

BOARD MEETING DATE: May 4, 2018

AGENDA NO. 28

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee held a meeting on Friday, April 20, 2018. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Ben Benoit, Chair
Stationary Source Committee

LT:eb

Committee Members

Present: Mayor Ben Benoit/Chair, Mayor Pro Tem Judith Mitchell, Supervisor Shawn Nelson (videoconference) and Supervisor Hilda L. Solis (videoconference)

Absent: Dr. Joseph Lyou/Vice Chair and Supervisor Janice Rutherford

Call to Order

Chair Benoit called the meeting to order at 10:30 a.m.

INFORMATIONAL ITEMS:

1. Summary of Proposed Amended Rule (PAR) 1111 - Reduction of NOx Emissions from Natural Gas Fired, Fan-Type Central Furnaces

Tracy Goss, Manager/Planning, Rule Development and Area Sources, summarized proposed amendments to add a labeling provision to inform the consumer that they are purchasing a unit that is subject to a mitigation fee and that there are units that are eligible for a rebate. Mr. Dave Winningham of Lennox Industries Inc., supported the proposal. Mr. Chris Forth of Johnson Controls, Mr. Ryan Teschner of Rheem, and Mr. Rusty Tharp of Goodman Manufacturing commented that labeling will not be an effective mechanism to inform consumers of the mitigation fee and rebate, because the consumer will not see the label on the box or unit as contractors will install the unit. Manufacturers commented that information, such as brochures provided by the manufacturer or contractor as well as information on websites, may be more effective. Supervisor Solis suggested that the information be provided on

the SCAQMD website, and staff confirmed that will occur. Mayor Pro Tem Mitchell commented that the key is to have consumers know about the rebate program and mitigation fee. She also suggested that staff return to the Stationary Source Committee to provide an update on the rebate program.

2. Summary of Proposed Amended Rules 1146 - Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters; 1146.1 - Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters; 1146.2 - Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers and Process Heaters; and Proposed Rule 1100 – Implementation Schedule for NOx Facilities

Tracy Goss provided an update and summarized the key remaining issues for Proposed Amended Rules 1146, 1146.1, and 1146.2 and Proposed Rule 1100. Mayor Pro Tem Mitchell inquired about the current proposals relying on a 2008 BARCT determination. Mr. Goss responded that at this time staff determined, based on a 2015 RECLAIM technology assessment, that the 2008 determination for BARCT is still relevant and that future BARCT assessments will assess the state of technology advancements.

Scott Weaver with Ramboll Environmental, commented that staff just changed the applicability at the last Working Group Meeting to include metal operation and aggregate facilities, as well as the cost effectiveness of the BARCT to former RECLAIM facilities. Susan Nakamura, Assistant Deputy Executive Officer/Planning, Rule Development and Area Sources, clarified that language in the Preliminary Draft Rule for the 75-day public notice excluded refineries and electricity generating facilities and included the metal processing and aggregate facilities in the proposed rules. The Committee Members requested that staff work to resolve this issue.

This item was taken out of order.

4. Update on the AB 617 Community Identification Process

Dr. Philip Fine, Deputy Executive Officer/Planning, Rule Development and Area Sources, presented on the work completed for identifying communities for AB 617 and provided a preliminary list of communities under consideration. Mayor Benoit commented on the number of community self-recommendations received. Mayor Pro Tem Mitchell clarified that the list of preliminary communities to be submitted to CARB will remain broadly inclusive. Supervisor Solis asked for clarification on the community self-recommendation deadline and expressed that there are unincorporated areas in Los Angeles County that should be considered.

Supervisor Nelson left the meeting at 11:00 a.m.

3. Update on Proposed Amended Rule (PAR) 1469 – Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations

Susan Nakamura presented an update on Proposed Amended Rule (PAR) 1469. Mayor Benoit mentioned that it is important to evaluate how the tanks are set up and to find alternatives to processes which are much cleaner and get the same reductions. Mayor Pro Tem Mitchell asked for the cost to comply for each facility. Ms. Nakamura responded that the average annualized cost would be between \$40,000 and \$60,000 per facility.

Supervisor Solis expressed concern about residue being found on roofs and how facilities would be able to contain the emissions. She also asked if there was a way to continually test and monitor equipment. Ms. Nakamura responded that PAR 1469 requires periodic source testing and that there are provisions that require monitoring specific parameters of the pollution controls to ensure continuous compliance and that building enclosure requirements will help to control fugitive emissions.

