

BOARD MEETING DATE: September 2, 2022

AGENDA NO. 25

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee held a meeting remotely on Friday, August 19, 2022. The following is a summary of the meeting.

RECOMMENDED ACTION:  
Receive and file.

Ben J. Benoit, Chair  
Stationary Source Committee

JA:cr

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### **Committee Members**

Present: Mayor Ben J. Benoit/Chair  
Senator Vanessa Delgado (Ret.)  
Board Member Veronica Padilla-Campos  
Vice Mayor Rex Richardson

Absent: Supervisor Sheila Kuehl/Vice Chair  
Supervisor Janice Rutherford

### **Call to Order**

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

For additional information of the Stationary Source Committee Meeting, please refer to the Webcast at: [Webcast](#)

### **INFORMATIONAL ITEMS:**

#### **1. Proposed Amended Rule 1135 – Emissions of Oxides of Nitrogen from Electricity Generating Facilities**

Michael Morris, Planning and Rules Manager/Planning, Rule Development & Implementation, presented an update on and the BARCT assessment for the repower projects for Santa Catalina Island.

Mark Abramowitz, Community Environmental Services, expressed concern regarding the short-term replacement of diesel engines with other diesel engines and requested consideration to lower the emissions cap and to accelerate timelines for compliance.

Bethmarie Quiambao, Southern California Edison (SCE), commented that repower scenarios require power generation backup for Santa Catalina Island and SCE is currently conducting an analysis for grid stability, fire safety and fuel supply. She expressed that SCE remains committed to working with staff to evaluate the best technologies to maximize emissions reductions while ensuring grid reliability for residents and visitors.

Peter Whittingham, Public Affairs Advisor for Mainspring Energy, expressed appreciation for staff's consideration of linear generator technology as a potential solution.

There were no comments from Committee members. For additional details, please refer to the [Webcast](#) beginning at 5:02.

## **2. Status Report on Regulation XIII – New Source Review**

Jason Aspell, Deputy Executive Officer/Engineering and Permitting, provided a status report on Regulation XIII, New Source Review (NSR) Equivalency for Calendar Year (CY) 2020. The final determination for South Coast AQMD's NSR progress is equivalent to federal and state NSR requirements on an aggregate basis and is projected to maintain equivalency for CY 2021 and 2022. There were no Committee or public comments. For additional details, please refer to the [Webcast](#) beginning at 30:34.

## **WRITTEN REPORTS:**

### **3. Notice of Violation Penalty Summary**

The report was acknowledged by the committee.

### **4. Monthly Update of Staff's Work with U.S. EPA and CARB on New Source Review Issues for the Transition of RECLAIM Facilities to a Command-and-Control Regulatory Program**

The report was acknowledged by the committee.

## **OTHER MATTERS:**

### **5. Other Business**

There was no other business to report.

### **6. Public Comment Period**

There was no public comment to report

**7. Next Meeting Date**

The next Stationary Source Committee meeting is scheduled for Friday, September 16, 2022 at 10:30 a.m.

**Adjournment**

The meeting was adjourned at 11:09 a.m.

**Attachments**

1. Attendance Record
2. Notice of Violation Penalty Summary
3. Monthly Update of Staff's Work with U.S. EPA and CARB on New Source Review Issues for the Transition of RECLAIM Facilities to a Command-and-Control Regulatory Program

## **ATTACHMENT 1**

### **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT STATIONARY SOURCE COMMITTEE**

**Attendance –August 19, 2022**

Mayor Ben J. Benoit ..... South Coast AQMD Governing Board  
Board Member Padilla-Campos ..... South Coast AQMD Governing Board  
Vice Mayor Richardson ..... South Coast AQMD Governing Board

Ruthanne Taylor Berger..... Board Consultant (Benoit)  
Tom Gross..... Board Consultant (Benoit)  
Mark Taylor..... Board Consultant (Rutherford)  
Amy Wong ..... Board Consultant (Padilla-Campos)

Mark Abramowitz..... Community Environmental Services  
Curtis Coleman ..... Southern California Air Quality Alliance  
Chris Chavez ..... Coalition for Clean Air  
Bill Lamarr ..... California Small Business Alliance  
Dan McGivney ..... SoCalGas  
Bethmarie Quiambao ..... SCE  
Craig Sakamoto ..... PBF  
Alison Torres..... SCAP  
Peter Whittingham..... Whittingham Public Affairs Advisors

Derrick Alatorre..... South Coast AQMD staff  
Jason Aspell..... South Coast AQMD staff  
Barbara Baird ..... South Coast AQMD staff  
Bayron Gilchrist ..... South Coast AQMD staff  
Sheri Hanizavareh..... South Coast AQMD staff  
Mark Henninger..... South Coast AQMD staff  
Aaron Katzenstein ..... South Coast AQMD staff  
Michael Krause..... South Coast AQMD staff  
Jason Low ..... South Coast AQMD staff  
Michael Morris ..... South Coast AQMD staff  
Ron Moskowitz ..... South Coast AQMD staff  
Susan Nakamura ..... South Coast AQMD staff  
Wayne Nastri ..... South Coast AQMD staff  
Sarah Rees ..... South Coast AQMD staff  
Jillian Wong ..... South Coast AQMD staff  
Paul Wright ..... South Coast AQMD staff  
Victor Yip..... South Coast AQMD staff

