

NO_x RECLAIM WORKING GROUP MEETING

MARCH 8, 2018
SCAQMD
DIAMOND BAR, CA

Agenda

- Rule Updates
 - PAR 1146 Series/PR 1100
 - PR 1109.1
 - PAR 1134
- RECLAIM Transition Plan
- Status Update of Initial Determination Notifications
- Subsequent Amendments to Rule 2001

UPDATE ON PROPOSED RULES AND PROPOSED AMENDED RULES

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Proposed Amended Rule 1146 Series Update

- Rule 1146 series rules – the first set of landing rules to be amended

Rule	Applicability	Size
Rule 1146	Boilers, steam generators, and process heaters	≥ 5 million Btu per hour
Rule 1146.1	Boilers, steam generators, and process heaters	>2 and <5 million Btu per hour
Rule 1146.2	Natural gas-fired water heaters, boilers, and process heaters	≤ 2 million Btu per hour

- Working Group Meeting on March 7, 2018 - discussed
 - Close of comment February 28th, 4 comment letters received
 - Implementation schedule
 - Permit submittal timeframe
 - Compliance schedule – facilities with combination of equipment at and not at BARCT
 - Monitoring, Reporting, and Recordkeeping Requirements
 - Permitting

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Proposed Amended Rule 1146 Series Implementation Schedule – Proposed Rule 1100

- Implementation schedule would apply to all Rule 1146 and 1146.1 applicable devices
- Proposed implementation schedule:
 - Extended timeframe to submit completed permit application to 12 months from date of adoption
 - Compliance date:
 - 75% of units by heat input for Rule 1146 and 1146.1 units (including BARCT-compliant equipment) by Jan. 1, 2021;
 - 100% of units by heat input by Jan 1, 2022
 - Analysis concluded that additional time for facilities with more than 10 units or with equipment with other landing rules did not need additional time
 - Added provision allow an additional year if facility elects to replace instead of retrofit unit

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PR 1109.1 – Refinery Equipment

- First PR 1109.1 Working Group Meeting held on February 21st
- Areas of discussion included the following:
 - Possible universe of facilities (e.g., may include smaller independent refineries and/or support services)
 - Possible universe of equipment
 - Considerations for establishing BARCT
 - Other regulatory approaches (e.g., averaging based on level of usage and operating time)
- Staff is continuing to assess data
- Staff is preparing survey to send to PR 1109.1 facilities

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PAR 1134 – Emissions of NOx from Stationary Gas Turbines

- First PAR 1134 Working Group Meeting held on February 22
- Areas of discussion included the following:
 - Universe of facilities (excludes units at EGFs and refineries)
 - Considerations for BARCT analysis
 - Considerations for NOx limits (e.g., size, simple cycle vs. combined cycle, startups/shutdowns, averaging times)
- Staff is meeting with individual facilities and conducting site visits to assess specific situations

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RECLAIM Transition Plan

- Overall approach
- General outline
- Key issues discussed

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RECLAIM Transition Plan – Overall Approach

- 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 be periodically updating the Transition Plan
- Transition Plan “Version 1.0” represents a summary of staff’s current thinking and status of policy issues
- Future Versions of the Transition Plan will address:
 - The overview of the transition process
 - Any new key issues
 - Updates to existing key issues

