

BOARD MEETING DATE: February 5, 2021

AGENDA NO. -----

PROPOSAL: Determine Proposed Amendments to BACT Guidelines Are Exempt from CEQA and Amend BACT Guidelines

SYNOPSIS: Periodically, after consultation with stakeholders, staff proposes amendments to the BACT Guidelines, adding or updating determinations and/or policy. These actions are to add new and amended listings to Part B: Lowest Achievable Emission Rate Determinations for Major Polluting Facilities, Part D: BACT Determinations for Non-Major Polluting Facilities and update Overview, Parts A, C and E Policy for Major, Non-Major Polluting Facilities and Facilities Subject to Prevention of Significant Deterioration for Greenhouse Gases. Additionally, these actions are to determine the proposed amendments to the BACT Guidelines are exempt from CEQA and amend the BACT Guidelines to make them consistent with recent changes to South Coast AQMD rules and regulations as well as state requirements.

COMMITTEE: Stationary Source, January 22, 2021; Recommended for Approval

RECOMMENDED ACTIONS:

1. Determine the proposed amendments to the BACT Guidelines are exempt from the requirements of the California Environmental Quality Act; and
2. Approve Proposed Amendments to BACT Guidelines

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MMM:NB:AHB:BF

Background

South Coast AQMD's Regulation XIII – New Source Review (NSR), requires permit applicants to use BACT for new sources, relocated sources and modifications to existing sources that may result in an emission increase of any nonattainment air contaminant, any ozone depleting compound (ODC) or ammonia. Regulation XIII also requires the Executive Officer to periodically publish BACT Guidelines that establish the procedures and the requirements for applying BACT to commonly permitted equipment.

The BACT Guidelines are separated into three parts: major polluting facilities, non-major polluting facilities and facilities subject to prevention of significant deterioration (PSD) for greenhouse (GHG) gases. A facility is a major polluting facility if it emits, or has the potential to emit, a criteria air pollutant at a level that equals or exceeds the emission thresholds in South Coast AQMD's Regulation XXX - Title V Permits. Major polluting facilities that are subject to NSR are required by the federal Clean Air Act (CAA) to have the Lowest Achievable Emission Rate (LAER). The federal CAA requirement for LAER is implemented through BACT in the South Coast AQMD. The Part B LAER determinations for major polluting facilities are only examples of past determinations that help in determining LAER for new permit applications. At the state level, California Health and Safety Code (HSC) Section 40405 defines BACT in a similar manner to federal LAER and requires the application of BACT for all new and modified permitted sources subject to NSR. For non-major polluting facilities, minor source BACT (MSBACT) is as specified in Part D of the BACT Guidelines and determined in accordance with state law HSC Section 40440.11 at the time an application is deemed complete. In updating Part D with new more stringent MSBACT, South Coast AQMD must follow a more rigorous process than for major polluting facilities, including a cost-effectiveness analysis, notification to the public, presentation at the BACT Scientific Review Committee (BACT SRC) meeting and Board approval. GHG BACT applies to new or modified facilities subject to PSD requirements for GHG. Applicability determination for new or modified sources are the requirements in 40 CFR 52.21. In general, GHG BACT determinations are project specific with a focus on options that improve energy efficiency.

The BACT SRC was established as a standing committee by the Board to enhance the public participation process with technical review and comments by a focused committee at periodic intervals, prior to updating the BACT Guidelines.

Proposed Amendments to the BACT Guidelines

The proposed amendments are to update the Overview, Parts A, B, C, D and E of the BACT Guidelines and maintain consistency with recent changes to South Coast AQMD rules and state requirements. The BACT SRC and other interested parties were provided with detailed descriptions of the proposed amended BACT Guidelines at three scheduled publicly noticed meetings. The proposed amendments to the BACT Guidelines were posted on South Coast AQMD's website and a 30-day public comment period was provided. Comments by BACT SRC members, the general public, and staff responses are included in Attachment J.

Overview

The Overview consists of five chapters which provide an introduction to the BACT Guidelines and a summary of how BACT and LAER are implemented in the South Coast AQMD. Consistent with new guidelines regarding South Coast AQMD's branding, all "District" and "SCAQMD" references in the Overview are proposed to be changed to "South Coast AQMD" throughout the guidelines.

