaking Status

### PAR 1146, 1146.1 and 1146.2



- **Boilers, steam generators, and heaters**
- 3<sup>rd</sup> Working Group Meeting: March 8, 2018
- Public Hearing: May 2018

### PR 1118.1



- **Non-Refinery Flares**
- 4<sup>th</sup> Working Group Meeting: March 1, 2018
- Public Hearing: June 2018

### PAR 1134



- **Gas Turbines**
- 1<sup>st</sup> Working Group Meeting: Feb 22, 2018
- Public Hearing: Oct 2018

### PAR 1135



- **Electricity Generating Facilities**
- 2<sup>nd</sup> Working Group Meetings: TBD
- Public Hearing: Nov 2018

### PR 1109.1

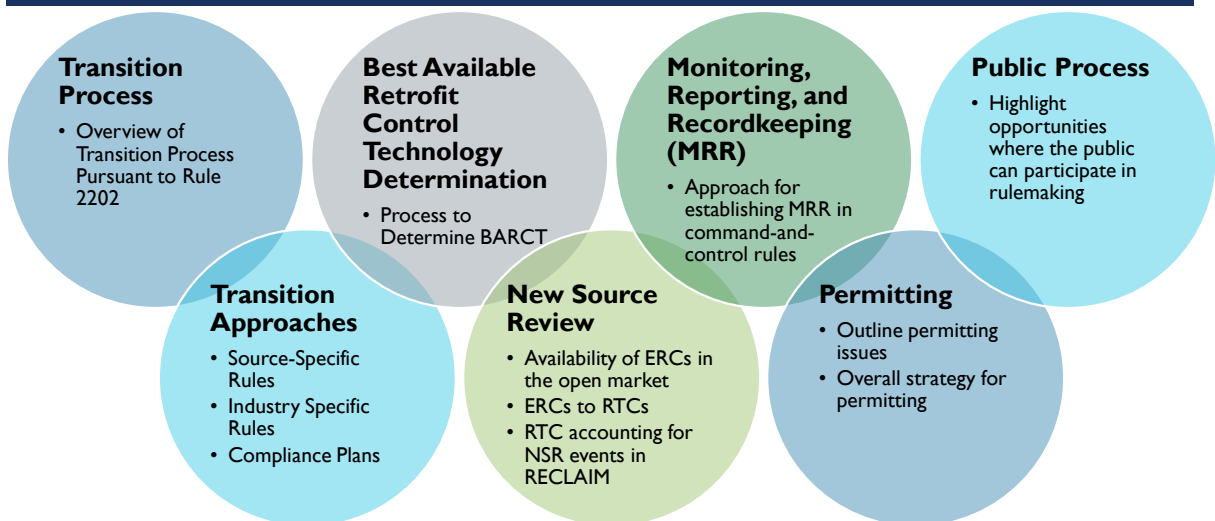


- **Refineries**
- 1<sup>st</sup> Working Group Meeting: Feb 21, 2018
- Public Hearing: Dec 2018

## RECLAIM Transition Plan

- Purpose is to summarize the transition of the RECLAIM program to command-and-control
- Embodies much of the discussion topics presented at the RECLAIM Working Group
- Dynamic process – staff will periodically update Transition Plan
- As transition process progresses:
  - Additional topics will be added to the Transition Plan
  - Information will be updated as issues are resolved
- 1<sup>st</sup> Draft of Transition Plan expected in about a week

## Key Topics in 1<sup>st</sup> Draft of Transition Plan





## On-Going Efforts and Next Steps

- Monthly meetings of RECLAIM Working Group
- Rulemaking
- Individual facility meetings
- Continue working with EPA regarding
  - NSR issues – use of the SCAQMD internal bank; and
  - Accounting of RTCs as RECLAIM facilities transition to command-and-control
- Complete Transition Plan

# Proposed Amended Rule 408: Circumvention

STATIONARY SOURCE COMMITTEE

MARCH 16, 2018

## Amendment Process

- Recent enforcement issues triggered proposed amendment
- Public Process
  - Preliminary rule language - December 14, 2017
  - First public consultation meeting - January 11, 2018
  - Preliminary Draft Staff Report
  - Proposed Rule Language
  - Working Group Meeting – February 23<sup>rd</sup>
  - Second Consultation Meeting – March 14<sup>th</sup>
  - Public Hearing - May 4<sup>th</sup>