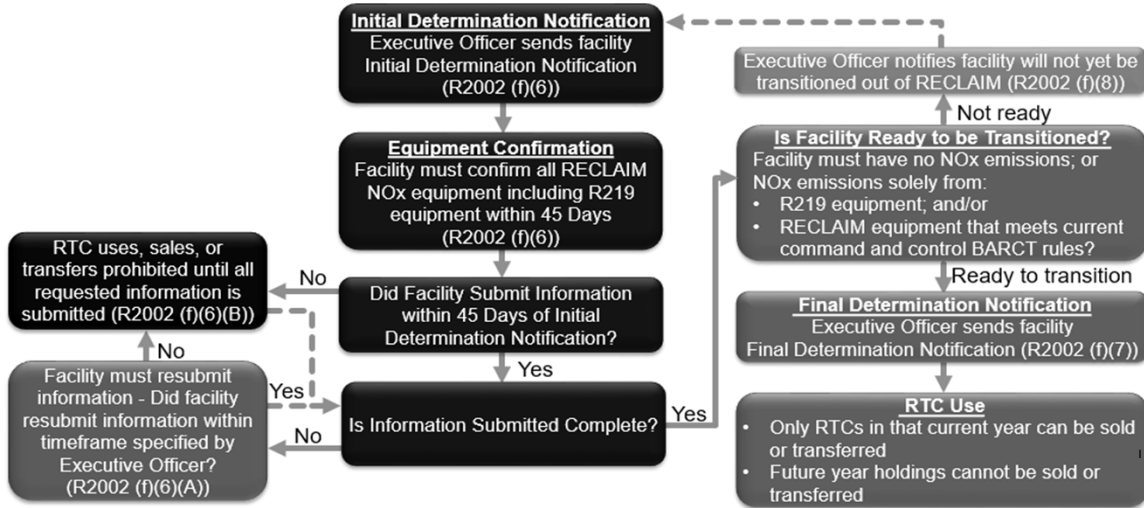
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RECLAIM Transition Plan – General Outline

- Transition Process
- Transition Approaches
 - Source-Specific Rules
 - Industry Specific Rules
 - Compliance Plans
- Best Available Retrofit Control Technology (BARCT Determination)
- Implementation Schedule for BARCT Requirements
- New Source Review
- Monitoring, Reporting, and Recordkeeping
- Permitting

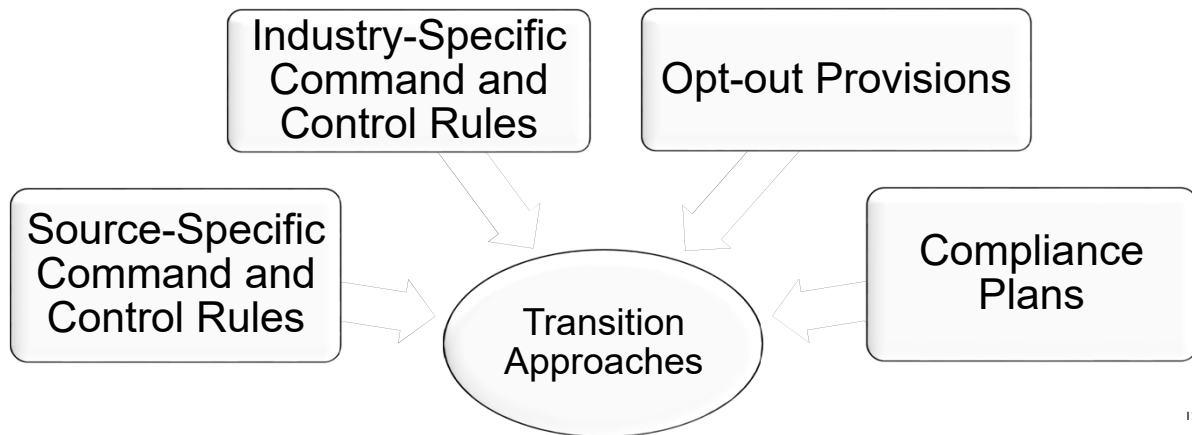
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Transition Process



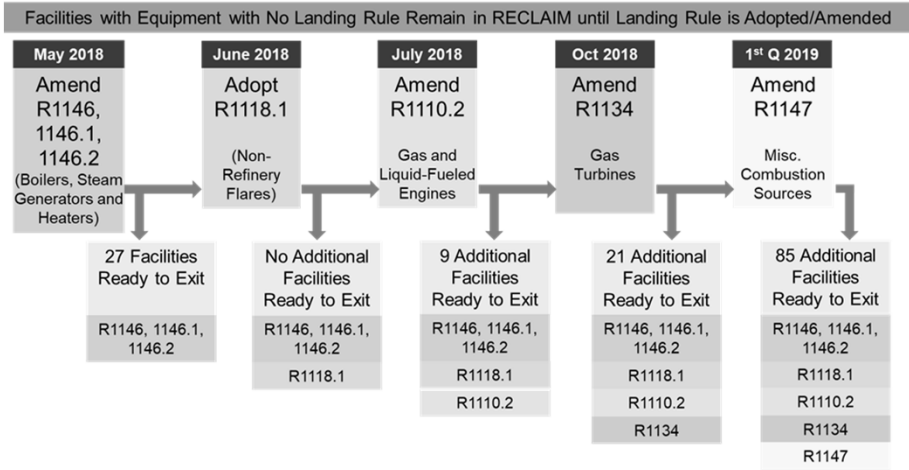
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Transition Approaches