The proposed amendment to the Overview section includes adding the complete names of Class I- Group III substances (ozone-depleting compound) to Table 2.

The name of two divisions, including Legislative, Public Affairs/Media Office and Engineering & Permitting were updated. A summary of the proposed Overview amendment is included in Attachment A with the complete proposed amended Overview section included in Attachment B.

Part A – Policy and Procedures for Major Polluting Facilities

Part A describes the policy and procedures for major polluting facilities and explains what LAER is, why it is required, when it is required and how it is determined for major polluting facilities.

The proposed amendment to Part A is to list volatile organic compound (VOC), one of the principle precursor gases that contribute to secondary PM_{2.5}, as well as to update the listing information in Chapter 2 based on the LAER/BACT determination forms. A summary of the proposed Part A amendments is included in Attachment A with the complete proposed amended Part A included in Attachment C.

New and Updated Listings, Part B - LAER Determinations for Major Polluting Facilities

Part B consists of three sections: Section I contains listings of LAER determinations made by South Coast AQMD; Section II contains listings of LAER determinations for equipment in other air districts; and Section III contains listings of emerging technologies which have been in operation with an air quality permit but do not yet qualify as LAER. The proposed Part B LAER determinations of Sections I are summarized below with the complete proposed determinations included in Attachment D.

The other portions of Sections I, II and III are not included in this Board package because they are not being updated at this time.

Section I – South Coast AQMD LAER/BACT Determinations

Seven new proposed listings include Regenerative Thermal Oxidizer; Recuperative Thermal Oxidizer; Flare (Thermal Oxidizer) - Liquid Transfer and Handling Marine Loading; Process Heater – Non-Refinery (Thermal Fluid Heater); Internal Combustion (I.C.) Engine – Stationary - 147 & 385 BHP - Non-Emergency- Electrical Generation with NSCR; Duct Burner – Refinery Fuel Gas; and Aluminum Heat Treating Oven 5.47 MM Btu/hr - Billet Temp. < 970°F. One proposed updated listing includes Simple Cycle Gas Turbines - Natural Gas.

Regenerative Thermal Oxidizer

The “Regenerative Thermal Oxidizer” (RTO) listing is a VOC control equipment in a metal coil coatings operation. Permanent total enclosure spray rooms are vented to the RTO. The RTO has a dual ceramic heat exchanger media, low NO_x burner with 9.8 MMBtu/hr start-up natural gas injection system and 25 HP combustion air blower. The RTO has been permitted at 30 ppm NO_x and 100 ppm CO on a dry basis corrected to 3 percent O₂. NO_x and CO testing is for burner operation only when starting the RTO to heat-up the ceramic bed before injecting the waste gas. It has been source tested in 2019 and has been operating in compliance.

Recuperative Thermal Oxidizer

The “Recuperative Thermal Oxidizer” listing is a VOC control equipment located in specialty tapes and fabrics manufacturing facility venting coating stations and ovens used to cure impregnated fabrics. The recuperative thermal oxidizer has a shell and tube heat exchanger and employs a single MAXON Kinedizer LE Low NO_x Burner, firing natural gas, with a maximum rated heat capacity of 9.8 MMBtu/hr. It is a direct flame and the burner is in operation the entire time. The source test data supports the NO_x limit of 30 ppm and CO limit of 250 ppm corrected to 3 percent O₂ for the natural gas fired burner (non-process emissions). The recuperative thermal oxidizer has been in operation for more than two years.

Flare (Thermal Oxidizer) - Liquid Transfer and Handling Marine Loading

The “Flare (thermal oxidizer)” listing is for controlling vapors from marine loading operations. The facility has two parallel flares, burner with maximum heat release rating of 39 MMBtu/hr each, which can operate together or individually. Besides burning natural gas as a supplemental fuel, each oxidizer collects organic vapors displaced from the vessel during cargo loading operations. Source test results confirm compliance with permit NO_x and CO limits of 30 ppm and 10 ppm, respectively corrected to 3 percent O₂ (non-process emissions).