## Proposed Amendment

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- Clarify rule language
- Modify the language to indicate circumvention of any “law, regulation, rule, permit, order, or plan required by a rule” constitutes a violation
- Prohibit altering operations or equipment to evade detection of emissions during monitoring or testing
- Retain the exemption for cases in which the only violation is a nuisance, but limit it to odor nuisances

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## Remaining Concerns

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- Proposed amendment will modify current enforcement practices
  - SCAQMD enforcement practices will not change, circumvention will be assessed on a case-by-case basis.
- Proposed addition of terms “law, regulation, rule, permit, order, or plan required by rule” broadens the rule’s applicability
  - Language does not broaden the rule’s applicability. Circumvention of any law, regulation, rule, permit, order, or plan required by rule is currently a violation.
  - Included only for clarity.



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## Remaining Concerns (Cont.)

### *Proposed subdivision (b):*

*A person shall not alter normal business operations or equipment to suppress emissions for the purpose of evading detection or concealing emissions during monitoring or testing.*

#### CONCERN:

- A facility suppressing emissions near a community monitor required under AB617 would constitute a violation of proposed language
- Proving a facility altered normal business operations to evade detection on sampling days is subjective and will lead to inconsistent enforcement

#### STAFF'S RESPONSE:

- The intent of community monitoring is to provide an accurate reflection of community exposure. Suppressing emissions to avoid detection would be a violation of PAR408
- Staff will request records and interview facility staff to assess normal business operation with the understanding that businesses have normal fluctuation in workload/process.

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## Schedule



### Stakeholder Meetings

- Ongoing

### Comments Due

- March 23, 2018

### Set Hearing

- April 6, 2018

### Public Hearing

- May 4, 2018

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## SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

General Counsel's Office

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## February 2018 Settlement Penalty Report

[Back to Agenda](#)

<u>Total Penalties</u>	
Civil Settlements:	\$5,252,100.00
MSPAP Settlements:	\$25,825.00
<b>Total Cash Settlements:</b>	<b>\$5,277,925.00</b>
<b>Total SEP Value:</b>	<b>\$0.00</b>
<b>Fiscal Year through 2 / 2018 Cash Total:</b>	<b>\$9,645,181.81</b>
<b>Fiscal Year through 2 / 2018 SEP Value Only Total:</b>	<b>\$2,120,000.00</b>

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
<b>Civil Settlements</b>						
180945	ALLTECH, INC.	202(a) 402 41700	2/6/2018	SMP	P59539	\$6,000.00
138568	CALIFORNIA DROP FORGE, INC	2004	2/23/2018	SH	P64400	\$2,500.00
800030	CHEVRON U.S.A. INC	1118 2004 2004(f)(1) 203 203 (b) 3002 3002(c)(1) 401 41700	2/2/2018	TRB	P48747 P57247 P57248	\$5,137,250.00
69598	DELGADO BROTHERS CO	3003 3002(c)(1)	2/15/2018	SH	P62378	\$750.00
169170	EMERITUS OF YORBA LINDA	1146.2	2/15/2018	WBW	P60673 P60674	\$2,500.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
11818	HIXSON METAL FINISHING	1402	2/7/2018	NSF	P63556	\$25,000.00
46874	HOLLY STREET, LLC	1173 203 (b)	2/6/2018	SH	P60719	\$10,000.00
181997	JOHN KA WAH KWONG, BETTY LOK	1403 40 CFR	2/23/2018	BST	P64701	\$25,000.00
125015	LOS ANGELES TIMES COMMUNICATIONS LLC	2012	2/8/2018	BST	P64356	\$9,000.00
5887	NEXGEN PHARMA INC	3002(c)(1)	2/15/2018	SH	P60416	\$2,500.00
183415	ONTARIO INTERNATIONAL AIRPORT AUTHORITY	461 (e) (2)	2/6/2018	BST	P64762	\$1,700.00
800183	PARAMOUNT PETR CORP	1173 1176(e)(1) 2004 2004(d)	2/7/2018	VKT	P53753 P61513 P61518 P61519 P61520 P64416	\$20,000.00
120948	PHILLIPS INDUSTRIES	1145	2/23/2018	KCM	P63917	\$2,800.00
53729	TREND OFFSET PRINTING SERVICES, INC	2004(f)(1) 2012 3002(c)(1)	2/6/2018	WBW	P54985	\$3,000.00
13990	US GOVT, VETERANS AFFAIRS MEDICAL CENTER	2202	2/23/2018	SH	P60347	\$3,000.00
118015	VILLAGE AUTO SPA,GALEN MOGTADERI	41954 41960.2 461(c)	2/23/2018	SH	P61267	\$1,100.00

