



South Coast Air Quality Management District

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

HYBRID STATIONARY SOURCE COMMITTEE MEETING

Committee Members

Vice Chair Larry McCallon, Committee Chair
Supervisor Holly J. Mitchell, Committee Vice Chair
Chair Michael A. Cacciotti
Supervisor Curt Hagman
Board Member Veronica Padilla-Campos
Board Member Dr. Cedric Jamie Rutland

March 20, 2026 ♦ 10:30 a.m.

TELECONFERENCE LOCATION

Kenneth Hahn Hall of Administration
500 W. Temple Street
HOA Conference Room 372
Los Angeles, CA 90012

A meeting of the South Coast Air Quality Management District Stationary Source Committee will be held at 10:30 a.m. on Friday, March 20, 2026, through a hybrid format of in-person attendance in the Dr. William A. Burke Auditorium at the South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, and remote attendance via videoconferencing and by telephone. Please follow the instructions below to join the meeting remotely.

Please refer to South Coast AQMD's website for information regarding the format of the meeting, updates if the meeting is changed to a full remote via webcast format, and details on how to participate:

<http://www.aqmd.gov/home/news-events/meeting-agendas-minutes>

ELECTRONIC PARTICIPATION INFORMATION

(Instructions provided at bottom of the agenda)

Join Zoom Meeting - from PC or Laptop, or Phone

<https://aqmd.zoomgov.com/j/1602173870>

Meeting ID: **160 217 3870** (applies to all)

Teleconference Dial In: +1 669 254 5252

One tap mobile: +1 669 254 5252, 160 217 3870#

Audience will be allowed to provide public comment in person or through Zoom connection or telephone.

PUBLIC COMMENT WILL STILL BE TAKEN

AGENDA

Cleaning the air that we breathe...

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't. Code Section 54954.3(a)). If you wish to speak, raise your hand on Zoom or press Star 9 if participating by telephone. All agendas for regular meetings are posted at South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the regular meeting. Speakers may be limited to three (3) minutes total for all items on the agenda.

Please note that under the California Public Records Act (Gov't Code §7920.000 et seq.) your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email) become part of the public record and can be released to the public on request or posted on the South Coast AQMD website.

CALL TO ORDER

ROLL CALL

INFORMATIONAL ITEMS (Items 1-2)

- 1. Update on Rule 1153.1 – Emissions of Oxides of Nitrogen (10 mins)** Heather Farr
From Commercial Food Ovens *Planning and Rules*
(No Motion Required) *Manager*
Staff will provide a summary of the Status Update/Technology Check-in on *Planning, Rule*
technical feasibility and updated cost effectiveness of zero-NOx emission limits *Development and*
for commercial food oven categories. *Implementation*
(Written Material Attached)
- 2. Update on Proposed Amended Rule 1124 – Aerospace (10 mins)** Michael Krause
Assembly and Component Manufacturing Operations *Assistant Deputy*
(No Motion Required) *Executive Officer*
Staff will provide an update on Proposed Amendments to Rule 1124 regarding a *Planning, Rule*
minor modification to ensure no regulatory gap in implementation. *Development and*
(Written Material Attached) *Implementation*

WRITTEN REPORTS (Items 3-4)

- 3. Monthly Update of Staff's Work with U.S. EPA and CARB** Michael Krause
on New Source Review Issues for the Transition of RECLAIM
Facilities to a Command-and-Control Regulatory Program
(No Motion Required)
This is a monthly update on staff's work with U.S. EPA and CARB regarding
New Source Review issues related to the RECLAIM transition.
(Written Material Attached)
- 4. Notice of Violation Penalty Summary** Bayron Gilchrist
(No Motion Required) *General Counsel*
This report provides the total penalties settled in February 2026 which includes
Civil, Supplemental Environmental Projects, Mutual Settlement Assessment
Penalty Program, Hearing Board and Miscellaneous.
(Written Material Attached)

OTHER MATTERS

5. Other Business

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter, or may take action to direct staff to place a matter of business on a future agenda. (Gov't. Code Section 54954.2)

6. Public Comment Period

At the end of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's authority that is not on the agenda. Each speaker may be limited to three (3) minutes.