The following 43 speakers provided public comment.

Dale Watkins, MFASC
Lourdes Ortiz, MFASC
Brian Ward, AAA Plating/MFASC
Ruben Angel, Size Control Plating
Juan San Taro, EME
Alan Olick, MFASC/Brite Plating
Jesus Padilla, Chromal Plating
Joe Lipsey, Jr., EME/MFASC

James Perez, Aircraft X-Ray Laboratories, Inc.
Kashirani Patel, Brite Plating
Walter Rodriguez, Chromal Plating
Eriberto Hernandez, Brite Plating
Trinidad Gonzalez, Brite Plating
Claudia Martinez, EME
Roger Sanchez, Pico Rivera Plating
Ramon Dubon, Size Control Plating

Expressed concern that the proposed amended rule would hurt the economy or impact the industry in a negative manner.

Brian Leiker, MFASC

Expressed concern that the rule would cause jobs to be lost and presented a petition signed by 1,500 people.

Cesar Velasco, Aircraft X-Ray Laboratories, Inc.
Mike Palatas, Gardena Specialized Processing
Justin Guzman, MFASC

Expressed that reducing the tank height due to the freeboard height would negatively impact businesses and has no basis.

Dilip Patel, Brite Plating

Commented that parts are rinsed multiple times prior to being dried with compressed air and the residue would not have chrome.

Bernie Moore, MFASC

Commented that Cal/OSHA has a 2,500 ng/m³ limit, and SCAQMD is using 1 ng/m³ as a threshold for action.

Jim Newton, Aircraft X-Ray Laboratories, Inc.

Commented that PAR 1469 (p)(4) is redundant to SCAQMD Rule 430 - Breakdown Provisions, and is unnecessary.

Dan Cunningham, Bowman Plating

Commented that the industry has reduced hexavalent chromium significantly and has received two Clean Air Awards from SCAQMD. Also requested to make the “make-sense provision” part of the best management provisions, and not rule requirements.

Joe Stevens, Bridge Safety Consultants

Vince Grana, MFASC/California Electroplating

Steven Good, EME/Metal Workers of Southern California

Sam Bell, Metal Surfaces, Inc

Dan Zinmen, MFASC

Expressed that the rule should not be based on outdated or incorrect science.

Massoud Akhavi, Bowman Plating

Brad Kerr, The Industry/Supplier of Chemicals

Charles Bell, Metal Surfaces, Inc

Frankie Rivera, EME

Jim Meyer, Aviation and Repair Solutions

Expressed that the industry is important to aerospace and is required to use hexavalent chromium based on customer requirements.

Vincent Noonan, MFASC

Cost numbers need to be reviewed for total enclosures, and jobs that this industry provides do not require a college degree.

Carolyn Padilla, MFASC/Gardena Specialized Processing

Expressed concern that jobs would be moving out of California and noted that many everyday items are coated using hexavalent chromium.

Geoffrey Blake, MFASC

Expressed that existing air pollution control systems are testing below the emission limits and costly proposed emission testing is not the right approach.

Raul A. Riesgo, Resident

Expressed a desire to keep local jobs.

Yvonne Martinez Watson, Sierra Club Angeles Chapter
Requested that safer alternatives be considered.

Robina Suwol, California Safe Schools
Expressed that additional protection of communities and schools is needed.

Jane Williams, California Communities Against Toxics
Expressed concerned with the use of chemical fume suppressants, which are more dangerous than hexavalent chromium.

Felipe Aguirre, Resident of Maywood
Requested adoption of the most stringent rule possible.

Bill Pearce, The Boeing Company
The term non-toxic should not be used as some of the non-hexavalent chromium alternatives would be considered toxic.

Public testimony was followed by comments from Stationary Source Committee members.

Mayor Pro Tem Mitchell said that agency has previously worked with industry and the environmental community and that the agency needs to balance impacts. She requested that staff continue to work with the Metal Finishing Association of Southern California (MFASC) to address outstanding issues and asked staff what the alternatives to chemical fume suppressants were. Mayor Pro Tem Mitchell also asked for information about the science and stated that staff should take into consideration impacts on jobs and the aerospace industry. She advised to not set the hearing in May and supported industries utilizing alternatives and encouraged companies to use a less toxic process.

