



**South Coast
Air Quality Management District**
21865 Copley Drive, Diamond Bar, CA 91765
(909) 396-2000, www.aqmd.gov

HYBRID STATIONARY SOURCE COMMITTEE MEETING

Committee Members

Mayor Ben J. Benoit, Chair
Supervisor Sheila Kuehl, Vice Chair
Senator Vanessa Delgado (Ret.)
Board Member Veronica Padilla-Campos
Vice Mayor Rex Richardson
Supervisor Janice Rutherford

April 15, 2022 ♦ 10:30 a.m.

Pursuant to Assembly Bill 361, a meeting of the South Coast Air Quality Management District Stationary Source Committee will be held at 10:30 a.m. on Friday, April 15, 2022 through a hybrid format of in-person attendance in the Dr. William Burke Auditorium at the South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, and/or virtual attendance via videoconferencing and by telephone.

Please follow the instructions below to join the meeting remotely.

Given health and safety concerns, the meeting format may be changed to full remote via webcast. 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>

Face coverings: State and local public health officials strongly recommend, but do not require the wearing of face coverings while in an indoor public setting.

ELECTRONIC PARTICIPATION INFORMATION (Instructions provided at bottom of the agenda)

Join Zoom Webinar Meeting - from PC or Laptop

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

PUBLIC COMMENT WILL STILL BE TAKEN

Cleaning the air that we breathe...

AGENDA

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.

CALL TO ORDER

ROLL CALL

INFORMATIONAL ITEM (Item 1)

- 1. Update on Proposed Rule 403.2 – Fugitive Dust from Large Roadway Projects (10 mins.)** Ian MacMillan
Assistant Deputy
Executive Officer
(No Motion Required)
Staff will provide a summary of recent proposed updates to PR 403.2. This proposed rule establishes requirements to minimize PM emissions, and requires additional public notification for large roadway construction projects.
(Written Material Attached)

WRITTEN REPORTS (Items 2 through 5)

- 2. AQMD Advisory Group Minutes (No Motion Required)** Sarah Rees
Deputy Executive
Officer
Attached for information are minutes from AQMP Advisory Group Meetings from January 2022.
(Written Material Attached)
- 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 (No Motion Required)** Michael Krause
Assistant Deputy
Executive Officer
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. Twelve-month and Three-month Rolling Average Price of Compliance Years 2021 and 2022 NOx and SOx RTCs (January – March 2022) (No Motion Required)** Jason Aspell
Deputy Executive
Officer
The attached report summarizes the twelve-month and three-month rolling average prices of NOx and SOx RTCs.
(Written Material Attached)

5. Notice of Violation Penalty Summary
(No Motion Required)

Bayron Gilchrist
General Counsel

This report provides the total penalties settled in March 2022 which includes Civil, Supplemental Environmental Projects, Mutual Settlement Assessment Penalty Program, Hearing Board and Miscellaneous.

(Written Material Attached)

OTHER MATTERS

6. 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)

7. 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. Speakers may be limited to three (3) minutes each.

8. Next Meeting Date: Friday, May 20, 2022 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 Catherine Rodriguez at (909) 396-2735 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to crodriguez@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 Catherine Rodriguez at (909) 396-2735, or send the request to crodriguez@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 Chairman 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.



UPDATE ON PROPOSED RULE 403.2 FUGITIVE DUST FROM LARGE ROADWAY PROJECTS

STATIONARY SOURCE COMMITTEE

APRIL 15, 2022

MARCH 2022 STATIONARY SOURCE COMMITTEE MEETING

- Staff provided background and a summary for Proposed Rule (PR) 403.2
- Stakeholders commented that more time was needed to review recent rule revisions
- Committee asked to delay the rule one month to June 2022 and requested some revisions to the proposed rule
 - Expand prohibition for material piles and aggregate crushing/grinding from 100 ft to 250 ft for sensitive receptors
 - Require detailed recordkeeping for dust suppressant (water) used
 - Expand notification area to 1,000 feet
 - Ensure that applicable activities that are related to the large roadway project, but aren't occurring on roadway itself are included in rule

FOLLOW-UP ACTIONS WITH STAKEHOLDERS

- 3/16/22 – Request for detailed complaint data made publicly available
- 3/28/22 – Revised draft rule language incorporating stakeholder input and committee requests
- Multiple meetings with stakeholder groups to discuss revised language and receive feedback
 - California Construction and Industrial Material Association
 - Caltrans
 - Construction Industry Air Quality Coalition
 - Southern California Alliance of POTW



Wildomar (15 freeway)

SUMMARY OF PROPOSED RULE 403.2

- **Applicability**
 - Onsite activities associated with the construction/demolition of a large roadway or adjacent bridge, overpass, onramp/offramp
- **Prohibitions**
 - Aggregate crushing and grinding operations and/or maintenance of a large material piles in close proximity to areas of public exposure and sensitive receptors
- **Additional Requirements and Recordkeeping**
 - Dust Control Supervisor
 - Dust Control Measures
 - Project Signage
 - Notification