Process Heater – Non-Refinery; Thermal Fluid Heater

A new category of “Process Heater for non-refineries” is being added. The thermal fluid heater is natural gas fired and provides process heating at an asphalt roofing manufacturing facility. This example with compliant source test results permitted at 9 ppm NO_x limit and 100 ppm CO limit corrected to 3 percent O₂ is being added. It consists of a 4.5 MMBtu/hr and 10 MMBtu/hr low NO_x burners.

I.C. Engine – Stationary - Non-Emergency- Electrical Generation with NSCR

The “I.C. Engine, Stationary, Non-Emergency, Electrical Generation with NSCR” is being added to establish a new LAER determination based on two natural gas fired I.C. engines rated at 147 and 385 BHP operating at a natural gas storage facility. The Permit to Construct for these prime engines was issued in 2015. Source test results show compliance with Rule 1110.2 NO_x, VOC and CO limits of 0.07 lb/MW-hr (2.5

ppmvd), 0.10 lb/MW-hr (10 ppmvd) and 0.20 lb/MW-hr (12 ppmvd), respectively, corrected to 15 percent O₂ on a dry basis.

Duct Burner – Refinery Fuel Gas

This listing is to bring guidance to “Duct Burner” sulfur emissions. The duct burner operates on refinery fuel gas and is used for generating additional steam as part of the Heat Recovery Steam Generator in a cogen unit. The total reduced sulfur (TRS) concentration of the refinery fuel gas is measured before blending with natural gas. The duct burner has more than six months supporting Continuous Process Monitoring System data for TRS in the refinery gas directed to the duct burner. The permit limits established at 40 ppm, rolling 1-hr average period and 30 ppm, rolling 24-hr average period.

Aluminum Heat Treating Oven 5.47 MMBtu/hr - Billet Temp. < 970°F

The “Aluminum Heat Treating Oven” listing is a new entry with an aluminum heat treating oven (furnace) rated at 5.47 MMBtu per hour. The billet temperature must be less than 970 degrees Fahrenheit. NO_x limit is 25 ppmv corrected to 3 percent oxygen. There is one example of achieved in practice with source test data showing compliance with NO_x permit limit. Part B already covers two other categories of aluminum furnace including aluminum forging furnace and aluminum melting furnace.

Simple Cycle Gas Turbines - Natural Gas

The current “Gas Turbine – Simple Cycle, Natural Gas fired” category is being updated with two 49.8 MW peaker units permitted at 2.3 ppm NO_x and 4 ppm CO at a local utility. Both gas turbines have been in operation for 9 years or longer and showed compliance with permitted limits and verified through source tests and CEMS data.

Part C – Policy and Procedures for Non-Major Polluting Facilities

Part C describes the policy and procedures for non-major polluting facilities and explains what BACT is, why it is required, when it is required and how it is determined for non-major polluting facilities.

Staff is proposing to update the Maximum Cost-Effectiveness Values on Table 5 consistent with the 3rd quarter 2020 Marshall and Swift equipment index in accordance with the BACT Guidelines policy. A summary of the proposed Part C amendments is included in Attachment A with the complete proposed amended Part C included in Attachment E.

Proposed Amendments to Part D BACT Determinations for Non-Major Polluting Facilities

Part D consists of BACT determinations for minor sources which are established in accordance with state law at the time an application is deemed complete.

The proposed new and updated amendments to Part D are for equipment and processes which have been achieved in practice and to maintain consistency with recent changes to

South Coast AQMD rules and state requirements. All proposed Part D amendments and updates, except for the proposed new Wine Fermentation and RTO listings, will not result in more stringent requirements than would otherwise occur through SIP-approved rule compliance, which constitutes MSBACT under Part C – Policy Guidance. Therefore, it was not required for staff to evaluate the achieved-in-practice status nor cost-effectiveness of these underlying technologies. The proposed amendments comply with the requirements of HSC Section 40440.11. The proposed amended Part D BACT determinations are summarized below with the complete proposed amended Part D included in Attachment F.

Coffee Roasting

--Current Language

NOx limit for roaster is compliance with Rule 1147.

