

Permitting Enhancement Program Update

Board Meeting
May 1, 2026



Permitting Enhancement Program (PEP)

- PEP introduced by former Chair Delgado in 2023
 - Objective: Reduce permit backlog and modernize permitting to improve permit processing and issuance timelines
 - Comprehensive PEP Workplan developed
 - Periodic updates to Board
 - Quarterly reporting to Stationary Source Committee (SSC)
- Chair Cacciotti continued to prioritize PEP
- Today – Fifth Update
 - Production and staffing
 - Outreach efforts
 - Status of Modernizations



PEP Elements



Staffing and Resources



Staff Development and Training



Modernization of Permitting System



Enhance Public Interface and Transparency



Streamlining and Efficiency Improvements

Importance of Permitting

- Permits are required for equipment that emits or controls air pollution¹
- Engineering evaluation needed to ensure equipment is designed to meet South Coast AQMD rules
- Permit conditions establish operating conditions to ensure compliance with South Coast AQMD rules
- Staff balances permit application turnaround times with:
 - Engineering evaluations
 - CEQA
 - Federal permitting requirements
 - Ensuring compliance with rules and regulations

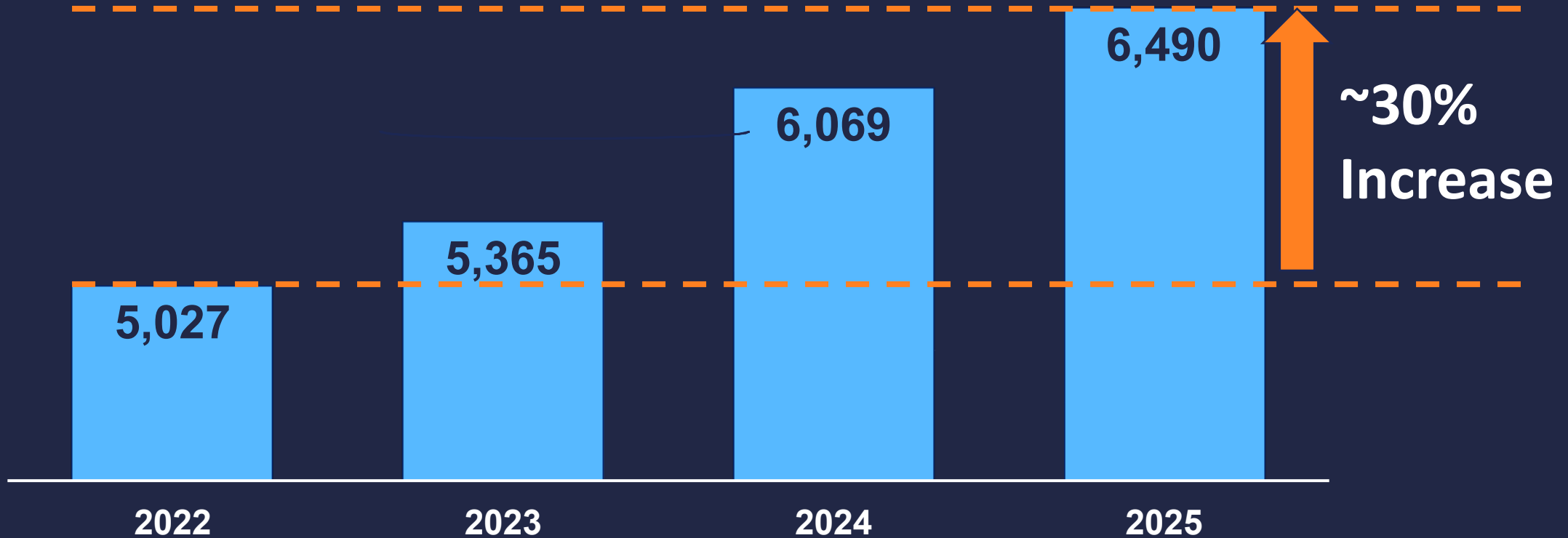
Examples of Permit Conditions

- Emission limits
- Source Testing
- Operating parameters
 - Pressures, flows
- Monitoring
- Maintenance
- Work Practices
- Housekeeping
- Recordkeeping
- Reporting

¹ Authority under Health and Safety Code 42300

Annual Permitting Production

Production increase of about 30% since 2022



Production Flowchart

- Staff conducts engineering evaluation of incoming applications
 - Emission Calculations
 - Health Risk Assessment
 - Rules Evaluation
- Staff issues Permits to Construct
 - Allows facility to begin construction
 - Serves as temporary Permit to Operate
 - Source testing and compliance demonstration
- Staff issues final Permit to Operate
- Facilities may use automated online permitting modules for select equipment