KEY REVISIONS TO DRAFT RULE LANGUAGE

- Definitions
 - Large roadway – revised from ‘100,000 VMT’ to ‘interstates, other freeways and expressways’
 - Large roadway project – revised to specify onsite activities for the construction/demolition of a large roadway
 - Material piles – revised from ‘greater than 3 feet’ to ‘greater than 8 feet’
- Prohibition Buffer
 - Expanded from 100 feet to 250 feet for Sensitive Receptors
- Dust Control Measures
 - Further refined for clarity and consistency with Rule 403 Large Operations
- Recordkeeping – require time, duration, and location of dust suppressant applied
- Notification – expanded to 1,000 feet for sensitive receptors and areas of public exposure
- Exemptions – revisions for linear trenching, stormwater prevention practices, and minor maintenance activities

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REMAINING KEY ISSUES

Stakeholder Comments	Staff Response
<ul style="list-style-type: none"> • Expansion to 250 feet for sensitive receptors will require many more material piles to be relocated off of large roadway project sites <ul style="list-style-type: none"> • Increases project time, cost, and greenhouse gas emissions • Proposed dust control measures for piles are sufficient 	<ul style="list-style-type: none"> • Material piles can be relocated to other nearby areas along the large roadway where space is available <ul style="list-style-type: none"> • Requires more planning from contractors and Caltrans to use nearby locations (e.g., a nearby area in a cloverleaf) <ul style="list-style-type: none"> • Additional planning will reduce impacts from the rule • Dust control measures are already required under existing rules but have not been sufficient in some cases
<ul style="list-style-type: none"> • Excavated soil piles that are intended for onsite backfill (not used for aggregate production) should not be included in the prohibition 	<ul style="list-style-type: none"> • Buffer zones are needed for all material piles at large roadway project sites because building/deconstructing a material pile has the potential for dust generation
<ul style="list-style-type: none"> • Limitations on material pile size may result in many smaller material piles, increasing potential for dust generation 	<ul style="list-style-type: none"> • Proposed buffer zones and other control measures provide protection for nearby communities, including for multiple smaller material piles

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NEXT STEPS

- Set Hearing – May 6, 2022
- Public Hearing – June 3, 2022



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AIR QUALITY MANAGEMENT PLAN ADVISORY GROUP MEETING MINUTES

Friday January 28, 2022
9:00 a.m.

1. Welcome, Introductions, and Approval of Minutes

Mr. Ian MacMillan, Assistant Deputy Executive Officer of South Coast AQMD's Planning, Rule Development, and Area Sources Division, called the virtual meeting to order at 9:00 a.m. Dr. Sarah Rees, Deputy Executive Officer of South Coast AQMD's Planning, Rule Development, and Area Sources Division welcomed all participants and introduced South Coast AQMD staff present. Dr. Rees asked if there were any comments on the previous meeting's minutes. Since there were no comments, the minutes were approved.

Comments from Advisory Group and Staff Responses:

No comments from the Advisory Group members on this agenda item.

Comments from Public and Staff Responses:

No comments from the Public on this agenda item.

2. Preliminary Results on 2022 AQMP Reasonably Available Control Measures (RACM) Demonstration for Stationary Sources

Dr. Kalam Cheung, Program Supervisor of South Coast AQMD's Planning, Rule Development, and Area Sources Division, presented the preliminary results of the 2022 AQMP RACM for stationary sources. The approach for stationary sources consists of three stages: Stage 1 identifies potential RACM through a seven-step analysis, Stage 2 evaluates technological and economic feasibility of the potential RACM, and Stage 3 evaluates whether emission reductions are needed for Reasonable Further Progress (RFP) or to advance attainment by one year. South Coast AQMD identified seven potential RACM in Stage 1, with "Lowering VOC Emission Limit for Auto and Light-Duty Truck Assembly" as the only potential RACM deemed both technologically and economically feasible. South Coast AQMD staff will continue to monitor and assess feasibility for the other remaining six potential RACM, some of which will be addressed as part of the 2022 AQMP control measures. With South Coast AQMD's attainment scenario under evaluation, Stage 3 will be evaluated in the next few weeks when the level of reductions needed for attainment and RFP is determined. The next steps are to seek input from stakeholders, determine if the measures are required for RFP, and release the draft RACM Demonstration as part of the draft 2022 AQMP.

Comments from Advisory Group and Staff Responses:

Inquiry on if New Jersey's proposed rule to advance zero emissions boilers will be included as part of RACM analysis. Staff responded that existing rules and regulations from other agencies are considered as part of the RACM analysis. Since New Jersey's proposed rule for ZE boilers is a proposed rule (i.e. not yet adopted), it was not part of the evaluation at the time of the RACM analysis. Staff will look at the cost feasibility, requirements, and approach of New Jersey's proposed rule to reduce emissions from boilers.