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX**  
**JUNE 2022 PENALTY REPORT**

**REGULATION II - PERMITS**

Rule 203            Permit to Operate  
Rule 221            Plans  
Rule 222            Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II

**REGULATION IV - PROHIBITIONS**

Rule 401            Visible Emissions  
Rule 402            Nuisance  
Rule 403            Fugitive Dust  
Rule 461            Gasoline Transfer and Dispensing

**REGULATION XI - SOURCE SPECIFIC STANDARDS**

Rule 1146.2        Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers  
Rule 1151           Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations  
Rule 1166           Volatile Organic Compound Emissions from Decontamination of Soil  
Rule 1171           Solvent Cleaning Operations

**REGULATION XIV - TOXICS**

Rule 1403           Asbestos Emissions from Demolition/Renovation Activities  
Rule 1415           Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems  
Rule 1421           Control of Perchloroethylene Emissions from Dry Cleaning Operations  
Rule 1469           Hexavalent Chromium Emissions from Chrome Plating and Chromic Acid Anodizing Operations  
Rule 1469.1.        Spraying Operations Using Coatings Containing Chromium

**REGULATION XXX - TITLE V PERMITS**

Rule 3002           Requirements  
Rule 3004           Permit Types and Content

**CODE OF FEDERAL REGULATIONS**

40 CFR 61.145     Standard for Demolition and Renovation

**CALIFORNIA HEALTH AND SAFETY CODE**

41700               Prohibited Discharges  
41960               Certification of Gasoline Vapor Recovery System

**CALIFORNIA CODE OF REGULATIONS**

13 CCR 2459       Portable Equipment Notification

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**  
**General Counsel's Office**

**Settlement Penalty Report (06/01/2022 - 06/30/2022)**

**Total Penalties**

Civil Settlement:     \$226,500.00  
MSPAP Settlement:     \$14,383.00

**Total Cash Settlements:**     \$240,883.00

**Fiscal Year through 06/30/2022 Cash Total:**     \$4,875,192.01

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
<b>Civil</b>						
155055	BALI CONSTRUCTION INC	1403, 40 CFR 61.145	06/15/2022	SH	P72911, P72912, P72913, P72914, P72917	\$8,000.00
191590	CALTRANS DISTRICT 7	1403, 40 CFR 61.145	06/28/2022	SH	P72957	\$5,000.00
172250	CORONA FUELING & ELECTRIC, INC	1166, 461	06/15/2022	KCM	P66370, P70065, P70159	\$1,800.00
185115	GRIFFITH COMPANY	1166, 221	06/15/2022	DH	P67482, P67489, P67493	\$6,400.00
191220	JIMS FALLBROOK MARKET	222, 401, 402, H&S 41700	06/17/2022	SP	P67719, P67729, P74341, P74347	\$4,300.00
149450	LOS ANGELES WORLD AIRPORT	461	06/15/2022	EC	P67720	\$1,300.00
53555	OR. CO., WATER DIST	461	06/15/2022	JL	P69772	\$1,200.00
140552	PERFORMANCE COMPOSITES, INC	3002(c)(1), 3004	06/15/2022	KCM	P65869	\$1,500.00
191589	SECURITY PAVING COMPANY, INC.	1403, 40 CFR 61.145	06/15/2022	SH	P72955	\$5,000.00
9720	STILES ANIMAL REMOVAL INC	402, H&S 41700	06/15/2022	SP	P65390	\$6,000.00
800267	TRIUMPH PROCESSING, INC.	1469, 1469.1, 3002	06/15/2022	NS/WW	P64523, P65408, P65409, P66274, P66293	\$186,000.00
<b>Total Civil Settlements : \$226,500.00</b>						
<b>MSPAP</b>						
126527	A & R AUTOMOTIVE BODY	1171(c)(1)	06/16/2022	GC	P69117	\$1,600.00
153912	A M OIL	461, H&S 41960	06/16/2022	GC	P68445	\$765.00
172613	ALL & ONE AUTO CENTER AND DISMANTLING	1151	06/22/2022	GC	P69378	\$675.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
176259	AT&T CELL TOWER	203(b)	06/16/2022	GC	P69377	\$800.00
163454	BIXBY KNOLLS CLEANERS, LINH CAO	1421	06/16/2022	GC	P69523	\$300.00
163505	BROADWAY OIL 176 INC	203(b)	06/16/2022	GC	P67243	\$440.00
67762	COLTON CITY	461	06/16/2022	GC	P68714	\$638.00
178529	DESERT HOT SPRINGS OIL CORP BAHMAN NATAN	461	06/16/2022	GC	P70153	\$800.00
162614	DHARAM V. BHATIA	461(c)(3)(Q)	06/21/2022	GC	P69612, P69617	\$600.00
170704	ELMESIRY, INC SM OIL	203, 461	06/17/2022	GC	P68437	\$595.00
176582	FEDEX PACKAGE HANDLING SYSTEMS	203(a)	06/21/2022	GC	P69376	\$800.00
190421	FIRST RC CORP	403	06/21/2022	GC	P68269	\$1,920.00
182344	FRONTIER CALIF, INC SANTA MONICA TOLL	1415	06/21/2022	GC	P65082	\$1,000.00
77937	FULLERTON CITY HALL	1146.2	06/21/2022	GC	P69757	\$1,600.00
190268	GENESIS AUTO	203(a), 1151(e)(1)	06/21/2022	GC	P68072	\$1,600.00
171711	UPLAND ROCK, INC	13 CCR 2459	06/15/2022	TCF	P68375	\$250.00
<b>Total MSPAP Settlements : \$14,383.00</b>						