7. Next Meeting Date: Friday, April 17, 2026 at 10:30 a.m.

ADJOURNMENT

Americans with Disabilities Act and Language Accessibility

Disability and language-related accommodations can be requested to allow participation in the Stationary Source Committee meeting. The agenda will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't Code Section 54954.2(a)). In addition, other documents may be requested in alternative formats and languages. Any disability or language related accommodation must be requested as soon as practicable. Requests will be accommodated unless providing the accommodation would result in a fundamental alteration or undue burden to the South Coast AQMD. Please contact Roula El Hajal at (909) 396-2763 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to relhajal@aqmd.gov.

Document Availability

All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available by contacting Roula El Hajal at (909) 396-2763, or send the request to relhajal@aqmd.gov.

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION

Instructions for Participating in a Virtual Meeting as an Attendee

As an attendee, you will have the opportunity to virtually raise your hand and provide public comment. Before joining the call, please silence your other communication devices such as your cell or desk phone. This will prevent any feedback or interruptions during the meeting.

Please note: During the meeting, all participants will be placed on Mute by the host. You will not be able to mute or unmute your lines manually. After each agenda item, the Chair will announce public comment. A countdown timer will be displayed on the screen for each public comment. If interpretation is needed, more time will be allotted.

Once you raise your hand to provide public comment, your name will be added to the speaker list. Your name will be called when it is your turn to comment. The host will then unmute your line.

Directions for Video ZOOM on a DESKTOP/LAPTOP:

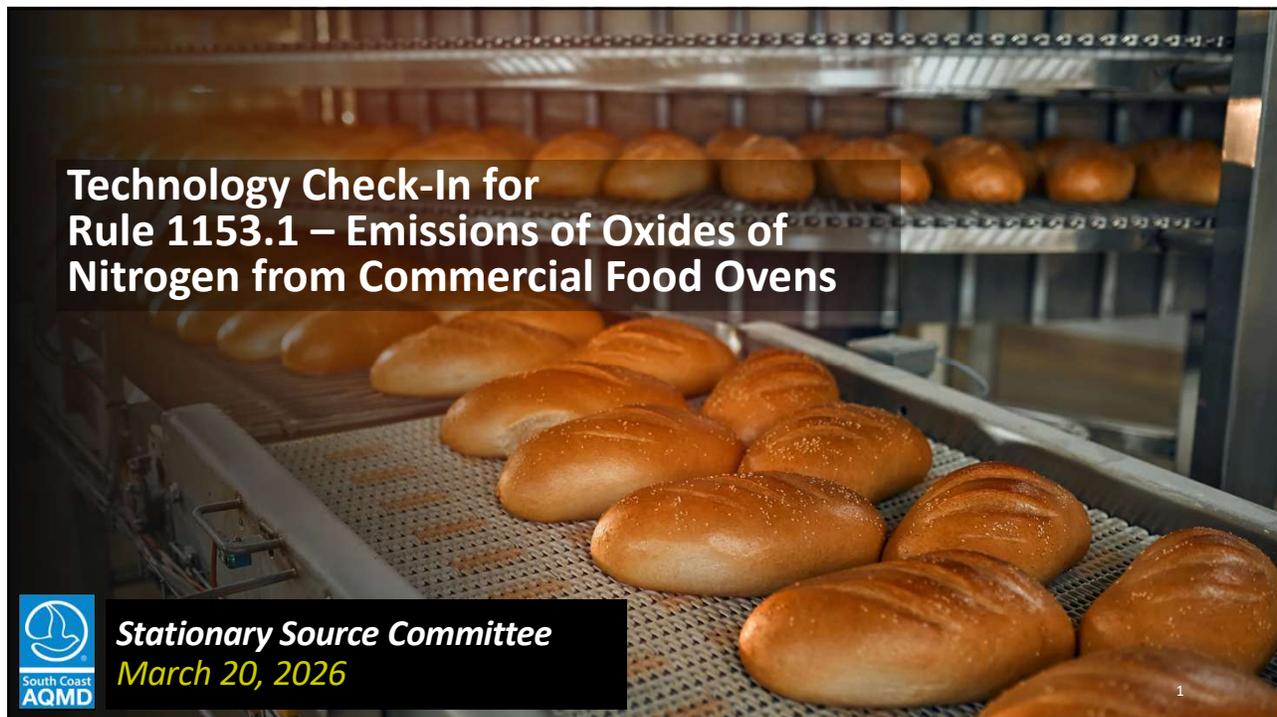
- If you would like to make a public comment, please click on the “**Raise Hand**” button on the bottom of the screen. This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for Video Zoom on a SMARTPHONE:

- If you would like to make a public comment, please click on the “**Raise Hand**” button on the bottom of your screen. This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for TELEPHONE line only:

- If you would like to make public comment, please **dial *9** on your keypad to signal that you would like to comment.



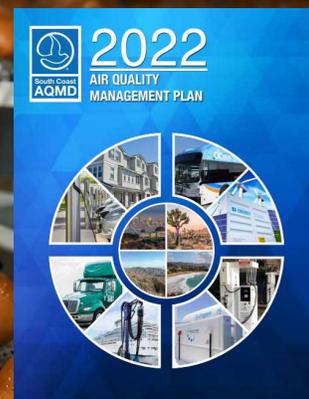
Technology Check-In for Rule 1153.1 – Emissions of Oxides of Nitrogen from Commercial Food Ovens



Stationary Source Committee
March 20, 2026

Rule 1153.1 Background

- Adopted November 7, 2014
 - Establishes NO_x limits on commercial food ovens
- Amended August 4, 2023
 - Partially implements CMB-01 of the 2022 AQMP
 - First South Coast AQMD NO_x rule with zero-emission limits
 - Required technology check-in prior to zero-emission effective date (January 1, 2027)
- Public meeting held on February 3, 2026 to discuss findings and solicit stakeholder feedback





About the Technology Check-in



Governing Board resolution directed staff to assess:



If zero-emission limits established in Rule 1153.1 are technically feasible and represent Best Available Retrofit Control Technology (BARCT) and



If zero-emission limits for other Commercial Food Oven categories can be established as BARCT



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Best Available Retrofit Control Technology (BARCT) Assessment

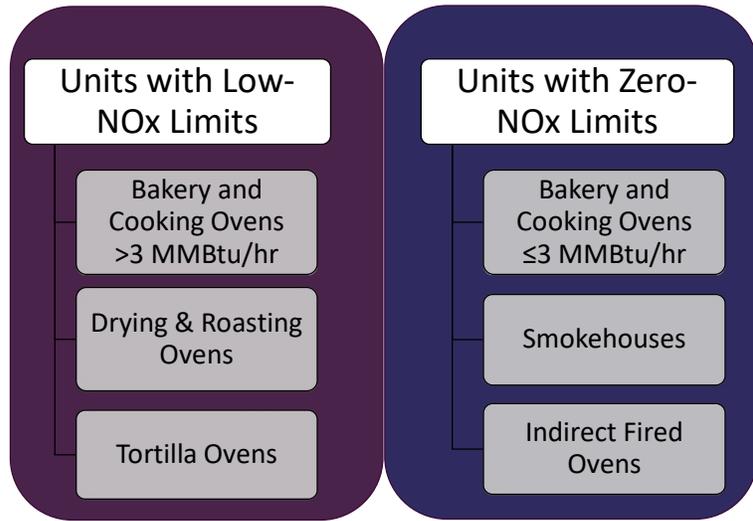


- BARCT is defined as:
“An emission limitation that is based on the **maximum degree of reduction achievable** by each class or category of source, **taking into account environment, energy, and economic impacts.**”
- Technical assessment identifies one or more control options by considering available pollution controls and other regulatory requirements for specific class and category of equipment
- Cost effectiveness determines the costs of pollution control to amount of pollutant reduced, includes:
 - Upfront costs and annual reoccurring operation costs compared to emissions reduced
 - Incremental assessment required if more than one control identified