--Proposal

This category is recognized as food ovens in the subject rule, therefore Rule 1147 does not apply. Staff is proposing to remove NOx requirements for consistency.

Gaseous process emissions from roasting operations are typically ducted to a thermal oxidizer. For NOx emissions from oxidizer, staff is proposing to add a note and to refer it to Thermal Oxidizer BACT requirements.

Fermentation, Beer and Wine

--Current Language

The current Minor BACT includes two categories; closed systems and open systems for beer and wine fermentation.

--Proposal

Staff is proposing to add a new subcategory for wine fermentation in closed tanks ≤30,000 gallons venting to water scrubber or chiller condenser with min 67 percent overall control efficiency averaged over the fermentation season. This BACT determination was established by Santa Barbara APCD and has been verified through source tests. A cost-effectiveness analysis was done to assess the incremental equipment and operating costs of the equipment and compared to the current BACT using cost data provided by Santa Barbara APCD in accordance with HSC 40440.11, which is further discussed in the “Compliance with Health and Safety Code” section below.

Fish Reduction

--Current Language

NOx limit for cooker, dryer and evaporator sub-categories under this listing is compliance with Rule 1147.

--Proposal

These sub-categories are recognized as food ovens in the subject rule, therefore Rule 1147 does not apply. Staff is proposing to remove NOx requirements for consistency.

Flare

--Current Language

NOx limits for digester gas or landfill gas (hazardous and non-hazardous waste) flares.

--Proposal

To maintain consistency with recently adopted Rule 1118.1, staff is proposing to include Produced Gas, Landfill Gas, Organic Liquid Storage, Organic Liquid Loading, and Other Flare Gas subcategories to the listing. BACT for NOx, CO and VOC is compliance with Rule 1118.1.

Organic Liquid Storage and Organic Liquid Loading are not subject to VOC requirements. Other Flare Gases are not subject to VOC and CO requirements.

Gas Turbine

--Current Language

Gas turbines with ammonia limit are missing “with add-on controls” wording.

--Proposal

Since ammonia slip is from the Selective Catalytic Reduction, staff is proposing to add “with add-on controls” to be consistent with similar requirements for inorganic pollutants from a control device.

Glass Screen Printing – Flat Glass

--Current Language

Minor source BACT does not have a category listing for Glass Screen Printing.

--Proposal

Staff is proposing to include Flat Glass Screen Printing category with the use of Rule 1145 compliant UV/EB or water-based inks as optional minor source BACT compliance method. This is based on achieved in practice technology in an art mirrors and frames manufacturing facility using UV screen printing inks since 2010.

In this proposed listing, staff is recognizing the low emission properties of Rule 1145 compliant UV/EB and water-based inks with low VOC content. To be considered as an alternate method to comply with BACT, staff is proposing a BACT requirement of “Compliance with Rule 1145 or use of Rule 1145 compliant UV/EB or water-based coatings”.

I.C. Engines

--Current Language

Revision 1 dated 6-6-2003 is not included in the I.C. Engine, Portable Category table.

--Proposal

Added “6-6-2003 Rev. 1” to I.C. Engine, Portable Category (Rule 431.2).

Open Process Tanks: Chemical Milling (Etching) and Plating

--Current Language

Minor source BACT listed "Chemical Milling Tanks" and "Chrome plating" under two separate categories. For chrome plating operation, BACT to control PM10 is using “packed scrubber and mist suppressant”.

--Proposal

"Chemical Milling Tanks" and "Chrome plating" processes are both performed in open tanks. Staff is proposing to create a new category titled "Open Process Tanks: Chemical Milling (Etching) and Plating" and move the existing "Chemical Milling Tanks" and "Chrome plating" to this category. It is also proposed to remove "chrome" from the title to generalize this application and facilitate the process of listing other plating operation under different sub-categories in the future. Since add-on air pollution control device or use of certified chemical fume suppressant are listed in Table -1 of Rule 1469, staff is proposing to update PM10 BACT requirement by changing "Packed Scrubber and Mist Suppressant" requirements to "Compliance with Rule 1469".

Polyester Resin Operations

--Current Language

Minor source BACT listed "Polyester Resin Operations - Molding and Casting" and "Fiberglass Operations" under two separate categories.