**Total Civil Settlements: \$5,252,100.00**

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
<b>MSPAP Settlements</b>						
7776	3-D POLYMERS	203 (a)	2/21/2018	TF	P66801	\$1,000.00
141000	GURUAAN LA II, LP	461	2/7/2018	GC	P64665	\$630.00
185373	LAGUNA BEACH COUNTY WATER DISTRICT	203 (a)	2/15/2018	TF	P64079	\$100.00
137767	MADISON MATERIALS INC	403	2/20/2018	TF	P63162	\$1,000.00
56547	MARCEL ELECTRONICS	203 (b)	2/6/2018	TF	P64083	\$2,695.00
118488	METROPOLITAN CLEANERS, G. GORODETSKY, DBA	1146.2	2/21/2018	TF	P63674	\$175.00
183029	MG OIL, INC	41960.2 461	2/21/2018	TF	P65737	\$700.00
154429	N. B. OIL CO., INC. #2	461	2/28/2018	TF	P65736	\$375.00
71791	SAFEWAY INC	1146.1 203 (b)	2/21/2018	GV	P64465	\$3,200.00
92495	SANTANA CYCLES INC	1107	2/22/2018	GV	P65366	\$2,000.00
16947	SERV-RITE MEAT COMPANY	1146 201 203 (a)	2/20/2018	GV	P64136	\$6,400.00
176964	ST. JOSEPH HEALTH	2202	2/20/2018	GV	P59486	\$800.00
184818	STATEN SOLAR	403	2/22/2018	GV	P63137	\$1,000.00
178085	WEST TO EAST COLLISION CENTER	109 203 (a)	2/21/2018	GV	P65151	\$1,600.00
145023	WHITE MEMORIAL MEDICAL CENTER	203 (b)	2/22/2018	GV	P64130	\$2,300.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
13613	WHITE MEMORIAL MEDICAL CENTER	1146 203 (b)	2/22/2018	GV	P64131	\$600.00
28165	WORLD AUTO SERVICE	201	2/22/2018	GV	P59398	\$250.00
161230	Z GAS, LLC	203 (b) 461(c)(2)(B)	2/22/2018	GV	P65024	\$1,000.00

**Total MSPAP Settlements: \$25,825.00**



**DRAFT**  
**DISTRICT'S RULES AND REGULATIONS INDEX**  
**FOR FEBRUARY 2018 PENALTY REPORT**

**REGULATION I - GENERAL PROVISIONS**

Rule 109      Recordkeeping for Volatile Organic Compound Emissions (*Amended 8/18/00*)

**REGULATION II - PERMITS**

Rule 201      Permit to Construct (*Amended 1/5/90*)  
Rule 202      Temporary Permit to Operate (*Amended 5/7/76*)  
Rule 203      Permit to Operate (*Amended 1/5/90*)

**REGULATION IV – PROHIBITIONS**

Rule 401      Visible Emissions (*Amended 9/11/98*)  
Rule 402      Nuisance (*Adopted 5/7/76*)  
Rule 403      Fugitive Dust (*Amended 12/11/98*) *Pertains to solid particulate matter emitted from man-made activities.*  
Rule 461      Gasoline Transfer and Dispensing (*Amended 6/15/01*)

**REGULATION XI - SOURCE SPECIFIC STANDARDS**

Rule 1107      Coating of Metal Parts and Products (*Amended 11/17/00*)  
Rule 1118      Emissions From Refinery Flares (*Adopted 2/13/98*)  
Rule 1145      Plastic, Rubber and Glass Coatings (*Amended 2/14/97*)  
Rule 1146      Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters (*Amended 11/17/00*)  
Rule 1146.1      Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters (*Amended 5/13/94*)  
Rule 1146.2      Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers (*Adopted 1/9/98*)  
Rule 1173      Fugitive Emissions of Volatile Organic Compounds (*Amended 5/13/94*)  
Rule 1176      Sumps and Wastewater Separators (*Amended 9/13/96*)

# DRAFT

## REGULATION XIV - TOXICS

- Rule 1402 Control of Toxic Air Contaminants from Existing Sources (*Amended 3/17/00*)
- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities (*Amended 4/8/94*)

## REGULATION XX REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

- Rule 2004 Requirements (*Amended 5/11/01*)
- Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO<sub>x</sub>) Emissions (*Amended 5/11/01*)

