



**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 Pro Tem Larry McCallon, Committee Chair
Supervisor Holly J. Mitchell, Committee Vice Chair
Chair Vanessa Delgado
Vice Chair Michael A. Cacciotti
Mayor José Luis Solache
Board Member Veronica Padilla-Campos

October 18, 2024 ♦ 10:30 a.m.

TELECONFERENCE LOCATIONS

Kenneth Hahn Hall of Administration
500 W. Temple Street
HOA Conference Room 374-A
Los Angeles, CA 90012

Office of Senator (Ret.) Vanessa Delgado
944 South Greenwood Ave.
Montebello, CA 90640

Lynwood City Hall
Annex Conference Room
11350 Bullis Road
Lynwood, CA 90262

A meeting of the South Coast Air Quality Management District Stationary Source Committee will be held at 10:30 a.m. on Friday, October 18, 2024 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://scaqmd.zoom.us/j/94141492308>

Meeting ID: **941 4149 2308** (applies to all)

Teleconference Dial In: +1 669 900 6833

One tap mobile: +16699006833,94141492308#

Spanish Language Audience Zoom Meeting ID: 932 0955 9643

Teleconference Dial In +1 669 900 6833

One tap mobile +16699006833,,93209559643#

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.

CALL TO ORDER

ROLL CALL

INFORMATIONAL ITEMS (Items 1-4)

- 1. 2024 Annual Progress Report for AB 617 Community Emission Reductions Plans (15 Mins)** Arlene Farol Saria
Public Affairs Manager
(No Motion Required)
Staff will provide a summary of the annual progress of implementation of Community Emission Reductions Plans (CERP) for the six South Coast AQMD AB 617 designated communities.
(Written Material Attached)
- 2. Update on Proposed Amended Rule 1151 – Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations (10 mins)** Heather Farr
Planning and Rules
Manager
(No Motion Required)
Staff will provide a summary of Proposed Amended Rule 1151 which will phase out two toxic solvents from autobody coatings.
(Written Material Attached)
- 3. Update on Proposed Rule 1159.1 – Control of NOx Emissions from Nitric Acid Tanks (10 mins)** Kalam Cheung, PhD
Planning and Rules
Manager
(No Motion Required)
Staff will provide a summary of Proposed Rule 1159.1 which establishes NOx emission limits and other requirements for facilities with nitric acid tanks.
(Written Material Attached)
- 4. Update on Proposed Amended Rule 1111 – Reduction of NOx Emissions from Natural Gas-Fired Furnaces and Proposed Amended Rule 1121 – Reduction of NOx Emissions from Small Natural Gas-Fired Water Heaters (10 mins)** Heather Farr
(No Motion Required)
Staff will provide a summary of Proposed Amended Rules 1111 and 1121 which seeks to establish a zero-emission NOx emission standard for furnaces and small water heaters.
(Written Material Attached)

WRITTEN REPORTS (Items 5-7)

- 5. Monthly Permitting Enhancement Program (PEP) Update (No Motion Required)** Jason Aspell
Deputy Executive
Officer
This report is a monthly update of staff's PEP implementation efforts for the previous month.
(Written Material Attached)

6. 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)

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

Bayron Gilchrist
General Counsel

This report provides the total penalties settled in September 2024 which includes Civil, Supplemental Environmental Projects, Mutual Settlement Assessment Penalty Program, Hearing Board and Miscellaneous.

(Written Material Attached)

OTHER MATTERS

8. 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)

9. 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.

10. Next Meeting Date: Friday, November 15, 2024 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 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.