Comment on RACM (4) Additional Enhancement in Reducing Existing Residential Building Energy Use: model runs using the South Coast AQMD NEAT Tool to evaluate cost effectiveness of residential appliance replacement options within the Basin indicate that cost effectiveness for electrification of residential space and water heaters is 7 to 70 times less cost effective than the 2016 AQMP cost effectiveness approach of \$50,000 per ton; 2022 AQMP building control measures should include a pathway for near-zero emission technologies through an incentive-based approach, rather than invoke regulatory requirements. Staff responded that the cost of implementing energy efficiency and control measures in the residential buildings sector varies based on many factors including the infrastructure of the housing stock and the type of appliance replaced. As there is a range of cost effectiveness, it is more appropriate to address specific details of each appliance category separately during the rule development process.

Comment that some groups within the AQMP Advisory Group Committee are in support of a regulatory path to zero emissions appliances as opposed to a voluntary incentive-based approach and acknowledged that the previous response was not reflective of everyone on the committee. Staff thanked the individual for their comment.

Comments from Public and Staff Responses:

Inquiry on what metric is used to determine cost effectiveness; the Clean Air Act does not refer to cost effectiveness, but rather economic and technological feasibility. Staff responded that the cost effectiveness threshold was \$50,000 per ton reduced in the 2016 AQMP. If measures were above that threshold, then that would trigger additional analysis and processes to work through more detail than the cost effectiveness threshold. This approach has not yet been determined for the 2022 AQMP.

Inquiry on where the RACM requirement to show advancement of one year or more to reach attainment comes from since it is not from the CAA. Staff responded that under the U.S. EPA implementation guidance rules, RACM measures must either help meet RFP requirements or advance attainment by one year.

Comment on whether South Coast AQMD has investigated the availability of reliable infrastructure to move forward with electric technologies and confirmed that there is sufficient electricity to support those technologies. Staff responded that there is a separate Zero Emissions Infrastructure Working Group to address infrastructure challenges within the transportation sector that could also apply to widespread electrification of stationary and area sources. There are many other agencies involved that are working together to develop a plan that addresses the grid issues.

3. Motor Vehicle Emissions Budget- State Implementation Plan

Mr. Nesamani Kalandiyur, Manager of the Transportation Analysis Section in the Sustainable Transportation and Communities Division at CARB, presented an overview of transportation conformity and the Motor Vehicle Emissions Budget (MVEB), types of State Implementation Plans (SIPs) with MVEB, tools used for MVEB, the interagency consultation process, adequacy determination criteria and process, and application of MVEB. The Motor Vehicle Emissions Budget serves as a regulatory limit for on-road mobile source emissions in the SIP and is based on emissions inventory and control measures established by CARB. Transportation conformity applies to both direct and precursor pollutants emissions. The latest EPA-approved emission model is EMFAC 2017 for SIP and transportation

conformity purposes. EMFAC 2021 is pending approval by the U.S. EPA. Transportation conformity ensures air and transportation agencies interact on a continuous basis. The MVEB must be consistent with the emissions inventory, RFP, and the attainment or maintenance demonstration.

Comments from Advisory Group and Staff Responses:

Inquiry on the differences between EMFAC 2017 and EMFAC 2021 being used, and which emissions model the mobile source strategy uses. CARB staff responded that for conformity purposes, the model must be approved by the U.S. EPA before it can be used in the MVEB. EMFAC 2017 is used in the SIP, emission reductions strategies, and the emissions inventory. Emission reductions commitments provided to South Coast AQMD in the State SIP Strategy is also based on EMFAC 2017. EMFAC 2021 is currently under review by the US EPA and can be used for air quality purposes but cannot yet be used for conformity purposes. The mobile source strategy uses EMFAC 2021, and the U.S. EPA will approve EMFAC 2021 sometime in the next quarter.

Inquiry on using the Motor Vehicle Emissions Budget itself to drive down emissions, with the understanding that actual infrastructure can be designed or choices on infrastructure could lead to significant NOx and VOC reductions. CARB staff responded that staff is analyzing the existing process to have more information of the budget development process. CARB needs to go through the public processes as well as interagency consultation for developing that type of an approach.

Inquiry on when the draft budgets will be released and will there be a comment period before the package goes to the South Coast AQMD Governing Board. CARB staff responded that the MVEB is included as part of the draft 2022 AQMP. South Coast AQMD staff responded that the draft is anticipated to be released in March and once it is released, there will be a 45-day public comment period.

Comment regarding SB 1383- short-lived climate polluting reduction strategies for organic waste reductions: heavy-duty refuse fleets are incurring additional vehicle miles traveled and vehicle trips to accommodate the requirements of the regulation; modeling did not address some of these issues with heavy-duty refuse fleets and should be a consideration going forward. CARB Staff responded that the MVEB is using the Connect SoCal transportation activity data from SCAG's recently adopted Regional Transportation Plan. SCAG staff responded that there is a process as part of the SCAG Plan development that reflects vehicle miles traveled (VMT) within the region, including the heavy-duty fleet.