## **SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX FOR JULY 2022 PENALTY REPORT**

### **REGULATION II - PERMITS**

Rule 203            Permit to Operate  
Rule 221            Plans

### **REGULATION IV - PROHIBITIONS**

Rule 461            Gasoline Transfer and Dispensing  
Rule 463            Storage of Organic Liquids

### **REGULATION XI - SOURCE SPECIFIC STANDARDS**

Rule 1105.1        Reduction of PM and Ammonia Emissions from Fluid Catalytic Cracking Units  
Rule 1114            Petroleum Refinery Coking Operations (MCS-01)  
Rule 1118            Emissions from Refinery Flares  
Rule 1143            Consumer Paint Thinners & Multi-Purpose Solvents  
Rule 1166            Volatile Organic Compound Emissions from Decontamination of Soil  
Rule 1173            Fugitive Emissions of Volatile Organic Compounds  
Rule 1176            Sumps and Wastewater Separators

### **REGULATION XIV - TOXICS**

Rule 1403            Asbestos Emissions from Demolition/Renovation Activities

### **REGULATION XX REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)**

Rule 2004            Requirements  
Rule 2012            Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions

### **REGULATION XXX - TITLE V PERMITS**

Rule 3002            Requirements

### **CODE OF FEDERAL REGULATIONS**

40 CFR 61.145     Standard for Demolition and Renovation

### **CALIFORNIA CODE OF REGULATIONS**

13 CCR 2456        Portable Equipment Engine Requirements



**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
General Counsel's Office**

**Settlement Penalty Report (07/01/2022 - 07/31/2022)**

**Total Penalties**

Civil Settlement: \$1,594,990.00

**Total Cash Settlements: \$1,594,990.00**

**Fiscal Year through 07/31/2022 Cash Total: \$1,594,990.00**

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
<b>Civil</b>						
16353	BELLFLOWER HI SCH	1403, 40 CFR 61.145	07/07/2022	EC	P65048	\$5,100.00
800189	DISNEYLAND RESORT	2004	07/28/2022	SH	P66922	\$2,500.00
180908	ECO SERVICES OPERATIONS CORP.	2004	07/29/2022	SH	P69364	\$2,750.00
185689	ECOLOGY RECYCLING SERVICES, LLC	461(c)(3)(Q)	07/19/2022	KCM	P65868	\$1,090.00
189600	HERBARIUM	203, 13 CCR 2456	07/21/2022	JL	P62769	\$5,000.00
191190	JAMES TRUE VALUE HARDWARE	1143	07/29/2022	ND	P69059	\$4,000.00
181667	TORRANCE REFINING COMPANY LLC	3002(c)(1)	07/22/2022	DH	P65616	\$250,000.00
181667	TORRANCE REFINING COMPANY LLC	203, 221, 463, 1105.1, 1114, 1118, 1173, 1176, 2004, 2012, 3002	07/22/2022	DH	P65637, P67964, P67965, P68205, P68206, P74057, P74058	\$1,322,800.00
143046	WAYNE PERRY INC	221(b), 1166	07/07/2022	KCM	P67421	\$1,750.00
<b>Total Civil Settlements: \$1,594,990.00</b>						

## **August 2022 Update on Work with U.S. EPA and CARB on New Source Review Issues for the RECLAIM Transition**

At the October 5, 2018 Board meeting, the Board directed staff to provide the Stationary Source Committee with a monthly update of staff's work with U.S. EPA regarding resolving NSR issues for the transition of facilities from RECLAIM to a command-and-control regulatory structure. The table below summarizes key activities with U.S. EPA and CARB since the last report.

<b>Item</b>	<b>Discussion</b>
Video Conference with U.S. EPA and CARB – June 24, 2022	<ul style="list-style-type: none"><li>• Reviewed presentations for the July RECLAIM and Regulation XIII working group meetings</li></ul>
RECLAIM and Regulation XIII Working Group Meetings – July 14, 2022	<ul style="list-style-type: none"><li>• Provided updates on rulemakings for the RECLAIM transition</li><li>• Provided an update on Rule 2002 assessment</li><li>• Presented proposed amendments to Regulation XX</li><li>• Responded to Regulation XIII comment letter</li><li>• Discussed changing surplus discounting method for Open Market emission reduction credits</li></ul>