

South Coast Air Quality Management District 21865 Copley Drive, Diamond Bar, CA 91765

(909) 396-2000, <u>www.aqmd.gov</u>

### STATIONARY SOURCE COMMITTEE MEETING

### **Committee Members**

Mayor Pro Tem Ben Benoit, Chair Supervisor Sheila Kuehl, Vice Chair Senator Vanessa Delgado (Ret.) Board Member Gideon Kracov Vice Mayor Rex Richardson Supervisor Janice Rutherford

May 21, 2021 10:30 a.m.

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.

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION AT THE BOTTOM OF AGENDA

Join Zoom Webinar Meeting - from PC or Laptop https://scaqmd.zoom.us/j/94141492308

Zoom Webinar ID: 941 4149 2308 (applies to all)

**Teleconference Dial In** +1 669 900 6833 **One tap mobile** +16699006833,,94141492308#

Spanish Language Audience Zoom Meeting ID: 932 0955 9643 Teleconference Dial In +1 669 900 6833 On tap mobile +16699006833,,93209559643#

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

## PUBLIC COMMENT WILL STILL BE TAKEN

## **AGENDA**

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't. Code Section 54954.3(a)). If you wish to speak, raise your hand on Zoom or press Star 9 if participating by telephone. All agendas for regular meetings are posted at South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the regular meeting. Speakers may be limited to three (3) minutes each.

### CALL TO ORDER

### **ROLL CALL**

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

1.	Update on Eastern Coachella Valley Community Emissions(15 mins)Reduction Plan Amendments(No Motion Required)Staff will provide an update on draft amendments to the Eastern CoachellaValley Community Emissions Reduction Plan (CERP). The draft amendmentsinclude additional air quality actions and text clarifications. The draftamendments were developed in collaboration with the Eastern Coachella ValleyCommunity Steering Committee to further address their air quality priorities.(Written Material Attached)	Daniel Garcia Planning and Rules Manager
2.	Update on Implementation of Rule 1111- Reduction of NOx (15 mins) Emissions from Natural-Gas-Fired, Fan Type Central Furnaces ( <i>No Motion Required</i> ) Staff will provide an update on implementation of Rule 1111 including commercialization of high altitude, weatherized and mobile home furnaces. Staff will also provide an update on dual fuel weatherized systems with non- compliant 40 ng/J NOx furnaces. ( <i>Written Material Attached</i> )	Michael Krause Planning and Rules Manager
3. WR	Certification of Nonattainment New Source Review and Clean Fuels for Boilers Compliance Demonstration for 2015(10 mins)8-Hour Ozone Standard (No Motion Required)For the 2015 8-hour ozone standard, South Coast Air Basin and Coachella Valley are designated as Extreme and Severe nonattainment areas, respectively. Under the Clean Air Act, these nonattainment areas have to comply with the nonattainment new source review (NSR) and clean fuels for boilers requirements. Staff will present a compliance demonstration showing that South Coast AQMD's current SIP-approved rules and regulations comply with the requirements for nonattainment NSR and clean fuels for boilers for the 2015 ozone standard (Written Material Attached)UTTEN REPORTS (Items 4 through 5)	Zorik Pirveysian Planning and Rules Manager
<u>,,,</u>		
4.	Monthly Update of Staff's Work with U.S. EPA and CARB on New Source Review Issues for the Transition of RECLAIM Facilities to a Command and Control Regulatory Program	Susan Nakamura Assistant Deputy Executive Officer

(*No Motion Required*) This is a monthly update on staff's work with U.S. EPA and CARB regarding New Source Review issues related to the RECLAIM transition. (*Written Material Attached*)

### 5. Notice of Violation Penalty Summary (*No Motion Required*) This report provides the total penalties settled in April of 2021 which includes Civil, Supplemental Environmental Projects, Mutual Settlement Assessment Penalty Program, Hearing Board and Miscellaneous.