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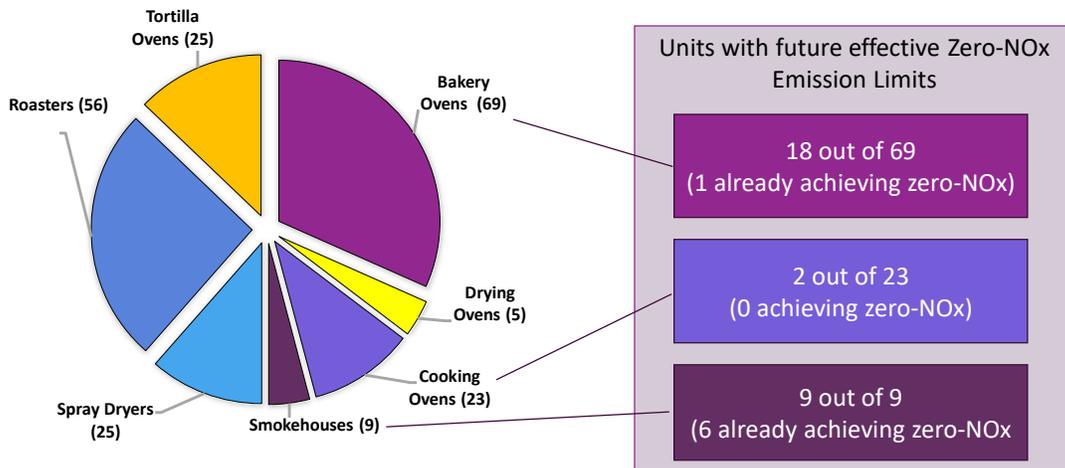
Rule 1153.1 Class and Category

- 2023 amendment classified ovens primarily by size
 - BARCT assessment concluded larger ovens were not cost effective to transition to zero-NOx



Rule 1153.1 Equipment Universe

Number of Units by Category
(95 facilities with 212 Total Units)



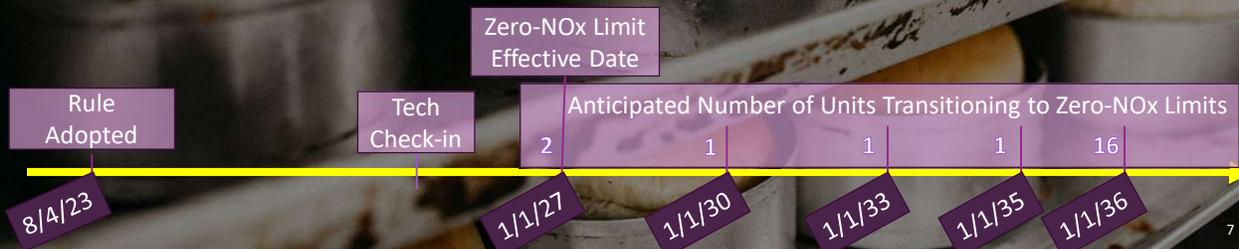
Applicability of Zero-NOx Emission Limits

Phase II limits applicable to smaller oven categories

- Ovens with a rated heat input less than 3 MMBtu/hour
 - Commercially available but not widely used
 - Cost-effective due to lower energy demand

Two-Tiered Approach

- Effective after January 1, 2027 once equipment age is met:
 - 10-year burner life and
 - 25-year oven life



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Updated Capital and Installation Cost Estimates