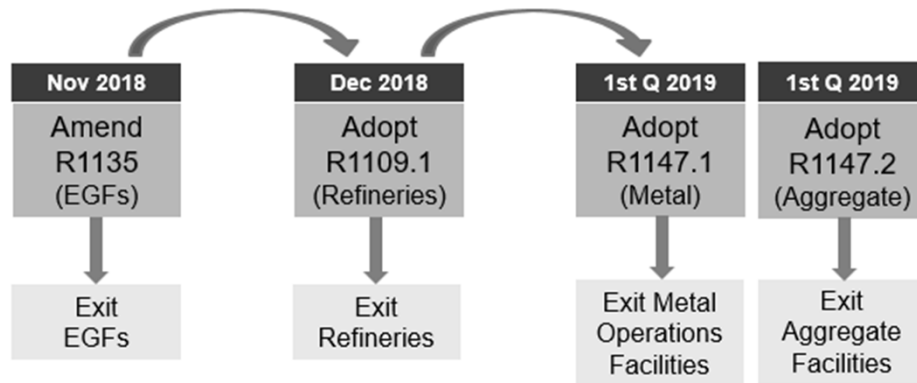
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Source-Specific Rules



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Industry-Specific Rules



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Opt-Out Provisions and Compliance Plans

- Opt-out provisions
 - Will address facilities that should have been identified with the first group of facilities for potential exit or facilities that have modified and are ready to exit
- Facilities subject to compliance plans
 - For facilities in unique situations that cannot be addressed in command-and-control or industry-specific rules
 - Details of these requirements will be addressed in the rulemaking
- Initially scheduled for the September 2018 public hearing

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Implementation Schedules for BARCT Rules

- Will be handled through Rule 1100 and will account for facilities with multiple pieces of equipment that are subject to multiple landing rules
- Certain industry categories will carry specific implementation schedules for that industry
- Resource impacts will be considered for affected facilities as well as SCAQMD staff in the areas of permitting, source testing, and other plan reviews

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New Source Review

- Staff has compiled information requested by EPA and will engage in further discussions
- Staff is also working internally to develop a methodology to harmonize the pre-modification potential to emit (PTE) calculation for facilities that will be exiting RECLAIM with the calculation used for Regulation XIII
 - Hourly for RECLAIM and daily for non-RECLAIM
- An update will be provided at the next Working Group Meeting

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Monitoring, Reporting, and Recordkeeping (MRR)

- The differences between RECLAIM MRR and command-and-control MRR will be evaluated across all landing rules that will be amended or adopted
- For Title V facilities, the initial recommendation is to minimize any changes to the MRR requirements
 - Any change that is considered a relaxation would constitute a significant Title V permit revision and would trigger public notification requirements and EPA approval

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Permitting

- Structure of RECLAIM facility permits will be maintained
- References to permit limits, conditions, and MRR requirements would change upon the transition
- Staff is exploring alternate mechanisms to address these changes that would minimize changes to the facility permit
- Permitting fees are also under evaluation for the transition period and for facilities that are completely out of RECLAIM
- Timing of these permit changes is very important to ensure the timely issuance of the facility permit upon exiting RECLAIM

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Update on Initial Determination Notifications

- First set of Initial Determination Notifications sent Feb. 2, 2018
 - Sent to 37 facilities by certified mail
 - Received 3 Return to Sender letters
 - 1 of the Return to Sender letters is a shutdown RECLAIM facility
 - 2 Return to Sender letters were resent on 2/15/2018 with correct addresses
 - Received 7 equipment list responses – most are due by 3/19/2018
 - Missing 1 Return Receipt for one facility

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Upcoming Working Group Meetings

Proposed Rule 1118.1

- **Fourth Working Group Meeting**
March 8, 2018
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Proposed Amended Rules 1146, 1146.1, 1146.2 and Proposed Rule 1100

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Proposed Rule 1109.1

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Proposed Amended Rule 1135

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