(Written Material Attached)

## **OTHER MATTERS**

### 6. Other Business

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

### 7. Public Comment Period

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

8. Next Meeting Date: Friday, June 18, 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 <u>crodriguez@aqmd.gov</u>.

# **Document Availability**

All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available by contacting Catherine Rodriguez at (909) 396-2735, or send the request to <u>crodriguez@aqmd.gov</u>.

Bayron Gilchrist General Counsel

## 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.

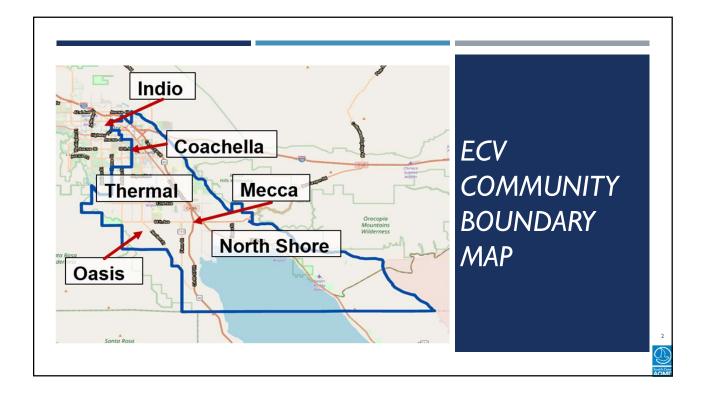
### **Directions for TELEPHONE line only:**

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

1 Back to Agenda

# EASTERN COACHELLA VALLEY (ECV) COMMUNITY EMISSIONS REDUCTION PLAN (CERP) AMENDMENT





# ECV AIR QUALITY (AQ) PRIORITIES\*

**Reduce emissions/exposures and address concerns about:** 





Salton Sea

Pesticides

Fugitive Road Dust and Off-Roading

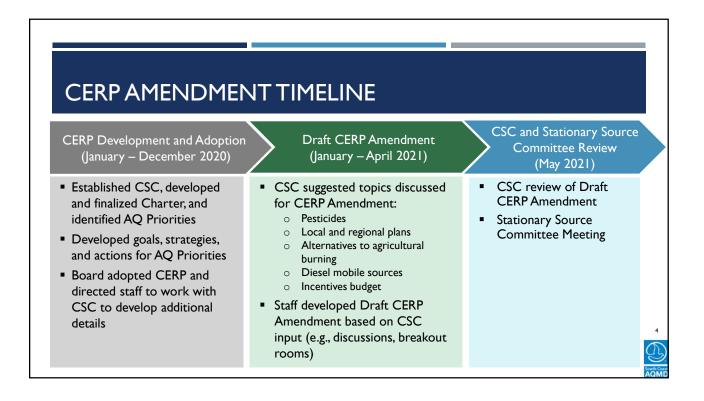


Open Burning and Illegal Dumping Dumping

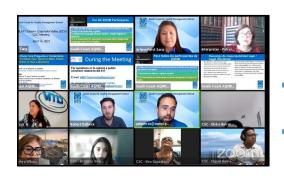


Greenleaf Desert View Power Plant (former Colmac Power Plant)

\* In addition to these priorities, the Community Steering Committee (CSC) identified other areas of concern, such as land use and increasing tree population in the community