Supervisor Solis requested additional information from both sides and expressed concern about the hazards of chemical fume suppressants. She asked if there was a way to incentivize small businesses to move to cleaner alternatives. Supervisor Solis agreed that more time is needed to work on issues.

Mayor Benoit agreed with Supervisor Solis and Mayor Pro Tem Mitchell and asked about the requirement for freeboard height. Mayor Benoit also asked if staff had any comments.

Dr. Fine explained that the basis of PAR 1469 is SCAQMD monitoring efforts, highlighting the monitored levels of hexavalent chromium in the City of Paramount which correspond to high cancer risks based on OEHHA guidance, which is what the entire state uses when assessing risks. Dr. Fine explained that certain uncontrolled tanks were found at multiple facilities that were sources of hexavalent

chromium. Staff's recommendation is to move forward to address the known sources and that a delay would pose a continued risk to the community. Dr. Fine responded that through the 18 months and 11 working group meetings, staff have compromised on rule language and that new total enclosures are not expected, evaluating issues with non-PFOS fume suppressants would take approximately two years, and stated that claims that chemical fume suppressants are more dangerous than hexavalent chromium are not substantiated.

Ms. Nakamura clarified that there were multiple working group meetings each with 450 emails sent out, facilities that move out of the Basin or state still need to comply with the federal NESHAPS, which may incorporate provisions of Rule 1469. Ms. Nakamura also commented that the freeboard height requirement has been modified repeatedly based on feedback from stakeholders and only applies if facilities change their entire line. The Cal/OSHA threshold referenced is based on non-cancer health effects, but the risk driver is cancer. Rule 430 breakdown provisions do not apply to toxic air contaminants and breakdown provisions are needed in PAR 1469. Permanent Total Enclosures is a triggered requirement in the proposed amended rule, and multiple high cost items have been removed from PAR 1469.

Supervisor Solis stated a concern for the high-emitting tanks that should be addressed first and suggested developing a phased-in approach. Supervisor Solis suggested to bifurcate the rule to have a phased-in approach. Ms. Nakamura responded that the rule is focused on the high-emitting tanks. The requirement of periodic source testing has been modified based on feedback from industry.

Dr. Fine responded that staff has worked with industry and concluded that there would not be a rule for which everyone would agree to.

Wayne Natri, Executive Officer, indicated that staff has worked objectively on the rule. He acknowledged the importance of examining the risk of chemical fume suppressants, but the exposure of hexavalent chromium is also important. Mr. Natri clarified that the U.S. EPA ban on fume suppressants was not associated with plating, but with firefighting where the substance gets deposited into groundwater and surface waters. Mr. Natri noted that staff wants to evaluate the issue and if it is determined that there is an exposure to chemical fume suppressants, then staff will take action. Mr. Natri stated that although the European Union has worked to ban hexavalent chromium, they also allow exemptions and questioned whether this is the direction we want to take. Mr. Natri stated that communities have asked for protection. Mr. Natri expressed an urgency for the rule and that by not moving forward there is chance a rule would not be adopted until the end of the year and questioned what that delay would cost the affected communities.

Mayor Pro Tem Mitchell asked what would be the impact of removing fume suppressants from the rule. Mr. Natri clarified that the fume suppressants are used by smaller facilities that do not have any other controls to limit hexavalent chromium. Mr. Natri reiterated that staff would work as quickly as possible to evaluate fume suppressants. He committed to work with the legislature to support facilities to move away from using hexavalent chromium. Mayor Pro Tem Mitchell asked how many facilities are using fume suppressants. Mr. Natri responded that 27 facilities are exclusively using fume suppressants with 65 facilities using fume suppressants and other controls.

Mayor Pro Tem Mitchell expressed concern with the levels of hexavalent chromium detected in the community and recommended that the rule be heard in June. Mayor Pro Tem Mitchell asked staff to continue to work with industry and the workers who testified. She supported setting the hearing today. Mayor Pro Tem Mitchell requested that staff come back to the committee in six months with an update on the implementation and what other alternative processes are available.

Mayor Benoit agreed that periodic updates would be beneficial.