**CARB Annual Progress Report on
 Assembly Bill 617 (AB 617)
 Community Emission Reductions Plans (CERPs)
 for FY 2023-2024**
*Informe de Progreso Anual del FY 2023-2024 para los
 Planes Comunitarios de Reducción de Emisiones (CERPs)
 de la Ley de la Asamblea 617 (AB 617)*

**Stationary Source Committee
 October 18, 2024
 Comité de Fuentes Estacionarias
 18 de octubre del 2024**

South Coast AQMD AB 617 Communities

Comunidades Designadas de AB 617 de South Coast AQMD

2018-Designated Communities
Comunidades Designadas en 2018


- East Los Angeles, Boyle Heights, West Commerce (ELABHWC)
- San Bernardino, Muscoy (SBM)
- Wilmington, Carson, West Long Beach (WCWLB)

2019-Designated Communities
Comunidades Designadas en 2019

- Southeast Los Angeles (SELA)
- Eastern Coachella Valley (ECV)

2020-Designated Community
Comunidad Designada en 2020

- South Los Angeles (SLA)



Of the 19 communities designated statewide,
 6 are within the South Coast AQMD jurisdiction.
*De las 19 comunidades designadas en todo el estado,
 6 de ellas están dentro de la jurisdicción de South Coast AQMD*

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Categories of CERP Objectives

Categorías de Objetivos del CERP



Community Feedback & Engagement

Comentarios y Participación de la Comunidad

**AB 617
ALL COMMUNITY
STEERING COMMITTEE
(CSC) EVENT**
Saturday, August 24, 2024



**AB 617
EVENTO DE TODOS LOS
COMITÉES DIRECTIVOS
DE LA COMUNIDAD (CSC)**



Sábado 24 de agosto de 2024
8:30 AM - 3:30 PM

South Coast Air Quality Management District
21865 Copley Dr, Diamond Bar, CA 91765

South Coast AQMD está organizando una reunión comunitaria de AB 617 para todas las partes interesadas del Comité Directivo de la Comunidad (Community Steering Committee, CSC). Desarrollado en colaboración con miembros de la comunidad, el evento de este día tiene como objetivo unir a comunidades de toda la región para enfatizar la importancia de mejorar la calidad del aire y aumentar el compromiso significativo entre las comunidades de justicia ambiental.

ASPECTOS DESTACADOS DEL EVENTO:

TALLERES INTERACTIVOS

PANELES DE EXPERTOS

OPORTUNIDADES DE CONEXIÓN EN RED

FERIA DE RECURSOS

¡ESCANEE PARA REGISTRARSE!

SE PROVEERÁN DESAYUNO, ALMUERZO Y REFRIGERIOS

FECHA LÍMITE PRIORITARIA

Viernes 9 de agosto - Solicitud de adaptaciones de idioma y transporte

REGISTRATION DEADLINE

Viernes 16 de agosto, 11:57 p. m. - Asistir sin solicitudes adicionales

Habrà disponible interpretación al español. Idiomas adicionales disponibles bajo solicitud.

Para más información, visite nuestro sitio web en www.aqmd.gov/AB617 o comuníquese con el personal de AB 617 en AB617@aqmd.gov



AB 617 All CSC Event on Saturday, August 24th

- ~170 attendees
- Public feedback on the APR
- Networking, community perspectives, resource sharing, strategic planning
- Representation from all six AB 617 communities

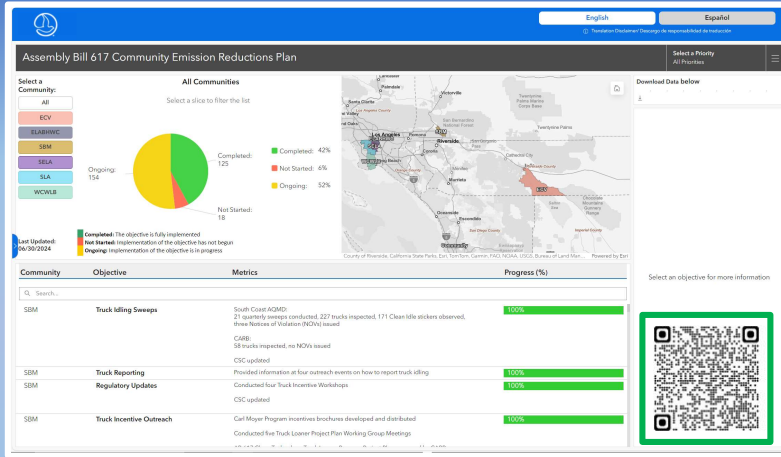
Evento de Todos los CSCs AB 617 el sábado 24 de agosto