# PUBLIC PROCESS FOR CERP AMENDMENTS

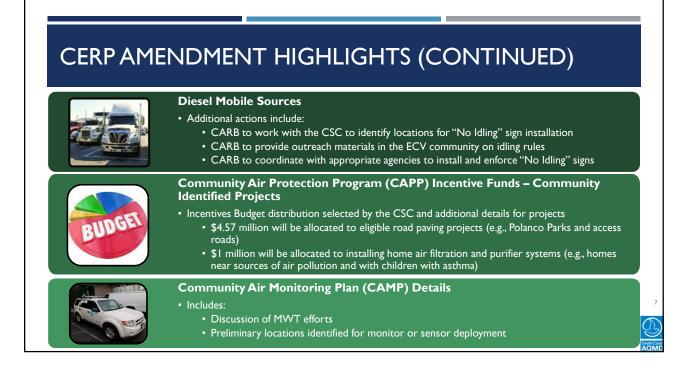


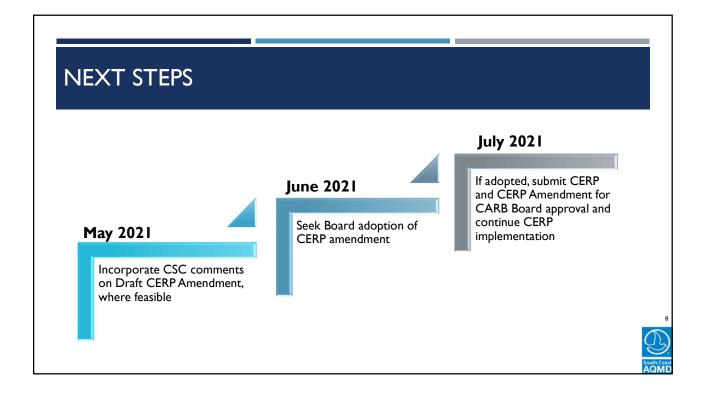
- Over 30 meetings since December 2020
  - I0 CSC meetings (including workshops)
  - 6 Budget Working Team (BWT) meetings
  - 6 Monitoring Working Team (MWT) meetings
  - I2 Small group or I:1 meetings
  - 3 Agenda setting meetings

 CSC input was gathered from all meetings, breakout rooms, and live polls

- Outside agency presentations:
  - Riverside County Combustible Materials Task Force
  - Department of Pesticide Regulation (DPR)
  - Office of Environmental Health Hazard Assessment (OEHHA)

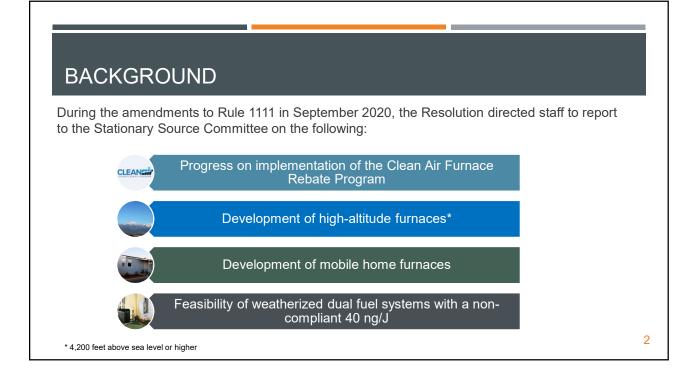
## **CERP AMENDMENT HIGHLIGHTS** Land Use and Coordination with Local and Regional Plans • Additional actions include: Provide opportunities for local and regional planning agencies to conduct outreach in the community on plans that affect air quality in the community • Provide air quality information to inform local and regional plan implementation • Support climate resilience and adaptation policies (i.e., tree planting and home weatherization projects) Incentivize mobile source incentive projects (e.g., electric and hybrid vehicles) Collaborate to implement dust suppression projects near the Salton Sea Develop recommendations with CSC on best practices to reduce light-duty vehicle emissions from the Thermal Racing Club Track **Pesticide Actions and Jurisdictional Details** Includes additional details on: Jurisdictional limitations and collaborating agency responsibilities (i.e., CARB, DPR, OEHHA, USEPA, and Riverside County Agricultural Commissioner) • Actions and process to address pesticides by: • Gathering information and conducting air monitoring Pursuing emissions and exposure reductions (based on findings through information gathering and air monitoring)