Comments from Public and Staff Responses:

Inquiry that EMFAC 2017 does not reflect recent studies on in-use emissions from heavy-duty trucks under certain low-load conditions and how such information is incorporated into the 2022 AQMP emissions inventory. Comment that brand new diesel trucks are still coming into the marketplace until 2027 when new standards and testing protocols are implemented and vehicles could be in service for 15 years. CARB staff responded that the inventory has been adjusted to incorporate the latest regulations that are adopted through off-model adjustments. EMFAC 2017 reflects more real-world conditions and has higher emissions than the previous EMFAC 2014. EMFAC 2021 reflects further understanding of the motor vehicle population and is consistent with EMFAC 2017. CARB is developing appropriate test cycles to incorporate into future rulemaking to address the issues with low-load NOx emissions, and the regulatory process will address how the emissions testing and certification is done for heavy-duty vehicles that are emitting higher than expected NOx under low load operating conditions. CARB's

overall strategy to move towards zero emissions technologies and to move away from combustion is going to address this issue altogether.

4. Overview of Transportation Control Measures and Application of Motor Vehicle Emissions Budgets

Rongsheng Luo, Manager of SCAG's Environmental Analysis and Business unit presented an overview of transportation control measures and application of Motor Vehicle Emissions Budgets. SCAG develops the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) and Federal Transportation Improvement Program (FTIP) to provide socioeconomic growth forecasts and travel activity projections, and to develop regional transportation plan/sustainable communities strategy and transportation control measures in Appendix IV-C of the 2022 AQMP. Transportation control measures (TCMs) are defined in the Clean Air Act as transportation programs and projects that reduce vehicle use or changes traffic flow or congestion conditions for purposes of reducing emissions from transportation sources, excluding technology, fuel, and maintenance-based measures. The TCM RACM analysis to be included in the Draft 2022 AQMP demonstrates that all reasonably available TCMs are being implemented in the South Coast Air Basin. The U.S. EPA approved TCM Best Available Control Measures (BACM) analysis in the 2016 AQMP, demonstrating that the best available TCMs are also being implemented in the South Coast Air Basin. Motor Vehicle Emissions Budgets are used in the RTP/SCS and FTIP Regional Emissions Test that is required as part of the transportation conformity analysis and determination. Emissions from RTP/SCS and FTIP must not exceed applicable Motor Vehicle Emissions Budgets for all milestone, attainment, and planning horizon years for all applicable criteria pollutants in nonattainment areas.

Comments from Advisory Group and Staff Responses:

Inquiry on if the analysis that determined South Coast AQMD is implementing all reasonably available TCMs is still available for public comment. SCAG staff responded that this will be included in the draft 2022 AQMP and will be available for public comment.

Inquiry on whether Section 182(e)(4) of the Clean Air Act that has a provision for traffic control measures during heavy pollution hours has been considered. SCAG staff responded that as a part of the RACM analysis, SCAG listed all the measures by categories; traffic control measures during heavy pollution hours was one of the categories, so certain aspects have been implemented in the region. SCAG also looks at TCMs from other areas. SCAG is developing the 2023 FTIP and the 2024 RTP/SCS, scheduled to be adopted by the SCAG Governing Board in September 2022 and April 2024, respectively.

Comments from Public and Staff Responses:

No comments from the Public on this agenda item.

5. Updates on 2022 AQMP Control Measures/Control Strategy

Dr. Sang-Mi Lee, Planning and Rules Manager of South Coast AQMD's Planning, Rule Development, and Area Sources Division, presented updates on the 2022 AQMP control measures and control strategy. CARB and South Coast AQMD jointly hosted the Control Measures Workshop on November 10, 2021 with three groups, and received 92 comment letters that were summarized into ten categories: (1) Transition to zero-emission and near-zero emission technologies, (2) Incentives, (3) ZE and NZE

technologies for stationary and area sources, (4) Buildings, (5) Emergency engines/ back up generators, (6) Infrastructure, (7) VOC measures, (8) Transportation/mobile source related measures, (9) Utilization of Clean Air Act Section 182(e)(5), and (10) Fair share reductions. The next steps are to address and incorporate public comments, continue control measures development and working group meetings, release the draft control measures, and release the draft 2022 AQMP.

Comments from Advisory Group and Staff Responses:

Inquiry on timeline of when control measures will be released, and if this will include the emissions inventory and reductions associated with each control measure. Staff responded that the schedule may change as needed, but currently the draft AQMP has a target release date of mid-March. Control measures are planned for release two weeks in advance of the draft 2022 AQMP at the end of February. The baseline inventory for base and future years at the major source category level are already on the South Coast AQMD website. Appendix III will have detailed emissions inventory and describe the methodologies and categories that have gone through major updates since the 2016 AQMP. Expected emissions reductions for each control measure are typically included in control measures, although some control measures do not have emissions reductions and are listed as ‘TBD’ due to the nature of the control measure.

Inquiry on having a potential discussion to understand the possible approaches to economic analysis for zero emission strategies and proposed control measures in the AQMP; the infrastructure components of the measures are uncertain and future oriented. South Coast AQMD staff responded that economic analysis is addressed in the STMPR Advisory Group. Economic feasibility analyses could also be specified in the 2022 AQMP for some measures, while others will have uncertainty in technologies that require evaluation in the future. Staff could discuss this topic further at a future advisory group meeting.