Supervisor Solis agreed that staff should look at alternatives, work with the legislature to secure incentives for converting to an alternate process, and to educate members of the public of the need to take action based on health impacts.

Mr. Natri committed to having another working group, and to work with the Department of Defense regarding specifications requiring hexavalent chromium.

Mayor Benoit asked if it would be possible to bifurcate the rule and look first at the tanks of concern. Dr. Fine responded that this is the approach of the rule and that there is a strong pathway going forward such as committing to a study of fume suppressants and a potential phase out of fume suppressants.

Mayor Benoit asked if enclosures would be part of the proposal. Dr. Fine responded that there would be options for the Board to consider. Mr. Natri clarified that much of the enclosure requirements would not occur unless triggered. Mr. Natri recommended a 60-day set hearing, i.e., to set the hearing in May for the rule be considered by the Board in July. The Committee Members agreed with the schedule.

WRITTEN REPORTS:

5. Notice of Violation Penalty Summary

The report was acknowledged by the Committee.

6. Twelve-month and Three-month Rolling Price of RTCs for Compliance Years 2017 and 2018

The report was acknowledged by the Committee.

OTHER MATTERS:

7. Other Business

There was no other business.

8. Public Comment Period

There were no public comments.

9. Next Meeting Date

The next regular Stationary Source Committee meeting is scheduled for Friday, May 18, 2018.

Adjournment

The meeting was adjourned at 12:20 p.m.

Attachments

1. Attendance Record
2. Notice of Violation Penalty Summary
3. Twelve-month and Three-month Rolling Price of RTCs for Compliance Years 2017 and 2018

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT STATIONARY SOURCE COMMITTEE

Attendance – April 20, 2018

Mayor Ben Benoit	SCAQMD Governing Board
Mayor Pro Tem Judith Mitchell	SCAQMD Governing Board
Supervisor Shawn Nelson (videoconference)	SCAQMD Governing Board
Supervisor Hilda L. Solis (videoconference)	SCAQMD Governing Board
Marisa Perez	Board Consultant (Mitchell)
Charlene Contreras	LA Department of Public Health
Bill LaMarr	CSBA
Brian Leiker	MFASC
Rita Loof	RadTech
David Rothbart	L.A. County Sanitation Districts
Bill Pearce	Boeing
Susan Stark	Andeavor
Robina Suwol	California Safe Schools
David Stephens	Johnson Controls
Wesley Turnbow	MFASC
Lidia Ursag	Los Angeles Mayors Office
Ted Ventresca	Chemeon Surface Technology
Yvonne Watson	Sierra Club
Jane Williams	California Communities Against Toxics
Chris Forth	Johnson Controls
Andy Silva	San Bernardino County
Geoff Blake	MFASC/CASBA
Mike Palatas	Gardena Specialized Processing
Lourdes Ortiz	MFASC
Vincent Noonan	MFASC
Dave Winningham	Lennox International
Ryan Teschner	Rheem Manufacturing
Rusty Tharp	Goodman
Scott Weaver	Ramboll
Dale Watkins	MFASC
Brian Ward	AAA Plating/MFASC
Dale Watkins	MFASC
Lourdes Ortiz	MFASC

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT STATIONARY SOURCE COMMITTEE Attendance – April 20, 2018

Ruben Angel	Size Control Plating
Juan San Taro	EME
Alan Olick	MFASC/Brite Plating
Jesus Padilla.....	Chromal Plating
Joe Lipsey, Jr.	EME/MFASC
James Perez	Aircraft X-Ray Laboratories, Inc.
Kashirani Patel.....	Brite Plating
Walter Rodriguez.....	Chromal Plating
Eriberto Hernandez.....	Brite Plating
Trinidad Gonzalez	Brite Plating
Claudia Martinez	EME
Roger Sanchez	Pico Rivera Plating
Ramon Dubon.....	Size Control Plating
Cesar Velasco	Aircraft X-Ray Laboratories, Inc.
Justin Guzman	MFASC
Dilip Patel	Brite Plating
Bernie Moore.....	MFASC
Jim Newton.....	Aircraft X-Ray Laboratories, Inc.
Dan Cunningham.....	Bowman Plating
Joe Stevens	Bridge Safety Consultants
Vince Grana.....	MFASC/California Electroplating
Steven Good	EME/Metal Workers of Southern California
Sam Bell	Metal Surfaces, Inc
Dan Zinmen	MFASC
Massoud Akhavi.....	Bowman Plating
Brad Kerr	The Industry/Supplier of Chemicals
Charles Bell	Metal Surfaces, Inc
Frankie Rivera	EME
Jim Meyer	Aviation and Repair Solutions
Carolyn Padilla	MFASC/Gardena Specialized Processing
Geoffrey Blake	MFASC
Raul A. Riesgo.....	Resident
Felipe Aguirre.....	Resident of Maywood