- Aproximadamente 170 asistentes
- Sugerencias del público sobre el APR
- Establecimiento de redes, perspectivas comunitarias, intercambio de recursos, planificación estratégica
- Representación de las seis comunidades AB 617



AB 617 CERP Implementation Dashboard

Tablero de Implementación de los CERPs de AB 617



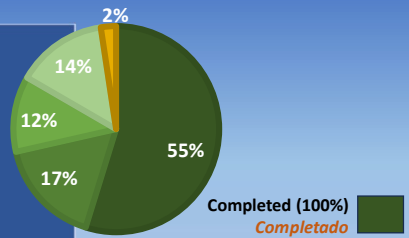
- Community specific
- Interactive visual platform
- Implementation status of CERP objectives
- *Específico por comunidad*
- *Plataforma visual interactiva*
- *Estado de los objetivos de los CERPs*

Use QR code above or the following link to access the dashboard
Utilice el código QR de arriba o el siguiente enlace para acceder al panel de control:
<https://www.aqmd.gov/nav/about/initiatives/environmental-justice/ab617-134/ab-617-cerp-implementation-dashboard>

2018-Designated Communities Comunidades Designadas en 2018

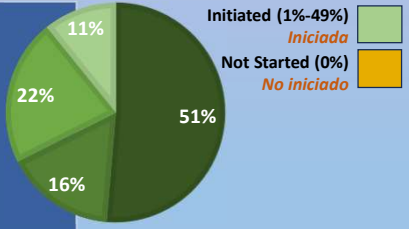
East Los Angeles, Boyle Heights, West Commerce (ELABHWC)

- Exposure Reduction**
- 280 households receiving 356 units through Residential Air Filtration Program (as of August 8, 2024)
- Neighborhood and Freeway Traffic, Railyards**
- \$61.7 million in incentives approved for zero-emission locomotive projects and infrastructure within ELABHWC
- Reducción de la exposición**
- 280 hogares recibiendo 356 unidades a través del Programa de Filtración de Aire Residencial
- Tráfico en el vecindario y en las autopistas, Patios ferroviarios**
- \$61.7 millones en incentivos aprobados para infraestructura y locomotoras de cero emisiones



San Bernardino, Muscody (SBM)

- Green Spaces**
- Submitted two grant support letters for Master Gardeners to fund up to \$2 million for tree planting
- Trucks**
- Targeted Incentive flyers distributed to 263 truck owners within SBM boundary
- Espacios Verdes**
- Se proporcionaron dos cartas de apoyo para la subvención a los Master Gardeners para ayudar a plantar árboles
- Camiones**
- Se distribuyeron folletos de incentivos a 263 propietarios de camiones dentro de los límites de SBM



2018-Designated Communities (cont.) Comunidades Designadas en 2018 (cont.)

Wilmington, Carson, West Long Beach (WCWLB)

Neighborhood Truck Traffic

- Participating in Caltrans Advisory Committee to help reduce truck emissions for the Vincent Thomas Bridge project

Oil Drilling and Production

- Collaborated with Los Angeles County on infographic to reduce exposure risks from oil drilling and production sites
- Amendments to Rule 1148.1 will help address concerns with oil drilling and production*

Refineries

- Amendments to Rules 1118, 1178, 1180 and 1180.1 will help address concerns with refineries*

Tráfico de camiones en el vecindario

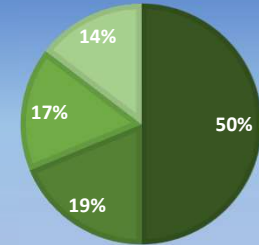
- *Participando en el Comité Asesor de Caltrans para ayudar a reducir las emisiones de camiones del Puente Vincent Thomas*