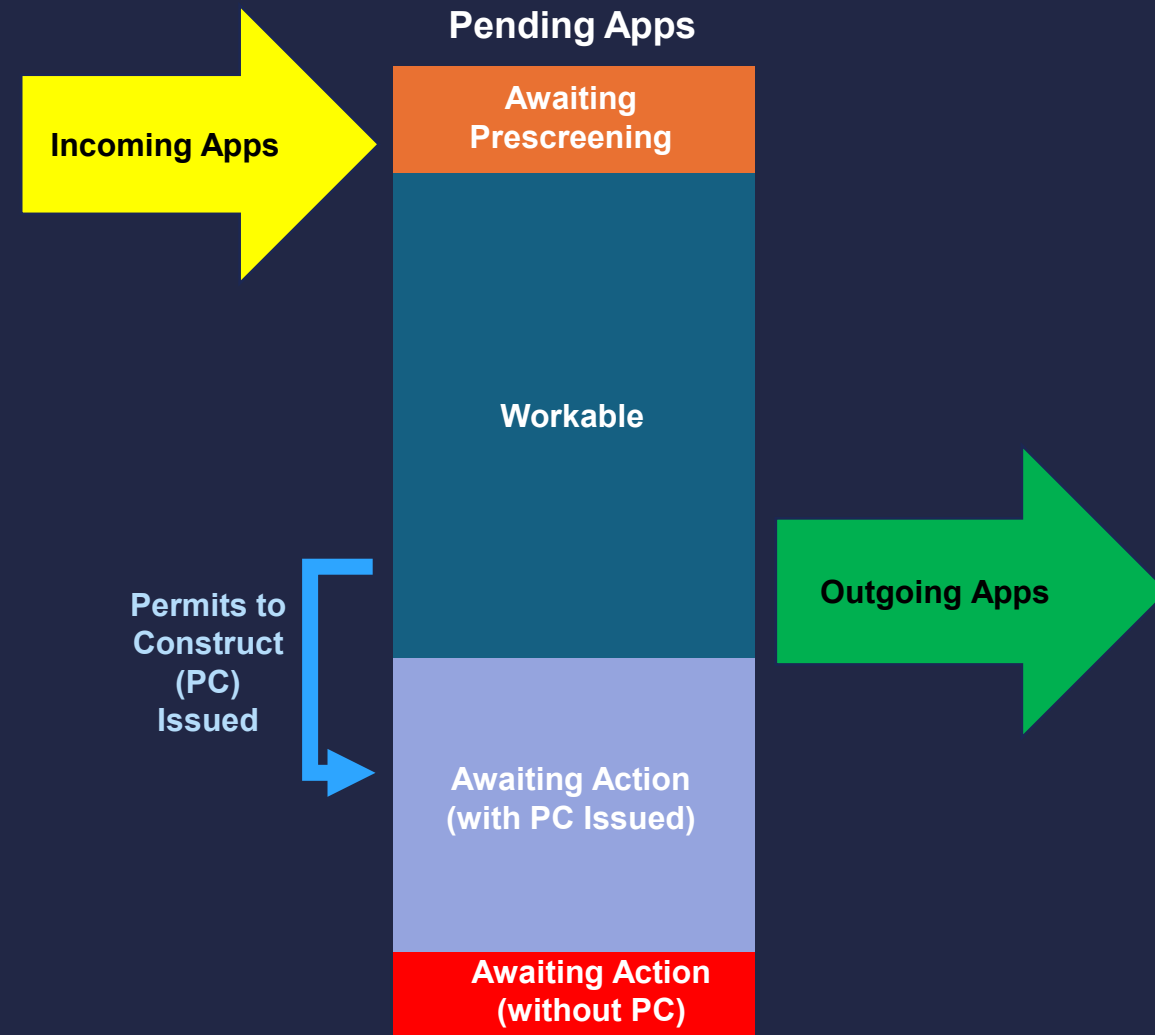


Chart does not include the production of applications filed online.