Comment that a separate discussion is needed with wastewater treatment plants that generate renewable non-fossil fuel regarding how electrification will affect this service; SB 1383 takes food waste out of landfills that will generate more biogas, South Coast AQMD has permitting issues for new sources and CARB will not allow this additional biogas in vehicle fuels. Staff thanked the individual and will set up a separate discussion with CARB and other agencies to follow up on this comment.

Comment that moving to zero emissions technologies should be analyzed beyond cost effectiveness in a more holistic approach, as there can be other associated benefits such as creating jobs. South Coast AQMD staff responded that multiple groups throughout the state including CARB, CEC, and CPUC are discussing zero emissions technologies through different approaches. These topics will be explored as part of the 2022 AQMP.

Comments from Public and Staff Responses:

No comments from the Public on this agenda item.

6. Nomination of AQMD Advisory Group Members to South Coast AQMD Advisory Council

The Health Effects Appendix of the 2022 AQMP demonstrates analysis of the health effects of air pollution and is reviewed by the South Coast AQMD Advisory Council, composed of members from different South Coast AQMD advisory groups. Each advisory group nominates members or has volunteers participate in the Advisory Council, and staff is requesting volunteers or nominees from this

AQMP Advisory Group to participate on the Council. AQMP Advisory Group members can submit their nominee recommendations to join the Advisory Council after the conclusion of this meeting.

7. Other Business

No additional comments, announcements, or reports from the Advisory Group members.

8. Public Comment

No additional comments, announcements, or reports from the Public.

9. Next Meeting tentatively planned for March 2022

Members Present (23)

Adrian Martinez, Earthjustice
Bill LaMarr, California Small Business Alliance
Christopher Chavez, Coalition for Clean Air
Curtis Coleman, Southern California Air Quality Alliance
Dan McGivney, Southern California Gas
David Pettit, National Resources Defense Council, Inc.
David Rothbart, Southern California Alliance of Publicly Owned Treatment Works
Frances Keeler, California Council for Environmental and Economic Balance
James Breitling, Southern California Contractors Association
Janet Whittick, California Council for Environmental and Economic Balance
Jeremy Avise, California Air Resources Board
John Ungvarsky, U.S. EPA
Lakshmi Jayaram, FuturePorts
Lori Huddleston, LA Metro
Marc Carrel, Breathe LA
Michael Benjamin, California Air Resources Board
Michael Carroll, Latham & Watkins
Michael Lewis, Southern California Contractors Association
Otis Greer, County of San Bernardino
Paul Ryan, California Refuse Recycling Council
Ramine Cromartie, Western States Petroleum Association
Richard Parks, Redeemer Community Partnership
Rongsheng Luo, Southern California Association of Governments

Public Attendees and Interested Parties (58)

Adam Hsu
Alek Van Houghton
Ali Ghasemi, VCAPCD
Alok
Angel Garfio
Annaleigh Ekman, SCAG
Archana Agrawal
Ariel Fideldy, CARB

Air Quality Management Plan Advisory Group Minutes for January 28, 2022

Austin Hicks, CARB
Bethmarie Quiambao
Brady Vanengelen
Carol Kaufman
Carrie Brown
Chadwick Collins
Cindy P
Cindy Parsons
Craig Sakamoto
Debra Mendelsohn
Elijah Gordon
Faraz Rizvi
Gaby Mendez
Howard Berman
Jacqueline Moore
James Adams
Jamie Bartolome
Janet Baad
Jim Lutz
Joaquin Castillejos
John Henkelman, VCAPCD
Karin Fickerson
Katrina Fitz
Ken Dami
Kiersten Melville
Lars Boden
Loraine Lundquist
Lori Balance
Lucy Dunn
Luis Amezcua
Mark Abramowitz
Marshall Waller
Melaura Rice
Naveen Berry
Nesamani Kalandiyur, CARB
Nicolas Serieys
Nina Turner
NMuyco
Orange County Business Council
Peter Evangelakis
Peter Warda
Resa Barillas
Rohimah Moly
Ross Zelen
Ryan Kocher
Sarah O'Malley
Scott King, Ph.D., CARB

Scott Weaver
Sylvia Vanderspek, CARB
Tim French

South Coast AQMD Staff Present (34)