## REGULATION XXII ON-ROAD MOTOR VEHICLE MITIGATION

- Rule 2202 On-Road Motor Vehicle Mitigation Options (*Amended 10/9/98*)

## REGULATION XXX TITLE V PERMITS

- Rule 3002 Requirements (*Amended 11/14/97*)
- Rule 3003 Applications (*Amended 3/16/01*)

## CODE OF FEDERAL REGULATIONS

40 CFR – Protection of the Environment

## CALIFORNIA HEALTH AND SAFETY CODE § 41700

- 41700 Violation of General Limitations
- 41954 Compliance for Control of Gasoline Vapor Emissions
- 41960.2 Gasoline Vapor Recovery



# South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4182  
(909) 396-2000 • www.aqmd.gov

## HOME RULE ADVISORY GROUP

Wednesday, January 10, 2018

### MEETING MINUTES

#### CHAIR:

Dr. Joseph Lyou, Governing Board member

#### MEMBERS PRESENT:

Nan Harrold (Orange County Waste & Recycling); Bill La Marr (California Small Business Alliance); Dan McGivney (Southern California Gas); Terry Roberts (American Lung Association of California); David Rothbart (Los Angeles County Sanitation District); Patty Senecal (Western States Petroleum Association); Larry Smith (Cal Portland Cement); and Susan Stark (Andeavor).

The following members participated by conference call: Rongsheng Luo (SCAG); Bill Quinn (California Council for Environmental & Economic Balance); and Amy Zimpfer (EPA).

#### MEMBERS ABSENT:

Mike Carroll (Regulatory Flexibility Group); Michael Downs (Downs Energy);-Jaclyn Ferlita (Air Quality Consultants); Art Montez (AMA International); Penny Newman (Center for Community Action and Environmental Justice); Larry Rubio (Riverside Transit Agency); Kristen Torres Pawling (County of Los Angeles, Chief Sustainability Office); and TyRon Turner (Dakota Communications).

#### OTHER ATTENDEES:

Mark Abramowitz (Board Consultant to Dr. Lyou) and Johnny Raymond (CARB).

#### SCAQMD STAFF:

Philip Fine	Deputy Executive Officer
William Wong	Principal Deputy District Counsel
Philip Crabbe	Community Relations Manager
Pedro Piqueras	Air Quality Specialist
Ann Scagliola	Administrative Secretary

#### OPENING COMMENTS AND SELF-INTRODUCTIONS

The meeting was called to order at 10:00 a.m. by Dr. Joseph Lyou (Chairman).

#### APPROVAL OF NOVEMBER 2018 MEETING MINUTES

Dr. Lyou asked for comments on the November 8, 2017 meeting minutes. Bill La Marr noted a minor correction needed on page five, Clean Community Program should be Clean Communities Program. With the correction noted, the meeting minutes were approved and finalized.

## **EPA AND FEDERAL ACTIVITIES**

Amy Zimpfer provided an update on recent U.S. Environmental Protection Agency (EPA) and federal activities.

### **SCAQMD Related Actions**

- In December 2017, EPA completed the distribution of the ozone designation letters to state governors to begin the 120-day notification process on designated nonattainment areas for the 2015 ozone standards. For California, EPA concurred with the state recommendation and South Coast Air Quality Management District (SCAQMD) will be included as a nonattainment area. Comment letters are due by February 5, 2018.
- In December 2017, a third round of State designation recommendations was completed for the 2010 Sulfur Dioxide (SO<sub>2</sub>) National Ambient Air Quality Standard (NAAQS). For California, EPA agreed with the state recommendation to be designated as attainment/unclassifiable for the 2010 1-hour Sulfur Dioxide Standard.
- In December 2017, a letter was submitted to approve the adequacy of the motor vehicle emissions budgets in the 2016 PM<sub>2.5</sub> South Coast Serious Area Plan and a Federal Register notice was also published on January 5, 2018. This action will allow transportation planning to move forward with budgets outlined in the South Coast Air Quality Management Plan (AQMP).
- Other components of the SCAQMD AQMP under review are the 2016 PM<sub>2.5</sub> Plan, for possible action in the spring of 2018, and the Ozone plan for possible action before the end of the fiscal year.
- There were no challenges received for the recently approved reasonably available control technology (RACT), with RECLAIM components, so the approval stands.
- There have been ongoing meetings with SCAQMD as changes are being made to RECLAIM rules 2001 and 2002, and EPA expects these meetings to continue.
- EPA is working with CARB to withdraw SCAQMD Rule 1420.2 as a contingency measure.
- EPA continues to work with the Ports of Los Angeles and Long Beach and community members to develop a contract for a case study on the Clean Air Action Plan. They expect the study to be completed by fall 2018.