ATTACHMENT 1

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
STATIONARY SOURCE COMMITTEE
Attendance – April 20, 2018**

Barbara Baird.....	SCAQMD staff
Philip Fine	SCAQMD staff
Bayron Gilchrist	SCAQMD staff
Tracy Goss.....	SCAQMD staff
Susan Nakamura.....	SCAQMD staff
Wayne Nastri	SCAQMD staff
Laki Tisopulos	SCAQMD staff
Jill Whynot	SCAQMD staff

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
General Counsel's Office
DRAFT
March 2018 Settlement Penalty Report

<u>Total Penalties</u>	
Civil Settlements:	\$123,350.00
MSPAP Settlements:	\$24,598.00
Total Cash Settlements:	\$147,948.00
Total SEP Value:	\$0.00

Fiscal Year through 3 / 2018 Cash Total:	\$9,793,129.81
Fiscal Year through 3 / 2018 SEP Value Only Total:	\$2,120,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
Civil Settlements						
152948	AMERICAN DOCK BOX	3002	3/28/2018	TRB	P64353	\$500.00
800037	DEMENNO/KERDOON	2004 3002	3/20/2018	SH	P60457	\$5,000.00
160245	GATEWAY CREMATORY, SMART CREMATION CA	1147	3/2/2018	BST	P65767	\$55,000.00
142311	GREENCYCLE	PERP 2459 203(a)	3/6/2018	BST	P66253 P66402	\$7,200.00
136012	HABBOR CHEVRON, BHUPINDER S MAC DBA	41954 41960.2 461(c)	3/27/2018	GV	P61679	\$800.00
134765	HYDRO SYSTEMS INC	203(b)	3/28/2018	BST	P56882 P56892 P61305	\$2,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
168220	LEX-RY HOLDING INC. DBA EXCELL CLEANERS	203(a)	3/27/2018	GV	P62158	\$550.00
168609	PROCARE TREE SERVICE, INC.	203 (a)	3/14/2018	KCM	P59847 P61905 P61908	\$4,500.00
113444	R M MYERS CORPORATION	1403	3/2/2018	BST	P63557	\$1,500.00
113779	R. J. NOBLE COMPANY	203 (a) 203 (b) PERP 2460	3/28/2018	VKT	P62041	\$500.00
68118	TIDELANDS OIL PRODUCTION COMPANY ETAL	2012 218 2004 3002 1173 2004(f)(1) 203 (b) 3002(c)(1) 3003	3/6/2018	KRW	P51979 P52626 P55646 P60579	\$25,000.00
36412	VILLAGE CAR WASH	203 (a) 461 461(c) 461(E)(2)(A)	3/8/2018	DH	P63116 P63127	\$800.00
22092	WESTERN TUBE & CONDUIT CORP	203 3002 3002(c)(1) 3004	3/7/2018	SMP	P50739 P56998	\$20,000.00