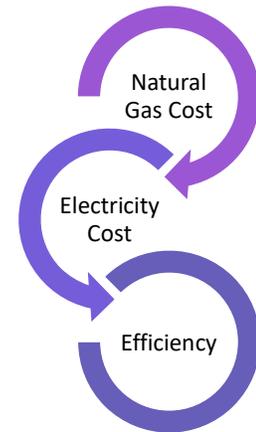
	Units with Low-NOx Limits	Units with Zero-NOx Limits
Low-NOx Combustion Oven Cost Range	\$90,000 – \$9,000,000	\$15,000 – \$1,200,000
Zero-NOx Electric Oven Cost Range	\$600,000 – \$11,200,000 plus ~\$50,000 for electric upgrades	\$330,000 – \$1,600,000 plus \$5,000 for electrical upgrades

- Wide cost range due to variety and sizes of commercial ovens
 - Many large ovens are custom designed and built
 - Smaller units, such as tortilla ovens, are more standardized

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Updated Annual Operation Cost Estimates

- Transition to zero-NOx emission ovens means transitioning from natural gas fueled to electric ovens
- Annual operating cost driven by electricity versus natural gas rates, partially mitigating utility rates
 - Electricity typically costs five times more than natural gas
 - Electric ovens approximately 20 percent more efficient than natural gas ovens



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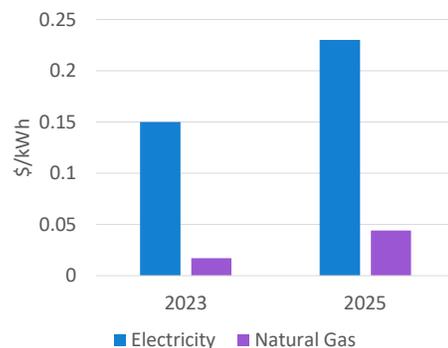
Electricity vs. Natural Gas Rate - Then vs Now

To estimate average utility costs, staff used:

- U.S. Energy Information Administration's California industrial rates
- Consistent with local industrial rates for SoCal Gas, SCE, and LADWP
 - Industrial electricity rates vary by \$0.001/kWh for different utilities
 - Seasonal and time-of-use rates can increase up to \$0.04/kWh

Both gas and electricity rates have increased

- Electric ovens are 20 percent more efficient



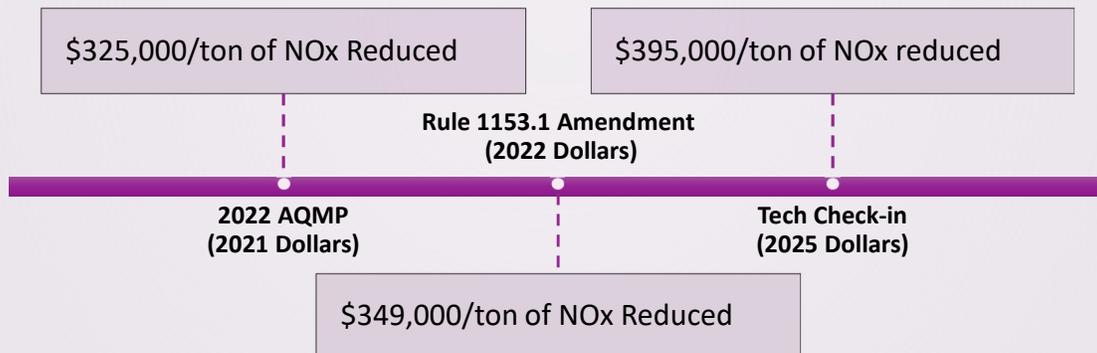
[U.S. Energy Information Administration - California State Average Electricity Price by End-Use Sector](#)

[U.S. Energy Information Administration - California Natural Gas Industrial Price Data](#)

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Cost-Effectiveness Threshold – Then vs. Now

- Governing Board approved the 2022 AQMP NOx cost-effectiveness threshold, which is based on a health benefits
 - Threshold increases annually by the Consumer Price Index



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Cost-Effectiveness Update – Units with Low-NOx Limits

- Larger units are still not cost-effective to transition to zero-emission standards
- No zero-emission technology identified for dryers
- Incremental cost effectiveness not applicable because only one control technology identified

Zero-NOx emission standards are not cost effective for large ovens, tortilla ovens, drying ovens, and roasters