--Proposal

Polyester resins and fiberglass operations are used interchangeably to refer to the same type of operation. Therefore, staff is proposing to merge "Polyester Resin Operations - Molding and Casting" with "Fiberglass Operations" and rename the category to "'Polyester Resin Operations".

Powder Coating Booth

--Current Language

Current ratings for powder coating operation are identified as <37 lbs/day and ≥37 lbs/day. MS-BACT to control PM10 emissions has been listed as using Powder Recovery System with a Cyclone Followed by a Baghouse or Cartridge Dust Collector or HEPA Filters (≥ 99% efficiency).

--Proposal

To be consistent with internal policy, staff is recommending correcting the throughput limit to =<37 lbs/day and >37 lbs/day.

Powder Recovery System with a Cyclone is not an emission control device and it is an industrial preference and business decision to capture and recover powder coating. Therefore, staff is proposing to remove "Powder Recovery System with a Cyclone" and revise the language to focus on the acceptable technologies to control PM10 emissions from powder coating booth including: Baghouse (≥ 99 percent efficiency); or Cartridge Filter (≥ 99 percent efficiency); or HEPA Filters (≥ 99.97 percent efficiency).

Printing (Graphic Arts)

--Current Language

"Flexographic" subcategory has an alternative method for add-on control. Afterburner is listed as a control device for VOC and PM10 emissions.

For “Flexographic” and “Lithographic or Offset, Heatset” NO_x BACT is “Compliance with SCAQMD Rule 1147” at time of applicability.

--Proposal

For “Flexographic”, staff propose to replace "control" with "alternatively" for clarification purpose to show that the facility has two options, one is using compliant materials or alternatively using an Add-On technology. Since the thermal oxidizer is a more general term compared to afterburner, staff is proposing to change afterburner to thermal oxidizer.

For “Flexographic” and “Lithographic or Offset, Heatset” staff is proposing to replace “Compliance with SCAQMD Rule 1147” with “Compliance with Thermal Oxidizer BACT requirements” for NO_x as well as to add “Compliance with Thermal Oxidizer BACT requirements” for CO.

For printing graphics, the rule allows the use of non-compliant coatings if control is used.

Spray Booth

--Current Language

The term “Automotive” has been used to describe fully enclosed spray booths.

There is no NO_x limit in the table. For “Automotive, down-draft type >22 lb/day of VOC Emissions”, the second BACT option is use of “Super Compliant Materials”, defined as having less than 5% VOC by weight. Minor source BACT for Spray Booth currently does not have a subcategory listing for Enclosed with Automated Spray Nozzles for Wood Cabinet.

--Proposal

There are other types of spray booth applications in addition to automotive industry. The term “Automotive” has been used to describe fully enclosed spray booths, including those not used in the automotive industry. To clarify the term “Automotive” staff is proposing to replace it with “Fully Enclosed”.

Staff is proposing Compliance with Rule 1147 if booth has a Make-up Air Unit or a Heater; to be consistent with the rule requirements.

However, in Rule 109, “Super Compliant Materials” are defined as any material containing 50 grams or less of VOC per liter of material. Staff is proposing to modify this section to be consistent with the rule.

Staff is proposing the addition of “Enclosed with Automated Spray Nozzles for Wood Cabinet < 1,170 lbs VOC per month” Subcategory/Rating/Size. In this proposed listing, staff is recognizing the low emission properties of Rule 1136 compliant UV/EB and water-based coatings with low VOC content.

This is based on achieved in practice technology consisting of a computerized multi spray nozzle machine in enclosed ventilated spray booth using exclusively Rule 1136 compliant UV coatings. Spray-painted wood cabinet parts are continuously moved via conveyor to electric UV curing oven. To be considered as an alternate method to comply with BACT, staff is proposing a VOC BACT requirement of “Compliance with Rule 1136 or use of Rule 1136 compliant UV/EB or water-based coatings”.

Thermal Oxidizer (Afterburner, Regenerative Thermal Oxidizer, and Thermal Recuperative Oxidizer), and Catalytic Oxidizer – Natural Gas Fired

--Current Language

The title of this category is “Thermal Oxidizer (Afterburner) and Catalytic Oxidizer – Natural Gas Fired”. There is no particular listing for Regenerative Thermal Oxidizer” (RTO).