Total Civil Settlements: \$123,350.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
MSPAP Settlements						
177675	AMERICAN BEEF PACKERS	1415.1	3/16/2018	JS	P64830	\$4,200.00
173008	AMERICAN PREMIUM GASOLINE	461 461(c)(2)(B)	3/16/2018	GC	P65022	\$1,575.00
174004	ARCO AMPM 5 POINTS	461	3/16/2018	GC	P64969	\$600.00
175316	FOOTHILL OIL CORPORATION, BAHMAN NATANZI	461	3/16/2018	GC	P64915	\$400.00
121877	G & M OIL CO, LLC #91	41960.2 461	3/16/2018	GC	P65711	\$1,083.00
149931	G & M OIL COMPANY, LLC #149	203 (b) 41960.2 461	3/16/2018	GC	P65702	\$1,850.00
131146	G&M OIL CO, LLC #113	41960.2 461	3/16/2018	GC	P65713	\$2,040.00
145861	GRIGORIAN'S INC/ARCO #166	461(E)(2)(A)	3/16/2018	GC	P64290	\$1,000.00
178369	IEH, LLC	203 (b) 41960.2 461 461(c)(2)(B)	3/16/2018	GC	P65013	\$400.00
145096	KEMP BROS. CONSTRUCTION, INC.	403	3/16/2018	TF	P65031	\$800.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
20731	LA MART	203 (a)	3/16/2018	TF	P65054	\$100.00
58622	LOS ANGELES COLD STORAGE CO	2004	3/16/2018	TF	P60587	\$800.00
185646	MK BUILDERS	1403	3/16/2018	TF	P66451	\$1,375.00
176229	OHNO CONSTRUCTION COMPANY	403	3/16/2018	TF	P65029 P65030	\$1,600.00
45746	PABCO BLDG PRODUCTS LLC,PABCO PAPER, DBA	2004	3/16/2018	TF	P57099	\$1,000.00
183208	PCH PETRO	461	3/16/2018	TF	P65732	\$375.00
178264	SOUTHWEST DEMOLITION	1403	3/16/2018	TF	P66455	\$900.00
144127	SPUNKY CANYON MARKET	461	3/16/2018	TF	P64924	\$2,100.00
183869	UNITED PACIFIC #5665	203	3/16/2018	GV	P64920	\$2,400.00

Total MSPAP Settlements: \$24,598.00

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DISTRICT'S RULES AND REGULATIONS INDEX
FOR MARCH 2018 PENALTY REPORT

REGULATION II - PERMITS

Rule 203 Permit to Operate (*Amended 1/5/90*)
Rule 218 Continuous Emission Monitoring (*Amended 5/14/99*)

REGULATION IV – PROHIBITIONS

Rule 403 Fugitive Dust (*Amended 12/11/98*) *Pertains to solid particulate matter emitted from man-made activities.*
Rule 461 Gasoline Transfer and Dispensing (*Amended 6/15/01*)

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1147 Nox Reductions from Miscellaneous Sources
Rule 1173 Fugitive Emissions of Volatile Organic Compounds (*Amended 5/13/94*)

REGULATION XIV - TOXICS

Rule 1403 Asbestos Emissions from Demolition/Renovation Activities (*Amended 4/8/94*)
Rule 1415.1 Reduction of Refrigerant Emissions from Stationary Refrigeration Systems.
Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines

REGULATION XX REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

Rule 2004 Requirements (*Amended 5/11/01*)
Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO_x) Emissions (*Amended 5/11/01*)

REGULATION XXX TITLE V PERMITS

Rule 3002 Requirements (*Amended 11/14/97*)
Rule 3003 Applications (*Amended 3/16/01*)

CALIFORNIA HEALTH AND SAFETY CODE

41954	Compliance for Control of Gasoline Vapor Emissions
41960.2	Gasoline Vapor Recovery

CALIFORNIA CODE OF REGULATIONS

PERP 2459	Portable Equipment Notification
PERP 2460	Portable Equipment Testing Requirements



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

Twelve-Month and Three-Month Rolling Average Price of Compliance Years 2017 and 2018 NOx and SOx RTCs

April 2018 Quarterly Report to Stationary Source Committee

Table I

Twelve-Month Rolling Average Price Data for Compliance Year 2017 NOx RTCs
(Report to Governing Board if rolling average price greater than \$22,500/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2017 NOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-17	Jan-16 to Dec-16	69.7	\$460,621	9	\$6,606
Feb-17	Feb-16 to Jan-17	94.7	\$610,693	11	\$6,446
Mar-17	Mar-16 to Feb-17	82.2	\$573,193	10	\$6,970
Apr-17	Apr-16 to Mar-17	125.3	\$824,493	12	\$6,581
May-17	May-16 to Apr-17	113.8	\$741,828	15	\$6,519
Jun-17	Jun-16 to May-17	113.8	\$741,828	15	\$6,519
Jul-17	Jul-16 to Jun-17	134.4	\$867,079	22	\$6,450
Aug-17	Aug-16 to Jul-17	144.8	\$920,041	29	\$6,355
Sep-17	Sep-16 to Aug-17	150.4	\$955,120	35	\$6,351
Oct-17	Oct-16 to Sep-17	151.2	\$956,005	36	\$6,323
Nov-17	Nov-16 to Oct-17	252.8	\$1,345,772	55	\$5,324
Dec-17	Dec-16 to Nov-17	267.1	\$1,376,674	58	\$5,155
Jan-18	Jan-17 to Dec-17	305.1	\$1,276,006	57	\$4,182
Feb-18	Feb-17 to Jan-18	693.2	\$1,888,755	94	\$2,724
Mar-18	Mar-17 to Feb-18	743.6	\$1,991,269	111	\$2,678
Apr-18	Apr-17 to Mar-18	705.6	\$1,746,469	110	\$2,475

