PUBLIC WORKSHOP & CEQA SCOPING MEETING FOR PROPOSED AMENDED RULE 1147

Agenda

- Welcome and Introductions
- Background
- Proposed Amendments
- CEQA Scoping
- Future Activities and Schedule
- Contacts
- Seeking Input
Rule 1147 Background

- Adopted December 2008
- Rule 1147 regulates NOx emissions from sources that are not regulated by other SCAQMD Rules
  - Ovens, dryers and spray booths used as ovens
  - Furnaces and non-food roasters
  - Burn-off ovens, crematories, and incinerators
  - VOC, PM, and air toxics incineration devices including: afterburners, oxidizers, and remediation units
  - Heated tanks, parts washers, fryers, and asphalt operations

September 2011 Amendment

- Amended to provide a compliance delay of up to two years for sources with daily emissions rates less than or equal to one pound per day
- Issues raised during rulemaking:
  - Rule 1147 includes many unique pieces of equipment and the availability of cost-effective and affordable low-NOx technologies
  - Impact on small and low use equipment with NOx emissions of one pound per day or less
- Staff committed to perform a technology assessment for small and low emission sources that are not typically subject to the best available control technology (BACT) requirements
- 2011 amendment of Rule 1147 was approved into the State Implementation Plan December 2016
Rule 1147 Technology Assessment for Small and Low Emission Sources

- Rule 1147 Technology Assessment initiated immediately after the September 2011 rule amendment
  - Initial evaluation resulted in development of a new rule specific to food ovens (Rule 1153.1) and
  - Amendments to Rules 219 and 222 for equipment which required permits but the equipment category had not been specifically evaluated as part of any rule development
- January 2016 Preliminary Draft Technology Assessment released
  - Evaluated the availability and cost of low-NOx burner systems for the small and low emissions sources (less than 1 pound/day) regulated by Rule 1147
  - Incorporated information from permit applications, materials, site visits, and emission testing results
- March 2016 SCAQMD staff presented the Draft Technology Assessment to the Governing Board

Rule 1147 Technology Assessment for Small and Low Emission Sources (cont.)

- At March 2016 Governing Board meeting, staff also committed to an independent 3rd party review of the Draft Technology Assessment
- May 2016 ETS was selected as 3rd party reviewer
  - ETS was selected by a panel that included individuals from SCAQMD, Ventura County APCD, Furnace Dynamics and California Small Business Alliance
  - October 2016 ETS provided recommendations based on their evaluation of the technical, cost analysis, and stakeholder comments
- SCAQMD staff incorporated ETS' recommendations and stakeholder comments and finalized the Rule 1147 Technology Assessment
Final Technology Assessment Recommendations

- Exempt sources with total rated heat input less than 325,000 Btu per hour from the Rule 1147 NOx emission limit (Alternatively, the emission limit for low temperature systems with these burners could be changed to 60 ppm NOx and the limit for high temperature systems would continue to be 60 ppm)
- Change the NOx emission limit from 30 ppm to 60 ppm for NOx for:
  - Primary chamber of all multi-chamber burn-off ovens, burn-out furnaces and incinerators for all process temperature
  - Afterburner processes operating at temperatures less than 800° F from 30 to 60 ppm (SCAQMD staff is also considering to change the emission limit for related types of process that do not have integrated afterburners)
- Delay compliance for existing in-use heated process tanks, evaporators and parts washers from the NOx emission limit until such time the combustion system or tank is modified, replaced or relocated
- Delay compliance with the NOx emission limit for the following existing in-use equipment categories until the heating or combustion system is modified or replaced or the unit is relocated:
  - Spray booths
  - Units with actual NOx emissions of one pound per day or less

Proposed Amendments

Proposed Amended Rule 1147
Proposed Amended Rule 1147

- Incorporates recommendations from Final Rule 1147 Technology Assessment
- Other revisions to improve clarity
  - Applicability
  - Definitions
  - Exemptions
  - Removal of sections that are no longer applicable
  - Recordkeeping options

Definitions

- Revised definition for Combustion Modification

  (4) COMBUSTION MODIFICATION means replacement of a burner(s) or any modification of the burner, fuel system or combustion air supply that changes the RATED HEAT INPUT CAPACITY of the burner(s).