--Proposal

Staff is proposing to add a new category by changing the title to “Thermal Oxidizer (Afterburner, Regenerative Thermal Oxidizer, and Thermal Recuperative Oxidizer), and Catalytic Oxidizer – Natural Gas Fired” and keep the current BACT requirements under subcategory “Other Types”.

The RTO listing is a VOC control equipment in a guitar manufacturing facility. The RTOs vent permanent total enclosure (PTEs) that collectively house production spray rooms, prep booths, flash tunnel and drying oven. The RTO has a dual ceramic heat exchanger media, low NOx burner with 16 MMBtu/hr start-up natural gas injection system. The RTO has been permitted at 30 ppm NOx and 400 ppm CO on a dry basis corrected to 3 percent O₂. NOx and CO testing is for burner operation only when starting the RTOs to heat-up the ceramic bed before injecting the waste gas. Source test results have confirmed compliance with permit limits. A cost-effectiveness analysis was done to assess the incremental equipment and operating cost of the equipment vs current BACT using cost data provided by the facility in accordance with HSC 40440.11 which is further discussed in the “Compliance with Health and Safety Code” section below.

Compliance with Health and Safety Code

In amending the BACT guidelines for non-major polluting facilities to be more stringent, South Coast AQMD must comply with HSC Section 40440.11. Staff is proposing new BACT determinations in Part D for Wine Fermentation and Regenerative Thermal Oxidizer. The following paragraphs identify the applicable requirements in HSC Section 40440.11 and demonstrate compliance with each requirement:

(c)(1) Identify one or more potential control alternatives that may constitute the best available control technology as defined in section 40405.

Wine Fermentation

Potential control alternative that may constitute BACT for VOC control would be a scrubber with liquid waste disposal.

Regenerative Thermal Oxidizer

Commercially viable achieved in practice control alternatives that may constitute BACT would be a catalytic or thermal oxidizer with a Low NOx burner that achieves 30 ppm NOx.

(c)(2) Determine that the proposed emission limitation has been met by production equipment, control equipment, or a process that is commercially available for sale, and has achieved the best available control technology in practice on a comparable commercial operation for at least one year, or a period longer than one year if a longer period is reasonably necessary to demonstrate the operating and maintenance reliability, and costs, for an operating cycle of the production or control equipment, or process.

Wine Fermentation

The wine fermentation process occurs in closed tanks $\leq 30,000$ gallons venting to water scrubber or chiller condenser with minimum 67 percent overall control efficiency averaged over the fermentation season. This equipment has been in commercial operation for over one year and source tested. The cost-effectiveness analysis also has been conducted based on the cost data provided by Santa Barbara APCD.

Regenerative Thermal Oxidizer

Natural gas fired regenerative thermal oxidizers equipped with burners that can meet 30 ppm NO_x and 400 ppm CO have been commercially available for many years. Staff has included in Attachment G proposed BACT determinations citing applications of RTO controlling VOC process emissions. This equipment has been in commercial operation for over one year, source tested, and verified compliance with 30 ppm NO_x and 400 ppm CO @ 3 percent O₂.

(c)(3) Review the information developed to assess the cost-effectiveness (annual cost of control divided by annual emission reduction potential) of each potential control alternative.

Wine Fermentation

A cost-effectiveness analysis was done to assess the incremental equipment and operating cost of the VOC control vs uncontrolled. See calculations spreadsheet in Attachment H.

Regenerative Thermal Oxidizer

A cost-effectiveness analysis was done to assess the incremental equipment and operating cost of the Low NO_x equipment vs current BACT. See calculations spreadsheet in Attachment H.

(c)(4) Calculate the incremental cost-effectiveness for each potential control option (difference in cost divided by difference in emissions for each progressively more stringent control option)

Wine Fermentation

The incremental cost-effectiveness analysis included calculations of incremental cost per ton of VOC reduced. See calculations spreadsheet in Attachment H.