Equipment Categories		Cost-Effectiveness for zero-NOx Limits (\$/ton NOx reduced)	
		Previous	Current
<i>Threshold</i>		<i>(\$349,000)</i>	<i>(\$395,000)</i>
Bakery Ovens (> 3 MMBtu/hr)		\$400,000	\$533,000
Tortilla Ovens	(IR Burners Only)	\$514,000	\$536,000
	(Ribbon & IR Burners)		
Cooking Ovens (> 3 MMBtu/hr)		\$560,000	\$730,000
Drying Ovens		\$350,000	\$449,000
Dryers		--	--
Roasters		\$820,000	\$1,040,000

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Cost-Effectiveness Update – Units with Zero-NOx Limits

- Cost-effectiveness value increased for each category, but so has the cost-effectiveness threshold
- Zero-emission standards remain cost-effective for smaller units
- Incremental cost effectiveness not applicable because only one control technology identified

Zero-NOx emission standards are cost effective for smaller ovens, indirect fired ovens, and smokehouses

Equipment Categories	Cost-Effectiveness for zero-NOx Limits (\$/ton NOx Reduced)	
	Previous	Current
<i>Threshold</i>	\$349,000	\$395,000
Bakery Ovens (≤ 3 MMBtu/hr)	\$290,000	\$362,000
Indirect-Fired Bakery Ovens	<i>Currently Achieving</i>	
Cooking Ovens (≤ 3 MMBtu/hr)	\$190,000	\$236,000
Smokehouses	\$60,000	\$78,000

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Conclusions and Recommendations

Staff does not recommend rule change at this time

Zero-NOx emission limits technically feasible and cost-effective for units identified during rule amendment

Low-NOx limits maintained for the larger units, not cost-effective to transition to zero-emission largely due to fuel-switching costs



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Proposed Amended Rule 1124: Aerospace Assembly and Component Manufacturing Operations (PAR 1124)

Stationary Source Committee

March 20, 2026

PAR 1124 Update



January 23rd

- Presented to SSC

March 4th

- Identified regulatory conflict

March 6th

- Original Public Hearing date

April 3rd

- Rescheduled Public Hearing

Rule Delayed to Address Rule Conflict

	Regulatory Gap	Unintended Conflict
Existing Rule	Does not prohibit sale or distribution of aerospace materials that exceed VOC limits	Allows facilities to use materials that exceed VOC limits if they are used in air pollution control systems
PAR 1124	Closed regulatory gap by adding sales and distribution prohibitions for materials that exceed VOC limits	Does not allow sale of materials that exceed VOC limits, even if facility is using an air pollution control system

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Clarification to VOC Control System Compliance Option

Update to PAR 1124



Add provision to allow manufacturers to sell materials above VOC limits to facilities complying with air pollution control system



Includes recordkeeping to demonstrate compliance

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Impact Assessment

Socioeconomic Impacts

- Draft Socioeconomic Impact Assessment was released February 3, 2026
(*included in the Draft Staff Report*)
- Clarification does not impact economic assessment

California Environmental Quality Act (CEQA)

- PAR 1124 qualifies for an exemption from CEQA
- Clarification does not impact CEQA assessment

Remaining Issues

- Staff is not aware of any remaining issues

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Next Steps

Public Hearing:
April 3, 2026

March 2026 Update on Work with U.S. EPA and California Air Resources Board 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. Key activities with U.S. EPA and CARB since the last report are summarized below.