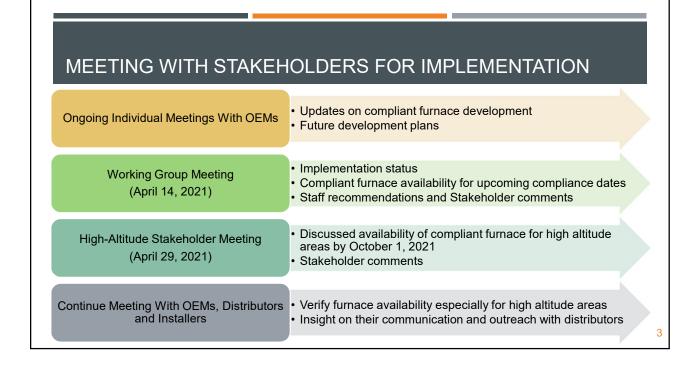


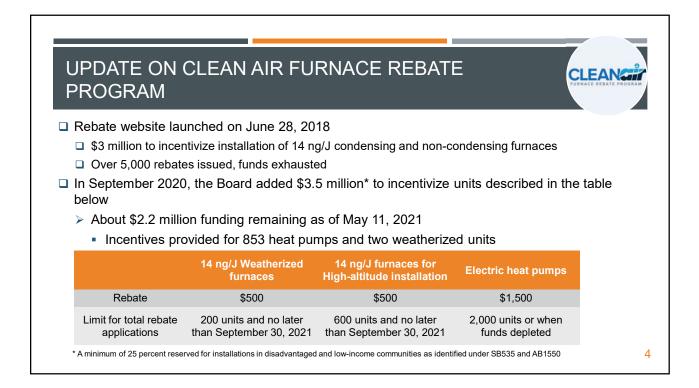


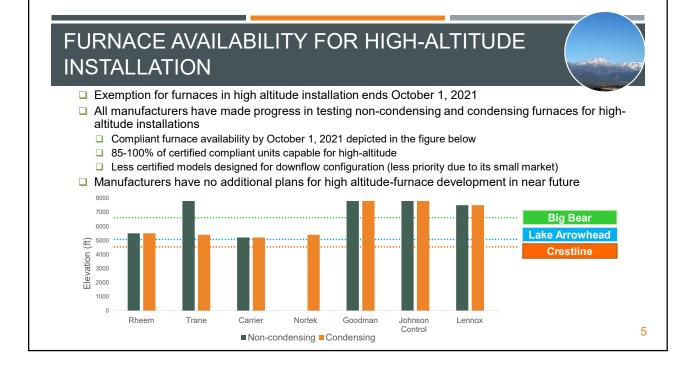
# RULE 1111 IMPLEMENTATION UPDATE

STATIONARY SOURCE COMMITTEE MAY 21, 2021



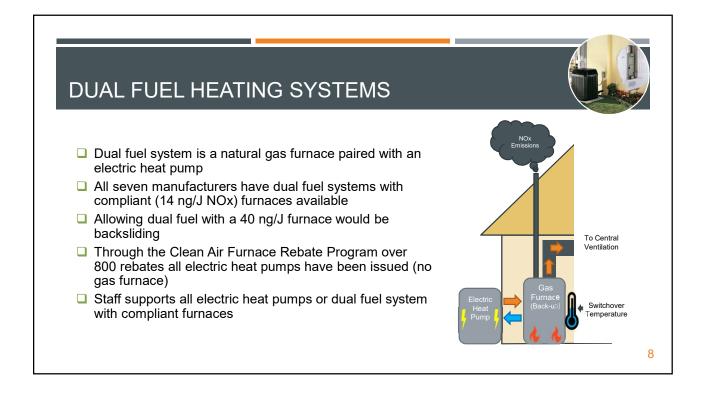






ME	ETING WITH INSTALLERS IN THE MOUNTAIN COMMUNITIES
	Installers commented that distributors do not have compliant products for high-altitude areas
	<ul> <li>Several distributors confirmed with staff that they have compliant products for high altitude areas are available</li> <li>Staff will continue to work with installers and distributors on the availability of furnaces for high altitude areas</li> </ul>
	Installers commented that the only compliant downflow furnace will not be available for higher altitude areas <sup>1</sup>
	Staff is considering an exemption for downflow furnaces installed in high altitude areas
	Comment raised regarding the need to regulate furnaces in the high- altitude areas
	<ul> <li>NOx emission reductions from the high-altitude areas is small</li> <li>Manufacturers invested in high altitude testing to address availability concerns raised two years ago</li> </ul>