- Revised definition for Food Oven

  (5) FOOD OVEN means an oven, cooker, dryer, roaster, or other fuel-fired unit, excluding fryer, used to heat, or—cook, dry, roast, or prepare food, food products, or products used for making beverages for human consumption.
Definitions (Continued)

- Added definition for Infrared Burner

(9) **INFRARED BURNER** means a burner with:

  A. Ceramic, metal fiber, sintered metal, or perforated metal flame-holding surface;

  B. More than 50% of the heat output as infrared radiation and that is operated in a manner where the zone including and above the flame-holding surface is red and does not produce observable blue or yellow flames in excess of ½ inch (13 mm) in length; and

  C. A RATED HEAT INPUT CAPACITY per square foot of flame holding surface of 100,000 BTU per hour or less.

Changes to NOx Emission Limits (Table 1)

- Emission limit changes in Table 1 consistent with Technology Assessment findings, recommendations from independent review and stakeholder comments.
Changes to Compliance Schedule for Larger In-Use Units (Table 2)

- Removed food ovens

<table>
<thead>
<tr>
<th>Equipment Category(ies)</th>
<th>Submit Permit Application</th>
<th>Unit Shall Be in Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remediation UNIT manufactured prior to 1998</td>
<td>Seven months prior to combustion modification or change of location</td>
<td>Upon combustion modification or change of location beginning March 1, 2012</td>
</tr>
<tr>
<td>Tar Pit</td>
<td>All new permit applications beginning January 1, 2013</td>
<td></td>
</tr>
<tr>
<td>Afterburner, degassing unit, catalytic oxidizer, thermal oxidizer, vapor incinerator, evaporator, dead-end fryer, heated process tank, parts washer or spray booth make-up air heater manufactured prior to 1998</td>
<td>December 1, 2013</td>
<td>July 1, 2014</td>
</tr>
<tr>
<td>Other UNIT manufactured prior to 1986</td>
<td>December 1, 2011</td>
<td>July 1, 2012</td>
</tr>
<tr>
<td>Other UNIT manufactured prior to 1992</td>
<td>December 1, 2011</td>
<td>July 1, 2012</td>
</tr>
<tr>
<td>Other UNIT manufactured prior to 1998</td>
<td>December 1, 2012</td>
<td>July 1, 2013</td>
</tr>
<tr>
<td>Any UNIT manufactured after 1997</td>
<td>December 1 of the year prior to the compliance date</td>
<td>July 1 of the year the unit is 35 years old</td>
</tr>
</tbody>
</table>

Requirements for In-Use Equipment that is Replaced or Rebuilt

- July 1, 2017 compliance date nullified for small and low emission units
  - Comply with limit upon combustion modification, replacement, [relocation], rebuilding [or age of 35 years]
- Seeking additional input on stakeholder request to remove relocation criteria
- Seeking comment on age criteria

(6) Notwithstanding the requirements of paragraph (c)(3), any in-use unit with a District permit to construct or permit to operate prior to January 1, 2010, except an afterburner, degassing unit, catalytic oxidizer, thermal oxidizer, vapor incinerator, or spray booth make-up air heater, shall be nullified if it is replaced, relocated, or rebuilt with emissions of less than one pound per day or less of nitrogen oxides, may defer compliance with the applicable emission limit specified in Table 1 of paragraph (c)(1) until a combustion modification, the unit is replaced, relocated, or rebuilt, or December 1 of the year the unit is 35 years old. A unit with NOx emissions less than one pound per day that becomes 35 years old before December 1, 2017, shall comply with the emission limits on and after December 1, 2014. The age of the unit shall be determined according to subparagraph (c)(3)(iv). NOx emissions of less than one pound per day or less shall be demonstrated by compliance with one of the following requirements:
  - A unit has a rated heat input capacity of 600,000 Btu or less.
  - The unit so of September 30, 2011 has a NOx permit emission limit of one pound per day or less; a permit condition with a process...
Compliance Demonstration for Sources <1 pound/day