Anthony Tang, Information Technology Supervisor
Barbara Radlein, Program Supervisor
Cui Ge, Ph.D., AQ Specialist
Elaine Shen, Planning and Rules Manager
Eric Praske, Ph.D., AQ Specialist
Erika Chavez, Senior Deputy District Counsel
George Wu, AQ Specialist
Ian MacMillan, Assistant Deputy Executive Officer
Jong Hoon Lee, Ph.D., AQ Specialist
Kalam Cheung, Ph.D., Program Supervisor
Kathryn Roberts, Deputy District Counsel II
Kayla Jordan, Assistant AQ Specialist
Lane Garcia, Program Supervisor
Marc Carreras-Sospedra, Ph.D., AQ Specialist
Mark Henninger, Information Technology Manager
Mary Reichert, Senior Deputy District Counsel
Mei Wang, Planning and Rules Manager
Michael Krause, Assistant Deputy Executive Officer
Michael Laybourn, Program Supervisor
Paul Wright, Senior Information Technology Specialist
Ricky Lai, AQ Specialist
Rosalee Mason, Administrative Assistant I
Rui Zhang, Ph.D., AQ Specialist
Ryan Finseth, Ph.D., AQ Specialist
Sam Cao, Program Supervisor
Sang-Mi Lee, Ph.D., Planning and Rules Manager
Sarah Rees, Ph.D., Deputy Executive Officer
Scott Epstein, Ph.D., Program Supervisor
Shah Dabirian, Ph.D., Program Supervisor
Sheri Hanizavareh, Senior Deputy District Counsel
Tiffani To, Assistant AQ Specialist
Wei Li, Ph.D., AQ Specialist
Xinqiu Zhang, Ph.D., Senior Staff Specialist
Yunnie Osias, AQ Specialist

April 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.

- No meeting since last report; planning to schedule next meeting late April



South Coast Air Quality Management District

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Twelve-Month and Three-Month Rolling Average Price of Compliance Years 2021 and 2022 NOx and SOx RTCs (January – March 2022)

April 2022 Report to Stationary Source Committee

Table I

Twelve-Month Rolling Average Price Data for Compliance Year 2021 NOx RTCs
(Report to Governing Board if rolling average price greater than \$22,500/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2021 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-21	Jan-20 to Dec-20	76.2	\$717,162	15	\$9,418
Feb-21	Feb-20 to Jan-21	77.6	\$736,204	16	\$9,488
Mar-21	Mar-20 to Feb-21	71.7	\$667,889	15	\$9,321
Apr-21	Apr-20 to Mar-21	69.6	\$656,731	13	\$9,439
May-21	May-20 to Apr-21	73.6	\$917,864	12	\$12,470
Jun-21	Jun-20 to May-21	43.3	\$630,190	10	\$14,545
Jul-21	Jul-20 to Jun-21	134.1	\$2,265,703	20	\$16,898
Aug-21	Aug-20 to Jul-21	131.1	\$2,238,560	23	\$17,072
Sep-21	Sep-20 to Aug-21	204.7	\$3,499,147	31	\$17,091
Oct-21	Oct-20 to Sep-21	210.0	\$3,664,844	33	\$17,455
Nov-21	Nov-20 to Oct-21	309.8	\$5,429,848	55	\$17,529
Dec-21	Dec-20 to Nov-21	310.0	\$5,432,348	54	\$17,523
Jan-22	Jan-21 to Dec-21	368.1	\$6,937,025	64	\$18,846
Feb-22	Feb-21 to Jan-22	548.8	\$8,783,951	91	\$16,007
Mar-22	Mar-21 to Feb-22	601.1	\$9,116,953	103	\$15,166
Apr-22	Apr-21 to Mar-22	680.8	\$12,274,023	107	\$18,028

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 annual RTC price exceeds \$15,000 per ton. The average annual RTC price is reported to the Board in the Annual RECLAIM Audit Report in March of each year.

Table II

Twelve-Month Rolling Average Price Data for Compliance Year 2022 NOx RTCs
(Report to Governing Board if rolling average price greater than \$22,500/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2022 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 Price¹ (\$/ton)
Jan-22	Jan-21 to Dec-21	165.4	\$5,473,709	18	\$33,085
Feb-22	Feb-21 to Jan-22	165.4	\$5,473,709	18	\$33,085
Mar-22	Mar-21 to Feb-22	165.4	\$5,473,709	18	\$33,085
Apr-22	Apr-21 to Mar-22	193.6	\$6,611,522	22	\$34,146

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 annual RTC price exceeds \$15,000 per ton. The average annual RTC price is reported to the Board in the Annual RECLAIM Audit Report in March of each year.

Table III

Three-Month Rolling Average Price Data for Compliance Year 2021 NOx RTCs
(Report to Governing Board if rolling average price greater than \$35,000/ton)

Three-Month Rolling Average Price Data for Compliance Year 2021 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-21	Oct-20 to Dec-20	1.3	\$16,750	3	\$13,400
Feb-21	Nov-20 to Jan-21	2.9	\$38,049	5	\$13,218
Mar-21	Dec-20 to Feb-21	2.1	\$26,049	3	\$12,238
Apr-21	Jan-21 to Mar-21	1.6	\$21,299	2	\$13,079
May-21	Feb-21 to Apr-21	32.4	\$482,253	3	\$14,900
Jun-21	Mar-21 to May-21	32.4	\$482,253	3	\$14,900
Jul-21	Apr-21 to Jun-21	123.1	\$2,117,767	13	\$17,201
Aug-21	May-21 to Jul-21	95.9	\$1,718,259	15	\$17,921
Sep-21	Jun-21 to Aug-21	169.5	\$2,978,846	23	\$17,575
Oct-21	Jul-21 to Sep-21	84.0	\$1,509,029	15	\$17,974
Nov-21	Aug-21 to Oct-21	178.6	\$3,191,288	32	\$17,865
Dec-21	Sep-21 to Nov-21	106.0	\$1,945,201	25	\$18,346
Jan-22	Oct-21 to Dec-21	159.4	\$3,288,931	34	\$20,636
Feb-22	Nov-21 to Jan-22	241.9	\$3,392,151	41	\$14,024
Mar-22	Dec-21 to Feb-22	293.3	\$3,710,654	52	\$12,653
Apr-22	Jan-22 to Mar-22	314.4	\$5,358,297	45	\$17,045

