Proposed Amended Rule 219 - Equipment Not Requiring a Written Permit Pursuant to Regulation II

WORKING GROUP MEETING #1

March 31, 2022 10:00 AM (PST) South Coast AQMD Diamond Bar, CA Join Zoom Webinar Meeting – from PC or Laptop

https://scaqmd.zoom.us/j/99609769623

Zoom Webinar ID: 996 0976 9623

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Agenda

Background U.S. EPA Comments UV/EB/LED Discussion Rule Development Process Next Steps

Background

- Rule 219
 - Identifies equipment, processes, or operations that do not require a permit due to low emissions
 - Equipment may need to be operated below certain thresholds
- Rule 219 is amended on a regular basis as technology evolves
- Amendments can address:

New Technologies

 Industrial and commercial innovations that may emit less air pollutants

Improved Understanding of Emission Sources

 Changes to emission profiles based on testing or updates to toxicity emission factors

Clarifications

 Edits to make the rule more user-friendly

Background

South AQMD Permitting Rules

Rule 203 – Permit to Operate

Requires a permit to operate for equipment that either emits air pollution or controls air pollution

Rule 219 – Equipment not Requiring a Written Permit Pursuant to Regulation II

Lists equipment and operations that would not require a permit to operate

Rule 222 – Filing
Requirements for Specific
Emission Sources Not
Requiring a Written Permit
Pursuant to Regulation II

In lieu of a permit, equipment can be registered if the equipment is listed in Rule 222 and exempt per Rule 219

Background

State Implementation Plan

- State Implementation Plan (SIP) is a collection of regulations used to implement, maintain, and enforce the National Ambient Air Quality Standards and to fulfill other requirements of the Clean Air Act
- South Coast AQMD rules are submitted to CARB and then ultimately to U.S. EPA for SIP approval
- Last version of Rule 219 approved into SIP was amended in 1981
- U.S. EPA has requested that latest version of Rule 219 be submitted for inclusion into the SIP

U.S. EPA Comments

U.S. EPA Comments

- U.S. EPA provided preliminary comments for consideration prior to Rule 219 SIP-submittal
- South Coast AQMD is reviewing comments for the following topics:

Recordkeeping Requirements Thresholds for Agricultural Sources

Rule 222 References Edits to Improve Clarity

U.S. EPA Comments

Recordkeeping and Exemption Demonstration Requirements

- Many Rule 219 exemptions are based on thresholds such as size, throughput, and operational and emission limits
- Facilities using exemptions for VOCs are required to maintain records per Rule 109 – Recordkeeping for Volatile Organic Compound Emissions
- U.S. EPA has inquired about ongoing compliance demonstrations
 - Commented that more recordkeeping requirements are needed to demonstrate Rule
 219 thresholds are not being exceeded
- Staff is considering additional recordkeeping requirements for non-VOC exemptions

Thresholds for Agricultural Sources

- Paragraph (q)(2) sets emissions thresholds for agricultural sources not subject to Title V requirements
 - Agricultural permit units at these agricultural sources are exempt if emissions at the sources are below the thresholds.
 - Thresholds must be based on 50% of major source thresholds in SIP approved rules or Title V thresholds, whichever are more stringent
- U.S. EPA has provided edits to update the emission thresholds

Thresholds for Agricultural Sources

Proposed Edits to Threshold Table in (q)(2)

Pollutant (Tons/Year)	South Coast Air Basin	Riverside County Portion of Salton Sea Air Basin	Riverside County Portion of Mojave Desert Air Basin
VOC	5.0	12.5 <u>5.0</u>	50.0
NOx	5.0	12.5 <u>5.0</u>	50.0
SOx	35.0	35.0	50.0
CO	25.0	50.0	50.0
PM10	35.0	35.0	50.0
<u>PM2.5</u>	<u>35.0</u>	<u>35.0</u>	<u>50.0</u>
Single HAP	5.0	5.0	5.0
Combination HAPs	12.5	12.5	12.5