### **Federal Update**

- On October 16, 2017, the Administration proposed the repeal of the Clean Power Plan (CPP) and, in accordance with the Executive Order, there has been a review to determine if it exceeds the authority delegated to EPA by Congress. There will be three additional CPP repeal public listening sessions in 2018. The formal notice will be released in the next couple of weeks.
- On December 28, 2017, the Administration released an advance notice of proposed rulemaking for a Clean Power Plan replacement guidelines. This notice does not propose any regulations but asks for input. Comments are due by February 26, 2018.
- Carbon pollution standards for new electric generating units are under review and no action has been taken to propose any revisions.
- The Administration has announced its review of the 2016 standards for the Oil and Gas New Source Performance Standards (NSPS).
- In 2017, EPA granted reconsideration of certain aspects of the 2016 landfill methane rules for new and existing landfills.
- The 2014 National Air Toxics Assessment (NATA) comprehensive review is ongoing, with the anticipated public release in the summer of 2018.
- The Federal Government continues to operate under a continuing resolution, which expires January 19, 2019. Funding is beginning to flow for Section 103 grants allocations, Diesel

Emission Reduction Act (DERA) grant awardees are expected to be announced in the next couple of weeks and some additional funding is expected in the next six months.

### Discussion

Dr. Lyou indicated that he would be willing to provide comments to EPA on the Port of Los Angeles and Long Beach case study. Ms. Zimpfer replied she would make sure that he was part of this.

Rongsheng Luo inquired if there was a federal register notice for the 2015 Ozone NAAQS. Ms. Zimpfer replied that a notice was issued and that she could provide the link to the site.

<https://www.regulations.gov/document?D=EPA-HQ-OAR-2017-0548-0065>

Dr. Philip Fine inquired about the timing of when California's Ozone designation would be effective. Ms. Zimpfer indicated that EPA concurred with the State's recommendation, but there is a public comment period where additional data can be presented. Dr. Fine inquired if the effective date would be in the spring of 2018. Ms. Zimpfer answered yes. Dr. Lyou asked about the significance of this. Dr. Fine indicated that this would start the clock for the next AQMP and will also establish the attainment deadline.

Dan McGivney inquired if the anticipated funding is for DERA or EPA. Ms. Zimpfer replied that it would be for DERA, but they would not know for sure until they get a budget.

Bill La Marr inquired about a political appointee for Region IX. Ms. Zimpfer replied that Region IX is the only Region without a Regional Administrator, and Alexis Strauss continues to serve as the Acting Regional Administrator.

### **CARB REGULATORY ACTIVITIES**

Johnnie Raymond provided an update on recent CARB regulatory activities.

- There is no Board Meeting scheduled for January 2018, but it sets the stage for the 50<sup>th</sup> anniversary celebration at the February 8, 2018 Board hearing.
- CARB's February Meeting will include the following items:
  - Presentation by the Executive Office to identify priorities for the agency; and
  - Phase 2 Greenhouse Gas Regulations (GHG) for medium- and heavy-duty engines and vehicles.
- Recent updates to activities from 2017:
  - December 2017 Board Meeting:
    - Approved \$663M in clean transportation incentives for clean cars, trucks, and buses with monies from the Cap-and-Trade auction proceeds, the Volkswagen settlement, the Air Quality Incentive Program and the Zero/Near Zero Emission Warehouse Program; and
    - Approved the 2017 Climate Change Scoping Plan, the strategy for achieving California's 2030 greenhouse gas target, and also the ongoing work to include AB 617.
  - Updated the Pollution Mapping Tool to include toxics.

### Discussion

David Rothbart inquired if there is a process to follow with the local District to get the pollution mapping tool information updated, since his staff has seen some discrepancies. Mr. Raymond requested that his staff work directly with the inventory staff at each of the District's and David Edwards (917.323.4887) at CARB is spearheading the updating of the inventory. Dr. Fine indicated that if SCAQMD staff could be advised of discrepancies, we can help to sort out discrepancies.

Bill Quinn commented that over the past year they have worked closely with David Edwards on the mapping tool, and wanted to acknowledge him and his team's willingness to identify and fix problems.