Semi-Annual Production October 2025 through March 2026

- 2,851 permitting actions greater than number of incoming applications

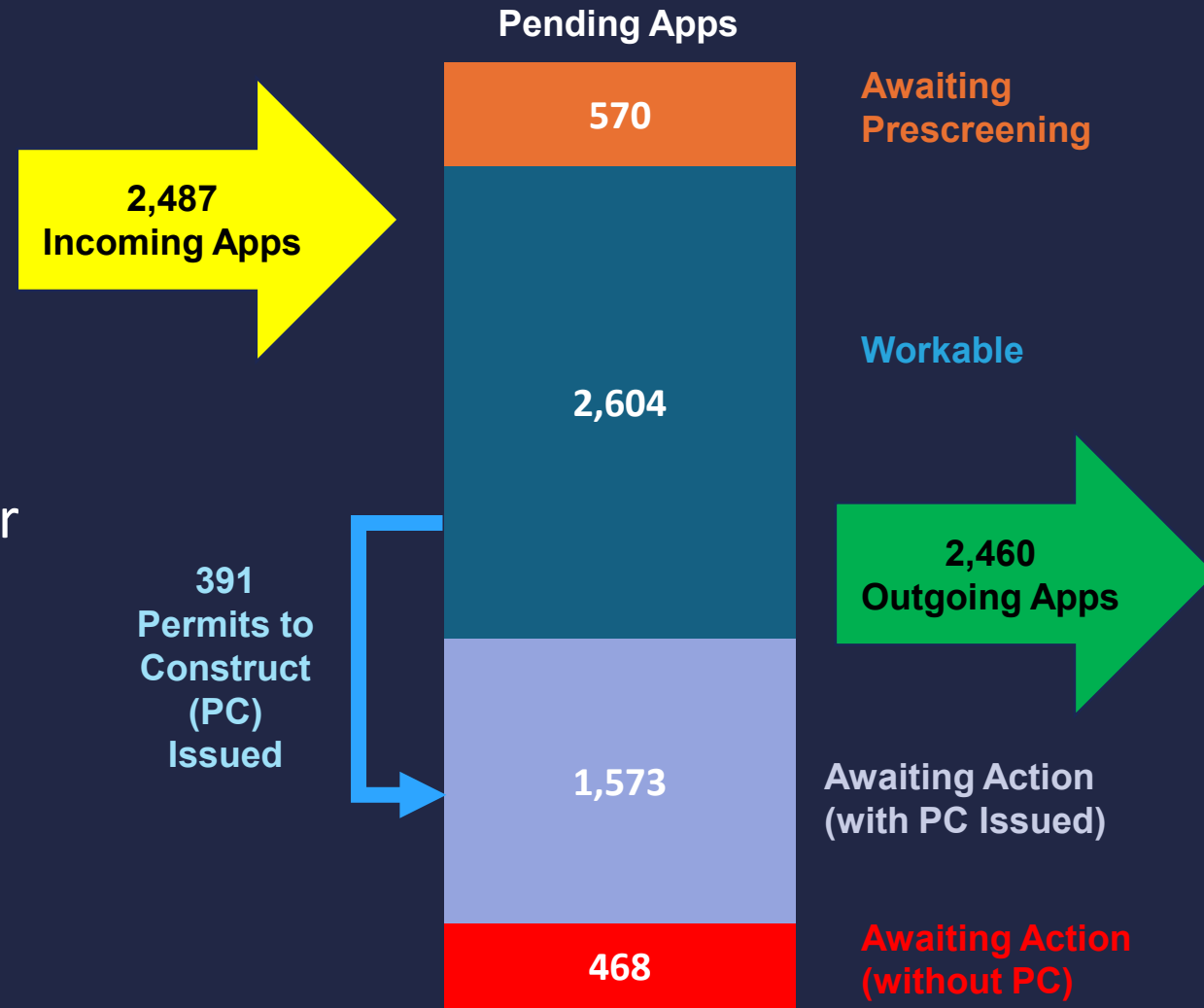


Chart does not include the production of 1,070 incoming applications filed online.