Staff will verify and update the emission thresholds

Rule 222 References

- In order to qualify for a Rule 219 permit exemption, some equipment is required to be registered with South Coast AQMD Rule 222
 - Rule 222 has not been submitted for SIP approval
- U.S. EPA recommends Rule 219 be a standalone regulation and not reference Rule 222
 - Would allow the registration program to be tailored to meet local needs
- Removing Rule 222 references in Rule 219 would require extensive changes to both rules
- Staff is discussing internally and with U.S. EPA

Edits to Improve Clarity

- U.S. EPA suggested restructuring some provisions to improve readability
 - Separate out rule provisions that do not list exempt equipment from the other provisions:
 - Subdivision (s) Exceptions
 - Subdivision (t) Recordkeeping
 - Subdivision (u) Compliance Date
- U.S. EPA suggested various minor edits to clarify language to:
 - Ensure consistent use of common phrases
 - Remove past compliance dates
 - Correct grammar
- Staff will review and make the appropriate edits ensuring there are no unintentional effects on rule requirements

Next Steps

- Continue internal discussions
- Hold meetings with U.S. EPA staff to clarify requests
- Start drafting preliminary amended rule

UV/EB/LED Discussion

UV/EB/LED Overview

- Ultraviolet, electron beam, or light-emitting diode (UV/EB/LED) curing uses UV energy, visible light, or low energy electrons to cure a coating, film, or ink (referred to as "materials")
 - UV/EB/LED curing is used in a wide range of applications (e.g., graphic art inks, coatings on wood furniture, plastic, and automotive parts)
 - The materials are specially formulated for UV/EB/LED curing
 - Curing occurs much more quickly than conventional curing, possibly resulting in higher throughput
- UV/EB/LED materials must comply with VOC content limits in the appropriate source specific rules
- Notable emissions benefits of UV/EB/LED:
 - Materials may be formulated without VOCs or toxic air contaminants
 - No emissions from combustion since conventional furnace or oven is not required

Permitting Background

All Facilities

Submit a permit application when installing or physically modifying non-exempt equipment or processes

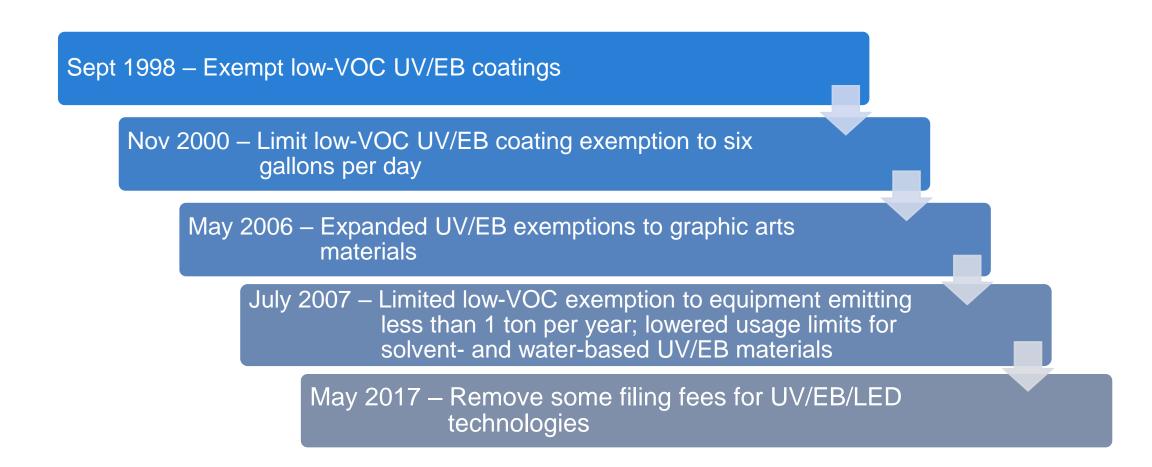


Permitting Staff

Conducts an analysis of the proposed project to determine:

- Permit applicability
- Emission calculations
- Rule compliance
- Current version of Rule 219 exempts UV/EB/LED-related processes and equipment from permitting if they operate under the specified limits
 - Intended to encourage use of low-emitting materials and technologies