Dr. Lyou indicated that an item to add to CARB's list of accomplishments is the certification of the Cummins Westport 12-liter natural gas engine. He offered congratulations on getting that done.

## **LEGISLATIVE UPDATE**

Philip Crabbe provided a recap of the December 8, 2017 Legislative Committee meeting.

### Federal Legislative Issues

SCAQMD's federal legislative consultants each provided a written report on various key Washington, D.C. issues, and they also provided verbal updates as well.

It was reported that a continuing budget resolution was passed by Congress that lasted through December 22, 2017, and that tax reform appeared to be on its way to completion. *UPDATE: We know the tax bill passed and the government has still been operating under a short-term budget extension, with the current continuing resolution is set to expire on January 19, 2018.*

The U.S. EPA proposal to repeal provisions that apply to the heavy-duty truck phase 2 emissions standards to the glider industry was discussed. A public hearing was held to receive public comment on this issue, during which SCAQMD staff, including our Executive Officer, Wayne Nastri, participated and testified. It was noted that an estimated 60 other individuals and groups testified, mostly in opposition to the U.S. EPA proposal, due to the negative impact on emissions that it would have.

SCAQMD staff met with the new U.S. EPA Assistant Administrator for Air and Radiation, Bill Wehrum in Washington. Also, Susan Bodine was just recently confirmed by the U.S. Senate as the U.S. EPA's Assistant Administrator for Enforcement and Compliance Assurance.

U.S. EPA on November 30, 2017 issued a final rule on the renewable fuel standard, which sets the volume requirements for ethanol, biofuel, biodiesel and how much of those should be blended into the fuel supply. This issue draws strong interest because it pits the farm states against the oil states. Through the rulemaking, U.S. EPA split the difference and neither side appeared fully happy with the result.

An update relating to the EPA Administrator, Scott Pruitt's testimony before the U.S. House Energy and Commerce Committee was provided. Two California congressional members raised questions relating to issues of interest to SCAQMD during the hearing. It was noted that Administrator Pruitt did not commit to maintaining the California waiver, and when asked about states' rights, he commented that one state cannot dictate to the rest of the country.

It was reported that the U.S. House is preparing a \$4.4 billion wildfire relief package for Northern California, so it is possible that there may be a future effort to help Southern California on this same issue through similar funding. And since air pollution is such a big consequence of these wildfires, SCAQMD will look for opportunities to help address related air quality issues within the South Coast region.

### State Legislative Issues

SCAQMD's state legislative consultants provided written reports on various key issues in Sacramento and gave verbal updates as well.

It was noted that the Legislature returned from recess on January 3, 2018 and that former Speaker of the Assembly, Senator Toni Atkins will be the next President Pro Tem of the State Senate. It was noted that she will be the first female Pro Tem in the state's history. It was recently determined that Senator Atkins will be sworn in on March 21, 2018. Consequently, some changes in the Senate leadership team and in committees is expected, but many of the committee chairs will likely stay the same.

The expectation is that everything will start shifting over to Senator Atkins, due to current Senate President Pro Tem Kevin de Leon's focus on running for U.S. Senate.

Finally it was reported that the ongoing conversation about sexual harassment would likely continue for the next year or so, and that it will continue to be a hot topic and at the forefront in the Legislature. Assembly Members Raul Bocanegra and Matt Dababneh have already resigned, and Senator Tony Mendoza has taken a leave of absence pending an investigation. Assembly Member Sebastian Ridley-Thomas also resigned.

### Action Item

The only action item taken up at the Legislative Committee was the recommendation of 2018 State and Federal Legislative Goals and Objectives.

It was stated that both the State and federal legislative goals and objectives focus on:

- Seeking increased funding sources for clean air programs that protect public health and ensure attainment of state and federal air quality standards, particularly incentive programs that support the 2016 AQMP;
- Working to ensure that the state and federal governments do their fair share to reduce air pollution by providing legislative funding, and regulatory support to the SCAQMD to implement the 2016 AQMP and meet national air quality standards by upcoming deadlines;
- Supporting policies and funding that promote the development and deployment of zero and near-zero emission infrastructure, equipment and vehicles;
- Protecting and ensuring adequate SCAQMD authority for implementation of the Governing Board's clean air policies and programs, as required by state and federal law, including the 2016 AQMP;
- Supporting legislation, policies and administrative actions that encourage job retention and creation, and promote economic growth, while working toward attainment of clean air standards; and
- Supporting legislation and funding to promote environmental justice initiatives to reduce localized health risks from criteria pollutant and toxic air emissions, while developing and expanding access to clean air technology that directly benefits disproportionately impacted communities. In particular, this includes securing the necessary resources to fully implement local air districts responsibilities created by AB 617.