- More specific options to demonstrate that unit is <1 lb/day:
  - 325,000 Btu/hour
  - Permit condition
  - Monthly with time or gas meter
  - Daily with time or gas meter
  - Daily limits for manual recordkeeping
  - Other options? (seeking input)

Other Revisions

- Remove compliance options that are no longer applicable (c)(14)
- Revise/clarify exemption section to address proposed changes for:
  - Food ovens (moved to Rule 1153.1),
  - Heated tanks, evaporators and parts washers,
  - Flare based emission control systems, and
  - Future Rule 219 amendments.
- Add testing exemption for direct fired infrared burners
CEQA Scoping for PAR 1147

California Environmental Quality Act (CEQA)

- Purpose of CEQA
  - Requires decision-makers to be informed about the effects of projects they approve
  - Discloses to the public potential environmental effects of projects
  - Provides a mechanism for the public to provide input on a project
  - Identifies ways to reduce adverse impacts
- PAR 1147 is considered a project subject to CEQA
**Lead Agency**

- Is the public agency responsible for preparing the CEQA document for a proposed project
- Is typically the public agency with general land use approval authority
- SCAQMD has “greatest responsibility in approving the project”
- Affected equipment are required to have air quality permits

**SCAQMD’s CEQA Process**

- Scoping Meeting
- NOP/IS 30-day Review
- Draft EA 45-day Review
- Final EA
- Final EA Certification
- Public Review & Comment
- Public Review & Comment
- Respond to Comments
- Environmental Assessment (EA) Process
- Prepare NOD
CEQA Scoping Meeting

- Early consultation – opportunity for public to participate in the CEQA process
- Provides information on the project:
  - Project description
  - Environmental topics to be analyzed
- Allows public to provide input on potential impacts to be analyzed in the Draft EA
- Allows public to provide suggestions for potential project alternatives

Notice of Preparation (NOP)/Initial Study (IS)

- NOP/IS contains:
  - Project Description and PAR 1147 Draft Rule Language
  - Analysis shows that only air quality may be significantly affected and will be analyzed in Draft EA
  - Circulated for a 30-day public review period from February 1, 2017 to March 3, 2017
  - Comments received at CEQA Scoping Meeting or later relative to NOP/IS will be included and responded to in Draft EA
Preparation of Draft Environmental Assessment (EA)

- Preparation of Draft EA is underway and includes:
  - Summary of Proposed Project/Project Description
  - Existing Setting
  - Initial analysis of project impacts
- Seeking input for:
  - Analysis of potentially significant environmental impacts to air quality
  - Feasible mitigation measures

Draft EA (continued)

- Seeking input for:
  - Analysis of cumulative impacts
  - Project alternatives analysis – including no project alternative and least toxic alternative
  - Other CEQA topics
- The Draft EA will also include:
  - CEQA Scoping comments, if any, and responses
  - NOP/IS comment letters, if any, and responses
- Once completed, Draft EA will be released for 45-day public review and comment period
Final EA

- Final EA will include:
  - Any modifications to the Draft EA
  - Responses to Comments on Draft EA
- As necessary, prepare Findings, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Plan

CEQA Comments

- Oral comments from CEQA scoping meeting
- Written comments via mail, email or fax due by 5:00 pm Friday, March 3, 2017
- Mail comments to:
  - Attn: Mr. Sam Wang, CEQA Section
  - SCAQMD
  - 21865 Copley Drive
  - Diamond Bar, CA 91765
- Send comments via email to: swang1@aqmd.gov
- Send comments via fax to: (909) 396-3324
Future Activities and Discussion

Future Activities and Schedule

- Comment Submittal Date for CEQA NOP and Preliminary Draft Rule 1147 – March 3, 2017
- Continue Meeting with Task Force
- Public Hearing for Rule Amendment – June 2017
Contacts

- **Rule Development:**
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    (909) 396-2649