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

Table II

Twelve-Month Rolling Average Price Data for Compliance Year 2018 NOx RTCs
(Report to Governing Board if rolling average price greater than \$22,500/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2018 NOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-18	Jan-17 to Dec-17	91.6	\$974,592	3	\$10,639
Feb-18	Feb-17 to Jan-18	91.6	\$974,592	3	\$10,639
Mar-18	Mar-17 to Feb-18	100.7	\$1,041,091	4	\$10,337
Apr-18	Apr-17 to Mar-18	51.6	\$497,246	5	\$9,643

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

Table III

Three-Month Rolling Average Price Data for Compliance Year 2017 NOx RTCs
(Report to Governing Board if rolling average price greater than \$35,000/ton)

Three-Month Rolling Average Price Data for Compliance Year 2017 NOx RTC					
Reporting Month	3-Month Period	Total Volume Traded with Price During Past 3-month (tons)	Total Price of Volume Traded During Past 3-month (\$)	Number of Trades with Price	Rolling Average Price (\$/ton)
Jan-17	Oct-16 to Dec-16	41.1	\$310,586	6	\$7,561
Feb-17	Nov-16 to Jan-17	66.1	\$460,658	8	\$6,971
Mar-17	Dec-16 to Feb-17	65.0	\$452,221	7	\$6,962
Apr-17	Jan-17 to Mar-17	68.1	\$401,372	4	\$5,897
May-17	Feb-17 to Apr-17	46.6	\$272,479	6	\$5,847
Jun-17	Mar-17 to May-17	46.6	\$272,479	6	\$5,847
Jul-17	Apr-17 to Jun-17	24.2	\$146,430	11	\$6,051
Aug-17	May-17 to Jul-17	31.0	\$178,213	14	\$5,753
Sep-17	Jun-17 to Aug-17	36.6	\$213,292	20	\$5,828
Oct-17	Jul-17 to Sep-17	17.9	\$97,616	15	\$5,468
Nov-17	Aug-17 to Oct-17	109.1	\$434,421	27	\$3,981
Dec-17	Sep-17 to Nov-17	118.9	\$438,682	25	\$3,689
Jan-18	Oct-17 to Dec-17	195.0	\$630,587	27	\$3,233
Feb-18	Nov-17 to Jan-18	506.5	\$1,003,641	47	\$1,981
Mar-18	Dec-17 to Feb-18	541.5	\$1,066,815	60	\$1,970
Apr-18	Jan-18 to Mar-18	468.5	\$871,835	57	\$1,861

Table IV

Three-Month Rolling Average Price Data for Compliance Year 2018 NOx RTCs
(Report to Governing Board if rolling average price greater than \$35,000/ton)

Three-Month Rolling Average Price Data for Compliance Year 2018 NOx RTC					
Reporting Month	3-Month Period	Total Volume Traded with Price During Past 3-month (tons)	Total Price of Volume Traded During Past 3-month (\$)	Number of Trades with Price	Rolling Average Price (\$/ton)
Jan-18	Oct-17 to Dec-17	38.1	\$400,092	1	\$10,500
Feb-18	Nov-17 to Jan-18	38.1	\$400,092	1	\$10,500
Mar-18	Dec-17 to Feb-18	9.1	\$66,499	1	\$7,300
Apr-18	Jan-18 to Mar-18	10.0	\$72,654	3	\$7,295

Table V

Twelve-Month Rolling Average Price Data for Infinite-Year Block NOx RTCs
(Report to Governing Board if rolling average price after 2018 is less than \$200,000/ton)