Overall, the Legislative Committee adopted staff's recommended position to APPROVE this item. The next Legislative Committee meeting will be January 12, 2018.

### Discussion

Bill Quinn reported that the Governor just released the proposed state budget, and noted that he will make his recommendation for the use of the Greenhouse Gas Reduction Fund (GGRF) monies in the 2018 State of the State Address.

### **UPDATE REGARDING LITIGATION ITEMS AND RELATED EPA ACTIONS**

William Wong proved an update to the litigation status report meeting handout.

- New Case – A demurrer was filed and a demurrer hearing is scheduled for January 12, 2018.
- Case #10 – The court has found that there was no evidence of a Board consideration of the changes made in the rule and the Board approved taking the appeal on that decision.
- Case #12 – The hearing was continued to January 31, 2018.

### **SUBCOMMITTEE STATUS REPORTS**

#### ***A. Freight Sustainability (Dan McGivney)***

An update was provided on the following items:

- To add to Dr. Lyou's report about CARB's certification of the Cummins Westport 12-liter natural gas engine, in addition to meeting the 0.02 standard it was also certified at 0.01; and
- CARB has released their proposal for the Innovative Clean Transit Rule.

Dr. Lyou added that the Annual State of the Port of Los Angeles is January 11, 2018 and the Annual State of the Port of Long Beach is January 19, 2018. In addition, the SCAQMD is expected to provide an update on Facility-Based Measures in March 2018. Dr. Fine added that there are working group meetings in mid-January and it is going to Mobile Source Committee in February 2018.

#### ***B. Small Business Considerations (Bill La Marr)***

An update was provided on the following item.

- Mr. La Marr indicated in 2017 he was approached by CARB's Chairman's office to serve on their Small Business Opportunities Advisory Panel, and last week he was notified that he been approved as a Small Business Advisor to the Panel.

Dr. Lyou commented that at the January 2018 SCAQMD Governing Board meeting, the Board approved the release of a Request for Proposals for emissions mitigation, and encouraged Mr. La Marr to provide a copy of the RFP to the members of CARB's Small Business Opportunities Advisory Panel and other small businesses.

#### ***C. Environmental Justice (Curt Coleman)***

Susan Stark indicated that the AB 617 implementation, community selection and emission reduction plans is an ongoing SCAQMD effort.

Dr. Phil Fine indicated that the first big task for SCAQMD is community identification and a nomination report that will be provided to CARB by August 2018. SCAQMD is currently working on the technical analysis to define communities and the related criteria to be considered for prioritization. An outreach plan is also being developed, including meetings within communities for input on the selection process.

### Discussion

Bill La Marr inquired if staff is looking at the census track data such as MATES, or at political boundaries. Dr. Fine responded that staff is looking at a variety of factors, such as CalEnviroScreen, the grid-based environmental justice and MATES modeling data, as well as other



data sources. When SCAQMD goes out to the communities, preliminary assessments will be provided for their feedback, along with other factors for their consideration and prioritization.

Dan McGivney inquired if the District, in the initial nomination round, is looking to nominate certain areas or environmental justice communities. Dr. Fine indicated SCAQMD will look to nominate a list of communities with prioritization for the next few years. Dan McGivney also inquired if it was a two-fold process to develop the community selection criteria and then to identify the communities that match up. Dr. Fine indicated that technical data is being evaluated for a possible rank or score, but there is also a subjective component that needs to be considered. Dan McGivney further inquired if this information will go to CARB and asked about the criteria at other Air Districts. Dr. Fine indicated Air Districts will have their own evaluation criteria because they will not have the same data sets and priorities.

David Rothbart asked about the possibility of a competition between the Districts for CARB's community selections. Dr. Fine indicated this is an active discussion at CAPCOA, but it is difficult to determine at this point what the priorities will be. David Rothbart further inquired if the District felt strongly about a community, would they be an advocate for that particular community or would the community need to go to CARB. Dr. Fine replied that he could see this happening, because of the difficulty to get 100 percent consensus on all aspects and that communities will have the option to nominate themselves. Dr. Lyou added that CARB is creating an Advisory Group, where communities can go to CARB directly.

Susan Stark asked if mobile source emissions and railroads are also being folded into the process. Dr. Fine explained how the MATES studies cover these areas.