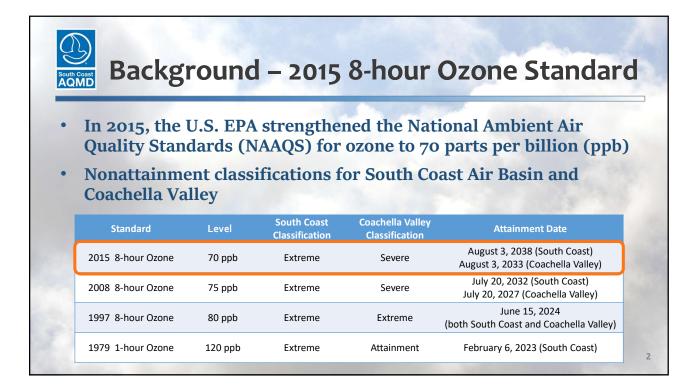
WEATHERIZE	D AND MOBILE HOME DATE	
	Weatherized	Mobile Home
End of Mitigation Fee	September 30, 2021	September 30, 2021
Offerings Available By End of Mitigation Fee Period	<ul> <li>One manufacturer projected a potential delay for <u>commercial</u> weatherized furnaces</li> <li>All other manufacturers informed staff that 14 ng/J weatherized furnaces will be available for both residential and commercial</li> </ul>	<ul> <li>None of the four manufacturers have developed 14 ng/J mobile home furnace</li> <li>Manufacturers' request for compliance date to recognize upcoming Department of Energy (DOE) standards required in 2023 for one redesign effort</li> </ul>
Initial Staff Recommendations	No extension to mitigation fee period	Extend mitigation fee period to September 30, 2023



# NEXT STEPS

- □ Staff will continue to work with stakeholders
- Continue implementing the Clean Air Furnace Rebate Program
- Staff will be proposing amendments to Rule 1111 to address furnaces for mobile homes and furnaces for high altitude areas
- Staff will provide an update to the Stationary Source Committee as part of the rule development process for Proposed Amended Rule 1111







# Key SIP Elements and Due Dates for Severe and Extreme Nonattainment Areas

	8/3/2020	8/3/2021	8/3/2022	8/3/2028	
	Baseline Year Emissions Inventory		Attainment Demonstration		
	Emissions Statement		Reasonably Available Control Measures		
Severe and Extreme Areas	Reasonably Available Control Technology Demonstration	Reasonable Further Progress	Section 185 Fee Program (Failure to		
		Source Review (NSK)	Conformity	attain)	
	Demonstration		Contingency Measures		
	Vehicle Miles Traveled Offset		Enhanced Inspection and Maintenance Program		
Extreme Area Only		Clean Fuels for Boilers			





# Nonattainment NSR – South Coast AQMD NSR Regulations

- South Coast AQMD's Existing Nonattainment NSR Program
  - **Implements the federal regulatory requirements for NSR**
  - **Covers both South Coast Air Basin and Coachella Valley**
- Requirements in Reg XIII (NSR), Reg XX (RECLAIM), and Reg II (Permits) consistent with Clean Air Act requirements
  - **Cover ozone precursors (VOC and NOx)**
  - Definitions for major stationary source, major modification, and significant emissions
  - Provisions for emission reduction credits and offset ratios
  - Public participation

# Nonattainment NSR – Interpollutant Trading Provisions for Emission Offsets

# • Interpollutant Trading (IPT)

- □ A voluntary program that allows the use of reductions by one pollutant to offset emission increases by another pollutant (PM and ozone)
- Rule 1309 (Emission Reduction Credits)
  - □ Allows the use of IPT for emissions offset contingent upon U.S. EPA's review and approval on a case by case basis
- Recent Court Decision Vacated IPT (January 2021)
  - □ IPT violates Clean Air Act
    - increases of VOC must be offset by VOC reductions so there can be no trading with NOx reductions

South Coast AQMD certifies not to use the IPT provision in the NSR program and also commits to remove the IPT provision from Rule 1309 in the future