Table IV

Three-Month Rolling Average Price Data for Compliance Year 2022 NOx RTCs
(Report to Governing Board if rolling average price greater than \$35,000/ton)

Three-Month Rolling Average Price Data for Compliance Year 2022 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-22	Oct-21 to Dec-21	97.4	\$3,780,324	10	\$38,803
Feb-22	Nov-21 to Jan-22	79.5	\$3,110,524	7	\$39,114
Mar-22	Dec-21 to Feb-22	29.5	\$1,110,524	5	\$37,614
Apr-22	Jan-22 to Mar-22	28.2	\$1,137,813	4	\$40,372

Table V

Twelve-Month Rolling Average Price Data for Compliance Year 2021 SOx RTCs
(Report to Governing Board if rolling average price greater than \$50,000/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2021 SOx RTC ¹					
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 ² (\$/ton)
Jan-21	Jan-20 to Dec-20	None	-	-	-
Feb-21	Feb-20 to Jan-21	None	-	-	-
Mar-21	Mar-20 to Feb-21	None	-	-	-
Apr-21	Apr-20 to Mar-21	None	-	-	-
May-21	May-20 to Apr-21	None	-	-	-
Jun-21	Jun-20 to May-21	None	-	-	-
Jul-21	Jul-20 to Jun-21	None	-	-	-
Aug-21	Aug-20 to Jul-21	None	-	-	-
Sep-21	Sep-20 to Aug-21	None	-	-	-
Oct-21	Oct-20 to Sep-21	None	-	-	-
Nov-21	Nov-20 to Oct-21	None	-	-	-
Dec-21	Dec-20 to Nov-21	None	-	-	-
Jan-22	Jan-21 to Dec-21	37.5	\$112,500	1	\$3,000
Feb-22	Feb-21 to Jan-22	37.5	\$112,500	1	\$3,000
Mar-22	Mar-21 to Feb-22	53.9	\$209,201	2	\$3,882
Apr-22	Apr-21 to Mar-22	53.9	\$209,201	2	\$3,882

1. Pursuant to District Rule 2002(f)(1)(Q), the requirement to report 12-month rolling average SOx RTC price ended February 1, 2020. This table is provided as a courtesy.
2. 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 annual RTC price exceeds \$15,000 per ton. The average annual RTC price is reported to the Board in the Annual RECLAIM Audit Report in March of each year.

Table VI

Twelve-Month Rolling Average Price Data for Compliance Year 2022 SOx RTCs
(Report to Governing Board if rolling average price greater than \$50,000/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2022 SOx RTC ¹					
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 ² (\$/ton)
Jan-22	Jan-21 to Dec-21	None	-	-	-
Feb-22	Feb-21 to Jan-22	None	-	-	-
Mar-22	Mar-21 to Feb-22	None	-	-	-
Apr-22	Apr-21 to Mar-22	None	-	-	-

1. Pursuant to District Rule 2002(f)(1)(Q), the requirement to report 12-month rolling average SOx RTC price ended February 1, 2020. This table is provided as a courtesy.
2. 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 annual RTC price exceeds \$15,000 per ton. The average annual RTC price is reported to the Board in the Annual RECLAIM Audit Report in March of each year.

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
GENERAL COUNSEL'S OFFICE**

Settlement Penalty Report (03/01/2022 - 03/31/2022)

Total Penalties

Civil Settlement : \$1,453,778.00
 Criminal Referral Settlement : \$6,985.05
 MSPAP Settlement : \$17,390.00
 Hearing Board Settlement : \$10,000.00

Total Cash Settlements: \$1,488,153.05

Fiscal Year through 03/31/2022 Cash Total : \$4,374,940.40

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
Civil						
157047	AIR CLEAN ENVIRONMENTAL, INC.	1403, 40 CFR 61.145	03/15/2022	SH	P65514, P69232	\$2,500.00
186190	ARMSTRONG & ACEVES COMPANY INC	402, H&S 41700	03/15/2022	SH	P69357	\$5,000.00
181502	AXALTA COATING SYSTEMS, LLC	109, 203(a), 1151, 1171	03/02/2022	JL, WW	P66783, P67029, P68649, P69906, P69907, P73806, P73807, P73808, P73809, P73853, P73854, P73855, P73856, P73858, P73859, P73860, P73861, P73862, P73863, P73864, P73865, P73866, P74002, P74003, P74004	\$1,377,328.00
173694	DECRON PROPERTIES	1403, 40 CFR 61.145	03/24/2022	JL	P65426	\$9,000.00
12841	HARTWELL CORP	203, 1469	03/24/2022	JL	P67446, P72905, P72936	\$23,750.00
187918	HM COLLISION	109, 203(A)	03/15/2022	JL	P65590, P67734	\$1,200.00
191250	ISAAC OREN	1403	03/30/2022	NS	P70506	\$5,000.00
5973	SOCAL GAS CO	2004, 3002	03/24/2022	JL	P69283, P69286, P69287, P69292, P69294	\$15,000.00
121536	STAPLES, INC.	203(a), 2202	03/18/2022	JL	P64784, P65867, P65872, P69057, P70255	\$15,000.00
Total Civil Settlements : \$1,453,778.00						