Regenerative Thermal Oxidizer

The incremental cost-effectiveness study included calculations of incremental cost per ton of NOx and CO reduced. See calculations spreadsheet in Attachment H.

(c)(5) Place the best available control technology revision proposed on the calendar of a regular meeting agenda of the South Coast AQMD board for its acceptance or further action as the board determines.

The proposed revisions to the BACT Guidelines were placed on the agenda of the February 5, 2021 meeting of the South Coast AQMD Governing Board.

Part E – Policy and Procedures for Facilities Subject to Prevention of Significant Deterioration for Greenhouse Gases

Part E explains the requirements of GHG BACT regulations according to EPA, describes the Top-Down Process, shows how to calculate GHG emissions and explains the Prevention of Significant Deterioration (PSD) applicability for GHGs for new sources as well as modified sources. A summary of the proposed Part E amendments is included in Attachment A with the complete proposed amended Part E included in Attachment G.

Presentation to BACT Scientific Review Committee

The proposed amendments to the BACT Guidelines were presented to the BACT SRC at publicly noticed meetings on February 25, July 22 and October 27, 2020. A 30-day comment period was provided to the BACT SRC and general public to review and submit comments. Comments by BACT SRC members and the general public along with staff responses are included in Attachment J.

California Environmental Quality Act Pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15002(k) and 15061, the proposed project is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) and 15308. Further, there is no substantial evidence indicating that any of the exceptions in CEQA Guidelines Section 15300.2 apply to the proposed project. A Notice of Exemption has been prepared pursuant CEQA Guidelines Section 15062 and is included as Attachment I to this Board letter. If the proposed project is approved, the Notice of Exemption will be electronically filed with the State Clearinghouse of the Governor's Office of Planning and Research to be posted on their CEQAnet Web Portal, which may be accessed via the following weblink:

<https://ceqanet.opr.ca.gov/search/recent>. In addition, the Notice of Exemption will be electronically posted on the South Coast AQMD's webpage which can be accessed via the following weblink: <http://www.aqmd.gov/nav/about/public-notices/ceqa-notices/notices-of-exemption/noe---year-2020>. The electronic filing and posting of the Notice of Exemption is being implemented in accordance with Governor Newsom's Executive Orders N-54-20 and N-80-20 issued on April 22, 2020 and September 23, 2020, respectively, for the State of Emergency in California as a result of the threat of COVID-19.

Socioeconomic Analysis

The proposed amendments of the BACT Guidelines are to maintain consistency with recent changes to South Coast AQMD rules and state requirements. These proposed amendments represent achieved in practice emission control equipment and/or processes in addition to other amendments which are administrative in nature and will therefore not result in more stringent requirements than would otherwise occur and would not result in significant socioeconomic impacts.

Benefits to South Coast AQMD

Emission reductions realized through new, modified and relocated permitted sources that apply the latest BACT will benefit air quality, achieve emissions reductions needed to attain air quality standards and help improve public health in the South Coast AQMD's jurisdiction. In addition, the successful implementation of BACT for permitted stationary sources will contribute towards achieving the air quality objectives of South Coast AQMD's Air Quality Management Plan.

Resource Impacts

Existing South Coast AQMD resources will be sufficient to implement the proposed changes to the BACT Guidelines.

Recommendation

This Board letter serves as the staff report on proposed amendments to the BACT Guidelines. Staff recommends that the Board approve the proposed amendments of Overview, Parts A, B, C, D and E and determine that the proposed amendments to the BACT Guidelines are exempt from the requirements of CEQA.

The updated BACT Guidelines with the proposed amendments are scheduled to be made available at South Coast AQMD's website pending Board approval.

Attachments

- A. Summary of Proposed Amendments to BACT Guidelines
- B. Proposed Amended BACT Guidelines, Overview
- C. Proposed Amended BACT Guidelines, Part A
- D. Proposed Amended BACT Guidelines, Part B
- E. Proposed Amended BACT Guidelines, Part C
- F. Proposed Amended BACT Guidelines, Part D
- G. Proposed Amended BACT Guidelines, Part E
- H. Cost-effectiveness Calculations
- I. Notice of Exemption from CEQA
- J. Comments and Responses
- K. Board Meeting Presentation