Twelve-Month Rolling Average Price Data for Infinite-Year Block NOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price (\$/ton)
May-16	May-15 to Apr-16	805.1	\$215,694,953	44	\$267,913
Jun-16	Jun-15 to May-16	781.6	\$211,669,953	44	\$270,819
Jul-16	Jul-15 to Jun-16	351.5	\$128,539,029	31	\$365,654
Aug-16	Aug-15 to Jul-16	512.9	\$166,663,599	32	\$324,943
Sep-16	Sep-15 to Aug-16	517.7	\$167,951,099	32	\$324,449
Oct-16	Oct-15 to Sep-16	441.9	\$150,586,981	30	\$340,759
Nov-16	Nov-15 to Oct-16	321.9	\$121,239,854	25	\$376,628
Dec-16	Dec-15 to Nov-16	321.9	\$121,238,354	24	\$376,638
Jan-17	Jan-16 to Dec-16	301.9	\$114,731,605	20	\$380,057
Feb-17	Feb-16 to Jan-17	183.0	\$46,520,577	10	\$254,172
Mar-17	Mar-16 to Feb-17	174.3	\$41,738,077	7	\$239,491
Apr-17	Apr-16 to Mar-17	174.3	\$41,738,077	7	\$239,491
May-17	May-16 to Apr-17	176.8	\$42,113,977	8	\$238,223
Jun-17	Jun-16 to May-17	175.3	\$41,588,977	7	\$237,266
Jul-17	Jul-16 to Jun-17	172.2	\$40,437,201	6	\$234,802
Aug-17	Aug-16 to Jul-17	10.8	\$2,311,624	4	\$213,249
Sep-17	Sep-16 to Aug-17	4.1	\$624,124	3	\$152,598
Oct-17	Oct-16 to Sep-17	4.1	\$624,124	3	\$152,598
Nov-17	Nov-16 to Oct-17	4.1	\$624,124	3	\$152,598
Dec-17	Dec-16 to Nov-17	4.1	\$624,124	3	\$152,598
Jan-18	Jan-17 to Dec-17	31.8	\$1,262,801	6	\$39,673
Feb-18	Feb-17 to Jan-18	58.8	\$1,579,801	9	\$26,853
Mar-18	Mar-17 to Feb-18	58.8	\$1,579,801	9	\$26,853
Apr-18	Apr-17 to Mar-18	58.8	\$1,579,801	9	\$26,853

Table VI

Twelve-Month Rolling Average Price Data for Compliance Year 2017 SOx RTCs
(Report to Governing Board if rolling average price greater than \$50,000/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2017 SOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-17	Jan-16 to Dec-16	0	0	0	-
Feb-17	Feb-16 to Jan-17	0	0	0	-
Mar-17	Mar-16 to Feb-17	0	0	0	-
Apr-17	Jan-17 to Mar-17	0	0	0	-
May-17	May-16 to Apr-17	0	0	0	-
Jun-17	Jun-16 to May-17	0	0	0	-
Jul-17	Jul-16 to Jun-17	0	0	0	-
Aug-17	Aug-16 to Jul-17	4.0	\$4,400	1	\$1,100
Sep-17	Sep-16 to Aug-17	14.0	\$19,400	2	\$1,386
Oct-17	Oct-16 to Sep-17	14.0	\$19,400	2	\$1,386
Nov-17	Nov-16 to Oct-17	14.0	\$19,400	2	\$1,386
Dec-17	Dec-16 to Nov-17	14.0	\$19,400	2	\$1,386
Jan-18	Jan-17 to Dec-17	14.0	\$19,400	2	\$1,386
Feb-18	Feb-17 to Jan-18	57.0	\$58,742	7	\$1,030
Mar-18	Mar-17 to Feb-18	57.0	\$58,742	7	\$1,030
Apr-18	Apr-17 to Mar-18	57.0	\$58,742	7	\$1,030

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

Table VII

Twelve-Month Rolling Average Price Data for Compliance Year 2018 SOx RTCs
(Report to Governing Board if rolling average price greater than \$50,000/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2018 SOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-18	Jan-17 to Dec-17	None	-	-	-
Feb-18	Feb-17 to Jan-18	None	-	-	-
Mar-18	Mar-17 to Feb-18	None	-	-	-
Apr-18	Apr-17 to Mar-18	None	-	-	-

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.