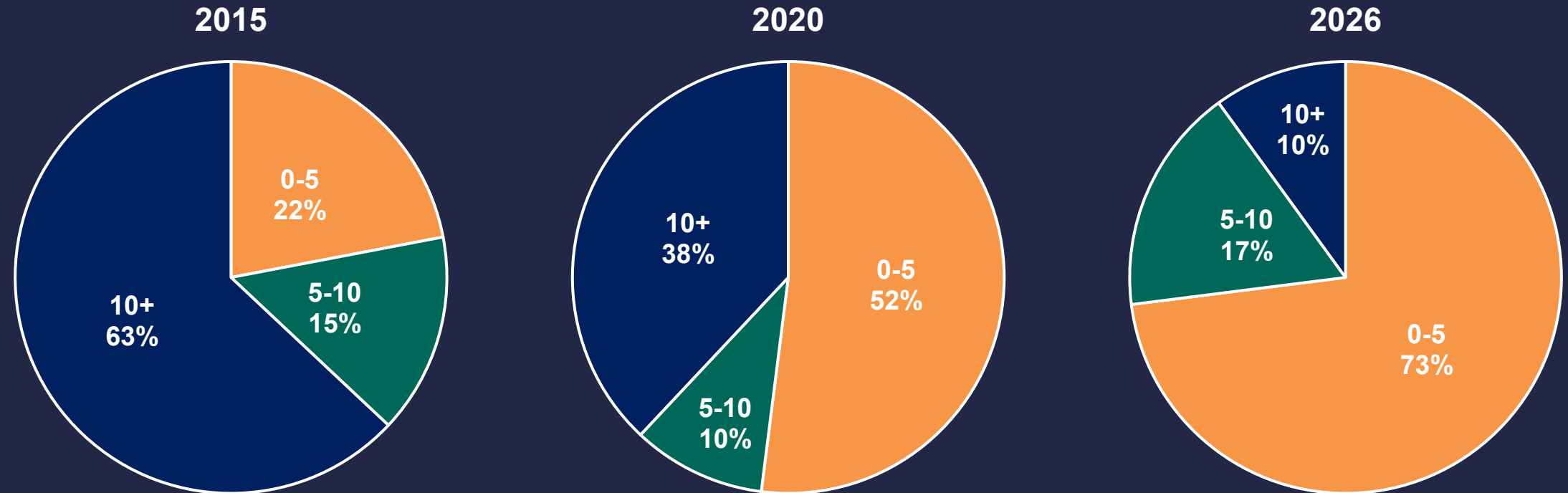
Staffing Update

- Staffing and retention levels strong
 - Consistently below 10% PEP target
- Maintaining low division vacancy rate
 - 8.5% in Q4 2025 but recently increased to 11.9%
 - Increased above target due to retirements in late March
 - 95.6% of Engineer positions are filled
- Division vacancy rate will be reduced in Q3 2026
- Staff Development
 - Entry level engineers hired at beginning of PEP are becoming journey-level engineers



E&P Staffing Turnover and Attrition

Years Experience in Role – Processing Engineers



- **Mean** ~ 13 Years
- **Median** ~ 15 Years

- **Mean** ~ 8 Years
- **Median** ~ 2.5 Years

- **Mean** ~ 5.8 Years
- **Median** ~ 3.7 Years

Median experience is now increasing since start of PEP

Continued PEP Efforts

Pending Application Inventory

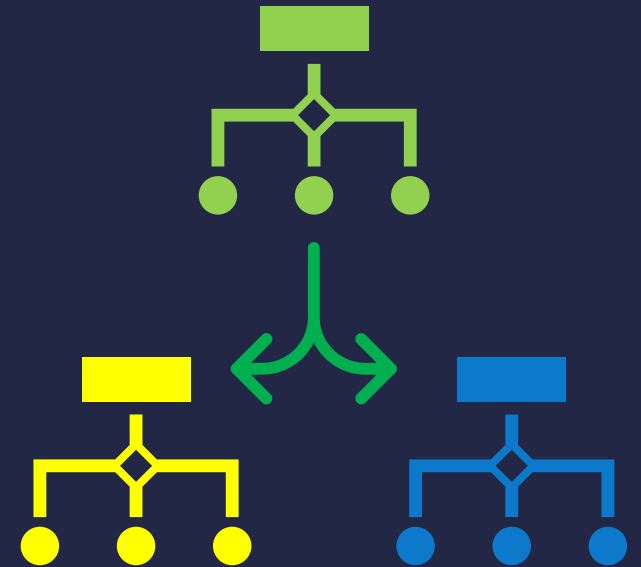
- Continuing to use permit applications data to identify challenges and to develop strategic solutions
- Current challenges:
 - Older or aged applications are generally in two industry sectors
 - Facilities bypassing preconstruction review and illegally installing equipment
 - Operators exceeding the time allowed for construction when issued a Permits to Construct
- Continuing reorganization to improve productivity
 - Special Projects team incorporated into existing permitting team
 - Addressing waste sector challenges



Waste Management

Additional permitting team

- Positive results from previous PEP positions added
- Waste sector continues to pose workload challenges
 - Facility modernizations and organic diversion
 - New and proposed regulations
 - Ongoing facility compliance issues
 - Significant issues with landfill facilities
- **Creating second Waste Management team**
 - Converting existing resources in FY 26/27 budget proposal
 - Directly addresses review stage bottlenecks
- Expect full implementation by early 2027



Transparency and Engagement



- Upcoming Efforts (Q2 and Q3 2026)
 - BACT Scientific Review Committee (May 28) – Waste Sector Focus
 - Permit Streamlining Task Force (June 10) – Certified Permitting Professional Checklist
 - Permitting Working Group (TBD) – Laser Cutting Permitting Handbook

Modernizations

Permit Processing Workflow

Phase 1 – PEP Portal

- Modular build in beta testing
- Integrate with existing dashboard
- System Development is 80% Complete
- Estimated Go-Live in Q4 2026

Paperless Applications

- Limited roll-out of paperless processes 3Q 2026
- Expanding roll-out after QA/QC

Source Test Tracking Portal

- Pilot phase – Two large public facilities
- Collecting feedback
- Estimated Go-Live Q4 2026

Modernizations

Legacy Systems

Phase 2 – System Update

- Adding administrative reversal functionality and integrating with Finance systems
- Reduce reliance on “help desk” intervention

Developing AI Tools

- Deep dive into permit statistics and timeframes
- May lead to predictive completion timeframes

Next Steps