- RECLAIM/NSR Working Group meeting is not planned for March
- The RECLAIM/NSR Working Group will be reconvened when there is information to report

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

Settlement Penalty Report (02/01/2026 - 02/28/2026)

Total Penalties

Civil Settlement: \$233,874.00

MSPAP Settlement: \$270,867.75

Total Cash Settlements: \$504,741.75

Total SEP Value: 0.00

Fiscal Year through 02/28/2026 Cash Total: \$5,900,020.93

Fiscal Year through 02/28/2026 SEP Value Only Total: 0.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
Civil						
800030	CHEVRON PRODUCTS CO.	401, 407, 1118, 1173, 1176, 2004, 3002, 40 CFR 60.18, 40 CFR 63.670, H&S 41701	02/17/2026	SH	P75084, P75087, P75088, P75092, P75094, P75107, P75108, P75109, P75110, P78830, P79225	\$168,500.00
201490	ORANGE TEAM OF LOS ANGELES INC	1403	02/04/2026	DH	P79191	\$4,880.00
164213	RALPHS GROCERY COMPANY	2305	02/20/2026	LT, SP	O15326, O15329, SRV2026-00003	\$18,745.00
154509	SAN GABRIEL VALLEY MEDICAL CENTER	203, 1146, 1415	02/03/2026	SH	P74872	\$4,500.00
153199	THE KROGER CO/RALPHS GROCERY CO	2004, 2012, 2012 Appendix A	02/24/2026	KCM	P66211, P66221, P75634	\$5,100.00
201019	WALGREENS MORENO VALLEY	2305	02/06/2026	SP	O15313	\$32,149.00
Total Civil Settlements: \$233,874.00						
MSPAP						
197310	2850 EAST DEL AMO BLVD.	2305	02/20/2026	VB	O15332	\$5,000.00
184346	AMAZON.COM SERVICES, LCC - LGB4	203	02/24/2026	CR	P81557	\$1,249.00
63094	CITY OF ANAHEIM MAINT OPERATIONS	461	02/13/2026	CR	P64190	\$574.50

5981	CITY OF ANAHEIM, POLICE DEPT	461	02/13/2026	CR	P64191	\$574.50
177843	APRO LLC DBA UNITED OIL #32	201, 203	02/13/2026	VB	P74805	\$1,648.00
178558	ARCO #83142,MIRAMAR ENTERPRISES, INC.	461, H&S 41960.2	02/03/2026	SW	P68817	\$1,758.00
199238	ARLINGTON SATER GROUP INC	203, 461, H&S 41960.2	02/17/2026	VB	P73149	\$2,018.00
200393	ARLINGTON SATER GROUP INC	461, H&S 41960.2	02/17/2026	VB	P80564, P80593	\$4,777.00
139541	AT CORPORATION	461	02/13/2026	VB	P66573	\$1,565.00
203759	BIAGI BROS - VAN NUYS	2305	02/06/2026	LT	O15325, O15418, SRV2023-00073	\$61,123.00
125774	BIXBY KNOLLS TOWERS/RETIREMENT HOUSING F	203, 1415	02/20/2026	VB	P69928	\$2,418.00
120469	C-PAK INDUSTRIES INC	1147	02/13/2026	CL	P79725	\$2,622.00
203787	CA# 3	2305	02/03/2026	LT	O15302	\$18,200.00
177795	CITY OF RIALTO FIRE STATION #203	461	02/03/2026	CL	P81206	\$1,149.00
134567	CP AUTO BODY	109, 203	02/06/2026	CR	P70429	\$1,337.00
206774	CROWN MARK	2305	02/13/2026	LT	O15425	\$22,800.00
128605	CUCAMONGA COUNTY WATER DISTRICT	461	02/13/2026	LT	P78490	\$3,372.00
99773	CYTEC ENGINEERED MATERIALS INC	203	02/06/2026	CR	P64183	\$3,297.00
145298	DALLA, INC.	461, H&S 41960.2	02/17/2026	SW	P63574	\$2,965.00
207943	G&M OIL CO., #235	461, H&S 41960.2	02/03/2026	SW	P70094	\$3,671.00
93749	LAKE ARROWHEAD COUNTRY CLUB	461	02/13/2026	LT	P79730	\$13,645.00
208146	MARK & PHYLLIS WATT	1403	02/03/2026	CR	P79999	\$1,723.25
2619	MARTIN LUTHER KING JR MEDICAL CAMPUS	3002	02/10/2026	CL	P81526	\$521.00
135135	MATICH CORP	203	02/03/2026	SW	P78495	\$1,249.00
6199	MC MASTER_CARR SUPPLY CO	2305	02/24/2026	CR	O15463	\$9,900.00
205803	MISSION FOODS	2305	02/03/2026	VB	O15421	\$21,000.00
172423	MOBIL LA CIENEGA ZIBA INVESTMENTS CORP	202	02/13/2026	CL	P63732	\$1,149.00
174302	MOBIL SHOP N GO FOOD STORE	461	02/03/2026	CL	P68826	\$549.00
120181	NARMS BABA CORP., ALPINE SHELL & SUBWAY	461, H&S 41960.2	02/03/2026	CL	P63747	\$2,307.00
11887	NASA JET PROPULSION LAB	2004	02/03/2026	CL	P73193	\$3,747.00
109396	NAVIZADEH MINIMART & GAS, K & F NAVI INC	203, 461, H&S 41960.2	02/24/2026	CR	P64881	\$4,371.50
197154	PERRIS DC	2305	02/20/2026	CR	O15469	\$11,000.00
208803	PROLOGIS	203	02/13/2026	LT	P80177	\$1,049.00