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
Criminal Referral						
181837	J&C CONTRACTORS INC/DBA J&C ENVIRON	1403	03/24/2022	GV	P65944	\$6,985.05
Total Criminal Referral Settlements : \$6,985.05						
Hearing Board						
104234	SCAQMD v. Mission Foods	202, 203(b), 1153.1, 1303	03/24/2022	KCM	5400-4	\$10,000.00
Total Hearing Board Settlements : \$10,000.00						
MSPAP						
57534	A & G JONES DRY CLEANING INC	1421	03/18/2022	GC	P68266	\$660.00
157282	ARANZA'S AUTO BODY & PAINT	1171(c)(1)	03/18/2022	GC	P69380	\$680.00
8309	CAMBRO MANUFACTURING CO	1171(c)(1), 3002(c)(1)	03/18/2022	GC	P68563	\$3,400.00
183613	GENUINE CUSTOMS COLLISION CENTER	1151	03/25/2022	GC	P68722	\$800.00
121367	LAYMON CANDY CO INC	203	03/25/2022	TCF	P68274	\$500.00
187916	LIMOS BY MOONLIGHT	1171(c)(1)	03/29/2022	TCF	P69372	\$800.00
179712	LOUIS VUITTON US MANUFACTURING	203	03/25/2022	TCF	P69315	\$500.00
137145	MAPEI CORPORATION	203	03/29/2022	TCF	P68733	\$2,000.00
188286	MIRAGE CONSTRUCTION INC.	1403	03/09/2022	TCF	P67626	\$500.00
64167	PETRO BUILDERS INC	1166	03/25/2022	TCF	P70162	\$500.00
167335	PRO LINE BODY SHOP/PRO LINE AUTO CO.	203(a), 1151(e)(1)	03/09/2022	TCF	P68577	\$800.00
95505	R & R AUTO BODY	1171(c)(1)(A)(i)	03/09/2022	TCF	P69312	\$375.00
147971	REPUBLIC MASTER CHEFS	1146	03/29/2022	TCF	P69902	\$800.00
107320	SANTA ANITA GOLF COURSE	461	03/29/2022	TCF	P69663, P73704	\$1,600.00
159865	SLG CRENSHAW SHELL, INC	461	03/09/2022	TCF	P70217	\$300.00
190940	SOOFER, HOOSMAND TR; H SOOFER TRUST	1403	03/09/2022	GV	P69746	\$375.00
171675	TESORO (ARCO) #63310	461, H&S 41960.2	03/29/2022	GC	P69604	\$800.00
152056	TESORO SOUTH COAST CO., LLC	461, H&S 41960.2	03/30/2022	TCF	P70454	\$2,000.00
Total MSPAP Settlements : \$17,390.00						

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

REGULATION I - GENERAL PROVISIONS

Rule 109 Recordkeeping for Volatile Organic Compound Emissions

REGULATION II - PERMITS

Rule 202 Temporary Permit to Operate

Rule 203 Permit to Operate

REGULATION IV - PROHIBITIONS

Rule 402 Nuisance

Rule 461 Gasoline Transfer and Dispensing

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters

Rule 1151 Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations

Rule 1153.1 Emissions of Oxides of Nitrogen from Commercial Food Ovens

Rule 1166 Volatile Organic Compound Emissions from Decontamination of Soil

Rule 1171 Solvent Cleaning Operations

REGULATION XIII - NEW SOURCE REVIEW

Rule 1303 Requirements

REGULATION XIV - TOXICS

Rule 1403 Asbestos Emissions from Demolition/Renovation Activities

Rule 1421 Control of Perchloroethylene Emissions from Dry Cleaning Operations

Rule 1469 Hexavalent Chromium Emissions from Chrome Plating and Chromic Acid Anodizing Operations

REGULATION XX REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

Rule 2004 Requirements

REGULATION XXX TITLE V PERMITS

Rule 3002 Requirements

REGULATION XXII ON-ROAD MOTOR VEHICLE MITIGATION

Rule 2202 On-Road Motor Vehicle Mitigation Options

CALIFORNIA HEALTH AND SAFETY CODE

41700 Prohibited Discharges

41960.2 Gasoline Vapor Recovery

CODE OF FEDERAL REGULATIONS

40 CFR 61.145 Standard for Demolition and Renovation