# Clean Fuels for Boilers – Extreme Ozone Nonattainment Areas

- Clean Air Act requires the use of clean fuels or advanced control technologies for electric utility and industrial and commercial boilers emitting more than 25 tons per year of NOx
- In South Coast AQMD, boilers are already required to use clean fuel or advanced control technologies
  - **Rule 1146 (NOx Emissions from Industrial and Commercial Boilers)**
  - **Rule 2002 (Allocations for NOx and SOx)**
  - □ Rule 2004 (Requirements)
  - □ Rule 1303 (Requirements for NSR)





### May 2021 Update on Work with U.S. EPA and California Air Resources Board on New Source Review Issues for the RECLAIM Transition

At the October 5, 2018 Board meeting, the Board directed staff to provide the Stationary Source Committee with a monthly update of staff's work with U.S. EPA regarding resolving NSR issues for the transition of facilities from RECLAIM to a command-and-control regulatory structure. The table below summarizes key activities with U.S. EPA and California Air Resources Board (CARB) since the last report.

Item	Discussion
Video Conference with U.S. EPA	<ul> <li>Reviewed presentations for the April RECLAIM and</li> </ul>
and CARB – April 8, 2021	Regulation XIII Working Group Meetings
<b>RECLAIM and Regulation XIII</b>	<ul> <li>Provided updates on rulemakings for the RECLAIM</li> </ul>
Working Group Meetings –	transition
April 15, 2021	<ul> <li>Discussed additional comments from U.S. EPA</li> </ul>
	regarding the RECLAIM transition
	<ul> <li>Presented updated draft rule language for Proposed</li> </ul>
	Rule 1304
Video Conference with U.S. EPA	<ul> <li>Discussed comments from U.S. EPA on the RECLAIM</li> </ul>
and CARB – April 20, 2021	transition to ensure compliance with the Clean Air Act
Video Conference with U.S. EPA	<ul> <li>Discussed the RECLAIM transition</li> </ul>
and CARB – April 29, 2021	
Video Conference with U.S. EPA	<ul> <li>Discussed the RECLAIM transition</li> </ul>
and CARB – May 6, 2021	
Video Conference with U.S. EPA	<ul> <li>Reviewed presentations for the May RECLAIM and</li> </ul>
and CARB – May 10, 2021	Regulation XIII Working Group Meetings
RECLAIM and Regulation XIII	<ul> <li>Provided updates on rulemakings for the RECLAIM</li> </ul>
Working Group Meetings –	transition
May 13, 2021	<ul> <li>Presented initial concepts for a bridge between</li> </ul>
	RECLAIM and command-and-control
	<ul> <li>Staff responded to a stakeholder comment letter</li> </ul>
	regarding incremental cost-effectiveness
	<ul> <li>Provided rule development updates for Proposed Rule 1304</li> </ul>

### Item # 5

1 Back to Agenda

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

## Settlement Penalty Report (04/01/2021 - 04/30/2021)

#### **Total Penalties**

Civil Settlement :	\$137,450.00
Hearing Board Settlement :	\$25,000.00
MSPAP Settlement :	\$12,245.00