Bill La Marr inquired if an Air Quality Management Plan (AQMP) will be developed for communities that need emission reductions. Dr. Fine indicated that a community emission reduction plan will need to be developed, and the state will provide guidance on what these plans must contain. Bill La Marr also inquired if these plans have to be in place before anything goes forward. Dr. Fine replied no, and provided an outline of the associated tasks and when a community emissions reduction plan might be needed. Mr. La Marr further inquired if there was a sunset on the funding from CARB. Dr. Lyou replied yes and indicated that the funds need to be spent or encumbered by June 30, 2019. Bill La Marr further inquired if SCAQMD and a community elected to go forward with a community emission reduction plan, would this decision be based on the number of stationary sources within the community or boundaries and would the sources of the emissions be identified. Dr. Fine indicated that SCAQMD is moving quickly on community identification, using the information that we have. Once communities are prioritized, there will be monitoring or a plan developed, or possibly both. Emissions data from the community or area will be used to determine where emissions reductions are needed and a community emissions reduction plan will be designed based on this information. This information will then go to the SCAQMD Governing Board for their approval. Dr. Lyou added that there will also be guidance from CARB on what should be in the plans.

Patty Senecal asked for additional information on the CARB Advisory Board, the selection process, who is on it and when it will start. Dr. Lyou indicated that there is a preliminary list but was unsure if it was made public. Bill Quinn indicated that Janet Whittick/CCEEB is on this Committee and the information was sent to their membership. Dr. Lyou asked for the list to be sent to Ann Scagliola, to be circulated to the Home Rule members.

***ACTION ITEM** – AB 617 Consultation Group Members List provided by Bill Quinn and forwarded to the Home Rule Advisory Group membership on January 16, 2018.*

Larry Smith inquired about the separation of money for staff and the program enforcement. Dr. Lyou indicated that there was additional money set aside for needed AB 617 implementation staffing. Dr. Fine outlined the anticipated SCAQMD program staffing impacts.

Dan McGivney asked about the possibility of continued data evaluations, and for a community emissions reduction plan that revealed that the emissions came from a source outside of the selected community. Dr. Fine responded that CARB would have guidance on these situations.

**D. Climate Change (David Rothbart)**

It was reported that the latest Scoping Plan was approved in December 2017 by CARB.

**REPORT FROM AND TO THE STATIONARY SOURCE COMMITTEE**

Dr. Philip Fine provided a recap of items on the January 2018 agenda.

- Concurrence requested from the committee on the addition of Dr. Clark E. Parker, Sr. to the Home Rule Advisory Group membership. *(After the meeting it was decided that this request should go to the Administrative Committee for approval instead);*
- Presentation on new BACT guidelines;
- Contract to implement the Consumer Rebate Program for compliant furnaces;
- Updates on proposed amendments to Rules 1111 and 408;
- Updates on proposed Rule 120; and
- Update on tBac.

Discussion

Susan Stark asked what the decision was on tBac. Dr. Fine indicated that OEHHA finalized their cancer potency factor and direction is needed from the committee on how to proceed. Mark Abramowitz added that it was determined that it was toxic, and that they made some minor modifications.

**DRAFT 2017 ACCOMPLISHMENTS AND 2018 GOALS & OBJECTIVES**

Dr. Lyou asked for comments on the provided Home Rule Advisory Group 2017 Accomplishments and the 2018 Goals and Objectives. Hearing none, the reports were approved.

There was also a discussion of topics of interest for future 2018 meetings.

- AB 617 – will become a standing item under the Environmental Justice update, with specific areas of interest on the following items:
  - CARB versus SCAQMD roles
  - Local agencies interaction and engagement with implementation
  - Emission reporting requirements at the state and local levels
- Facility-Based Measures – SCAQMD and CARB approaches
- Enforcement Issues (Federal Regulations, Title V)
- Portable Low-Cost Air Quality Sensors
- Alternative Technology Infrastructure
  - Charging and Fueling Station Developments and Activity
  - Small Business Implementation
- Local Government Initiatives

- Update on the Port of Los Angeles/Long Beach case study on the Clean Air Action Plan  
*(possibly at the September or November meeting)*

**OTHER BUSINESS**

There were no comments.

**PUBLIC COMMENT**

There were no comments.

**ADJOURNMENT**

The meeting was adjourned at 11:28 a.m. The next meeting of the Home Rule Advisory Group is scheduled for 10:00 a.m. on March 14, 2018, and will be held at SCAQMD in Conference Room CC-8.