207459	RAINTREE CANYON DRIVE LLC	1403	02/17/2026	SW	P79780	\$1,049.00
151198	RED STAR AUTO BODY	109, 203	02/13/2026	LT	P81529	\$1,337.00
201511	RYDER/CONAGRA BRANDS	2305	02/20/2026	LT	O15510	\$18,200.00
206876	SKY READY MIX, INC;	203	02/10/2026	SW	P79870	\$1,049.00
197922	SUR CITY INC / SUR CITY ARCO	461	02/17/2026	SW	P63746	\$1,573.00
196155	TEMECULA PREMIUM GASOLINE INC.	461, H&S 41960.2	02/03/2026	SW	P66572	\$1,573.00
158573	TERRANEA RESORT	1146	02/24/2026	VB	P75908	\$15,735.00
148903	THE GARDENS CREMATORY	1147	02/10/2026	CL	P78723	\$10,090.00
171960	TIN, INC. DBA INTERNATIONAL PAPER	2004, 2005, 2012	02/10/2026	CL	P64379, P64396, P77958	\$2,747.00
163158	WHITTIER VALERO	461	02/03/2026	VB	P64874	\$549.00
139464	YUSEN TERMINALS LLC	461.1	02/13/2026	CL	P75912	\$2,637.00

Total MSPAP Settlements: \$270,867.75

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX
FOR FEBRUARY 2026 PENALTY REPORT**

REGULATION I - GENERAL PROVISIONS

Rule 109 Recordkeeping for Volatile Organic Compound Emissions

REGULATION II - PERMITS

Rule 201 Permit to Construct
Rule 202 Temporary Permit to Operate
Rule 203 Permit to Operate

REGULATION IV - PROHIBITIONS

Rule 401 Visible Emissions
Rule 407 Liquid and Gaseous Air Contaminants
Rule 461 Gasoline Transfer and Dispensing
Rule 461.1 Gasoline Transfer and Dispensing for Mobile Fueling Operations

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1118 Emissions from Refinery Flares
Rule 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters
Rule 1147 NOx Reductions from Miscellaneous Sources
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
Rule 1415 Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

Rule 2004 Requirements
Rule 2005 New Source Review for RECLAIM
Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions
Rule 2012
Appendix A Protocol for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX
FOR FEBRUARY 2026 PENALTY REPORT**

REGULATION XXIII - FACILITY BASED MOBILE SOURCE MEASURES

Rule 2305 Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions (Waiver) Program

REGULATION XXX - TITLE V PERMITS

Rule 3002 Requirements

CODE OF FEDERAL REGULATIONS

40 CFR 60.18 General control device and work practice requirements

40 CFR 63.670 Requirements for flare control devices.

CALIFORNIA HEALTH AND SAFETY CODE

H&S § 41701 Restricted Discharges

H&S § 41960.2 Gasoline Vapor Recovery

H&S § 42402 Violation of Emission Limitations – Civil Penalty