Total Cash Settlements: \$174,695.00

#### Fiscal Year through 04/30/2021 Cash Total : \$4,232,541.19

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	<b>Total Settlement</b>
Civil						
181510	AVCORP COMPOSITE FABRICATION, INC	2004, 2012, 2012 Appendix A	04/30/2021	WW	P66864, P66865	\$4,150.00
58076	BARTO SIGNAL PETROLEUM INC.	1173(c)	04/13/2021	DH	P62967	\$10,000.00
800387	CAL INST OF TECH	3002(c)(1)	04/30/2021	WW	P66838	\$5,000.00
23194	CITY OF HOPE MEDICAL CENTER	461, 1146, 1415, 3002	04/20/2021	SH	P66762, P66782, P66796	\$9,500.00
188558	LANG CONSTRUCTION & DEVELOPMENT, INC.	1403, 40 CFR 61.145	04/27/2021	DH	P69704	\$6,500.00
117297	MM PRIMA DESHECHA ENERGY, LLC	218, 1110.2, 3002	04/30/2021	SH	P63081, P63087, P65519, P65541,	\$37,500.00
186652	STS CONSTRUCTION SERVICES	1403	04/30/2021	SH	P66267	\$800.00
83508	THE TERMO COMPANY	1148.1, 3002	04/30/2021	ВТ	P66544, P67705, P69275	\$26,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
105368	VIRCO MFG CORP	203, 1147	04/15/2021	WW	P69513	\$38,000.00
Total Civi	l Settlements : \$137,450.00					
Hearing B	coard					
104234	SCAQMD v. Mission Foods	202, 203(b), 1153.1, 1303	04/20/2021	КСМ	5400-4	\$25,000.00
Total Hea	ring Board Settlements : \$25,000.00					
MSPAP						
109968	ALUMAFOLD PACIFIC, INC.	201, 203(a), 1147	04/14/2021	GC	P65857	\$1,275.00
177412	AMERICAN GOLF CORP	461(c)(3)(Q)	04/13/2021	GC	P65877	\$300.00
189057	CENTURION ELITE ENTERPRISES LLC	1403	04/14/2021	GC	P65420	\$1,400.00
179412	CHAMPION CABINET CORPORATION	203	04/13/2021	GC	P65200	\$1,820.00
115566	CHEVRON DLR, AMINDER RANDHAWA	461, H&S 41960	04/13/2021	GC	P68408	\$600.00
99869	J & R SERVICE STATION, BOUQUET MOBIL	203(b), 461	04/13/2021	GC	P67232	\$1,150.00
129478	N.B. OIL CO., INC.	201, 203(a)	04/14/2021	TCF	P68147	\$1,700.00
87180	PAREX USA INC.	203(b), 1157	04/13/2021	TCF	P69369	\$1,600.00
181393	QCM INC. DBA VERIS MFG.	203(a)	04/14/2021	TCF	P69761	\$800.00
134112	ROBERTSON'S READY MIX	403	04/13/2021	TCF	P69582	\$800.00
142012	TRAMMEL CROW RESIDENTIAL	203	04/13/2021	TCF	P66974	\$800.00
Total MSF	PAP Settlements : \$12,245.00					

### SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX FOR APRIL 2021 PENALTY REPORT

#### **REGULATION II - PERMITS**

- Rule 201 Permit to Construct
- Rule 202 Temporary Permit to Operate
- Rule 203 Permit to Operate
- Rule 218Continuous Emission Monitoring

### **REGULATION IV - PROHIBITIONS**

- Rule 403 Fugitive Dust Pertains to solid particulate matter emitted from man-made activities
- Rule 461 Gasoline Transfer and Dispensing

### **REGULATION XI - SOURCE SPECIFIC STANDARDS**

- Rule 1110.2 Emissions from Gaseous- and Liquid-Fueled Internal Combustion Engines
- Rule 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters
- Rule 1147 NOx Reductions from Miscellaneous Sources
- Rule 1148.1 Oil and Gas Production Wells
- Rule 1153.1 Emissions of Oxides of Nitrogen from Commercial Food Ovens
- Rule 1157 PM10 Emission Reductions from Aggregate and Related Operations
- Rule 1173 Fugitive Emissions of Volatile Organic Compounds

### **REGULATION XIII - NEW SOURCE REVIEW**

Rule 1303 Requirements

### **REGULATION XIV - TOXICS**

- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
- Rule 1415 Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems

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

- Rule 2004 RECLAIM Program Requirements
- Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions
- Rule 2012, Protocol for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions

Appendix A

### **REGULATION XXX - TITLE V PERMITS**

Rule 3002 Requirements for Title V Permits

### CALIFORNIA HEALTH AND SAFETY CODE

41960 Certification of Gasoline Vapor Recovery System

### CODE OF FEDERAL REGULATIONS

40 CFR 61.145 Standard for Demolition and Renovation