Previous UV/EB/LED Amendments



Overview of Exemptions in Rule 219

Rule 219 includes two provisions that exempts UV/EB/LED operations





UV/EB/LED Exemptions in Rule 219

Non-Solvent and Non-Waterborne UV/EB/LED Materials

- Printing, coating, and adhesive processes and equipment are exempt if total quantity of UV/EB/LED materials and associated VOC containing solvents (including cleanup) is:
 - 6 gal/day or less, or
 - 132 gal/month or less
 [pursuant to subparagraphs (h)(1)(C), (l)(6)(B), and (l)(11)(B)]

Solvent- and Water-Based UV/EB/LED Materials

- Printing processes and equipment are exempt if usage is 2 gal/day or 44 gal/month or less [pursuant to subparagraph (h)(1)(D)]
- Coating and adhesive processes and equipment are exempt if:
 - Solvent-based material usage is 1 gal/day or 22 gal/month or less [pursuant to subparagraph (I)(6)(C)]
 - Waterborne material usage is 3 gal/day or 66 gal/month or less [pursuant to subparagraph (I)(6)(D)]

Other Available Exemptions in Rule 219

- Other exemptions available for printing, coating, or adhesives processes and equipment that are not limited to UV/EB/LED materials
 - Daily or monthly VOC emission thresholds:
 - Processes and equipment are exempt if VOC emissions are 3 lbs/day or 66 lbs/month or less [pursuant to subparagraphs (h)(1)(A) and (l)(6)(A)]
 - Low VOC content materials and annual limit:
 - Processes and equipment are exempt if:
 - All materials are 50 g/L or less and all cleanup solvents are 25 g/L or less;
 - Total VOC emissions do not exceed 1 ton/year; and
 - A low-VOC verification is submitted to the Executive Officer

[pursuant to subparagraphs (h)(1)(E) and (I)(6)(F)]

Background on Current Considerations for UV/EB/LED Operations

- A UV component was added to an existing solvent-based coating line
 - Existing coating line did not qualify for a Rule 219 exemption
 - Coating exceeds Rule 1136 Wood Products Coatings VOC limits and is vented to air pollution control equipment for compliance
 - Modification of coating line did not qualify for a 219 exemption
 - Installation of UV component required physical modification of air pollution control equipment due to ventilation requirements
- Facility submitted an application to modify Permit to Operate to incorporate the changes
- A trade association raised objections regarding the need to modify the permit

Background on Current Considerations for UV/EB/LED Operations (cont.)

During January 2022 Governing Board meeting:

- Commitment was made to start rulemaking in first quarter of 2022
- Board directed staff to provide a status report to Stationary Source Committee on UV/EB/LEB provisions in June 2022

Staff is evaluating additional Rule 219 provisions to further incentivize use of low emitting processes

Rule 219 Exemptions – Staff's Initial Thoughts

- Considering exempting process changes when adding UV/EB/LED curing or other technology to an existing permitted coating or printing process if:
 - No increase in VOC emissions
 - Materials do not contain toxic air contaminants
 - No modification to the air pollution control system
- Clarify/update recordkeeping requirements to demonstrate exemption status
- Considering streamlining UV/EB/LED exemptions

RULE DEVELOPMENT PROCESS

Overview of Rule Development Process

Working group and stakeholder meetings continue throughout process

Information
Gathering
and Analysis

Preliminary
Draft Rule
and Staff
Report

Released 75 days before Public Hearing Public Workshop

Public comment on Preliminary Draft Rule

Draft Rule and Staff Report

Released 30 days before Public Hearing

Public Hearing

Public Comments and Board action

Rule 219 Working Group

- Comprised of stakeholders including industry, environmental groups, community members, and public agencies
- Working group meetings are held throughout the rule development process and open to the public
- Objective
 - Build consensus and work through issues
 - Opportunity for early input
 - Develop a rule that affected facilities can implement
- Assists staff in understanding:
 - Key issues and concerns
 - Industry terms, industry practices, etc.
 - Applicable technologies



Next Steps

Continue discussions internally and with U.S. EPA

Working Group Meeting #2 planned for second quarter of 2022

Present update to Stationary Source Committee in June

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