Perforación y producción de petróleo

- *Colaboración con el Condado de Los Angeles en una infografía para reducir los riesgos de exposición a los sitios de producción de petróleo*
- *Las enmiendas a la Regla 1148.1 ayudarán a abordar las preocupaciones sobre la perforación y producción de petróleo**

Refinerías

- *Las enmiendas a las siguientes reglas ayudarán a abordar las preocupaciones relacionadas con las refinerías: Reglas 1118, 1178, 1180 y 1180.1**



*additional information on the next slide / *Información adicional en la siguiente diapositiva*

Additional Rules Information Información Adicional sobre Reglas

Rule / Regla 1118

Control of Emissions from Refinery Flares

Control de emisiones de antorchas de refinería

- Monitor and record data on refinery and related flaring operations, and to control and minimize flaring and flare-related emissions
- *Monitorear y registrar datos sobre la refinería y las operaciones relacionadas con quema, y controlar y minimizar la quema y las emisiones relacionadas con la quema.*

Rule / Regla 1148.1

Oil and Gas Production Wells

Pozos de producción de petróleo y gas

- Reduce emissions from the operation and maintenance of wellheads, well cellars, and the handling of produced gas at oil and gas production facilities
- *Reducir las provenientes de la operación y el mantenimiento de bocas de pozo, sótanos de pozos y el manejo del gas producido en las instalaciones de producción de petróleo y gas.*

Rule / Regla 1178

Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities

Mayores reducciones de las emisiones de COV de los tanques de almacenamiento en las instalaciones petroleras

- Reduce emissions of Volatile Organic Compounds (VOC) from Storage Tanks located at Petroleum Facilities
- *Reducir las emisiones de Compuestos Orgánicos Volátiles (COV) de los Tanques de Almacenamiento ubicados en Instalaciones Petroleras*

Rules / Reglas 1180 and 1180.1

Fenceline and Community Air Monitoring for Petroleum Refineries and Related Facilities

Monitoreo del aire comunitario y de cercas para refinerías de petróleo e instalaciones relacionadas

- Require Real-Time Fenceline Air Monitoring Systems and to establish a fee schedule to fund refinery-related community air monitoring systems at or near the property boundaries of Petroleum and other Refineries and in nearby communities.
- *Exigir sistemas de monitoreo del aire en vallas en tiempo real y establecer un programa de tarifas para financiar sistemas comunitarios de monitoreo del aire relacionados con las refinerías en o cerca de los límites de propiedad de petróleo y otras refinerías y en las comunidades cercanas.*

2019-Designated Communities / Comunidades Designadas en 2019

Eastern Coachella Valley (ECV)



Fugitive Road Dust and Off-Road

- One application received for \$4.57 M Paving Project Program Announcement; review completed by Review Panel

Residential Air Filtration Program

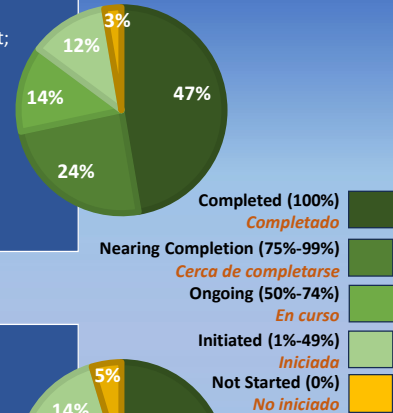
- 294 households receiving 378 units (as of August 8, 2024)

Polvo Fugitivo de la Carretera y Conducción Todoterreno

- Se recibió una solicitud para el Programa de Pavimentación, revisión completada

Programa de Filtración de Aire Residencial

- 294 hogares recibiendo 378 unidades



Southeast Los Angeles (SELA)



Green Spaces

- Released the Green Space Program Request for Proposals

Trucks

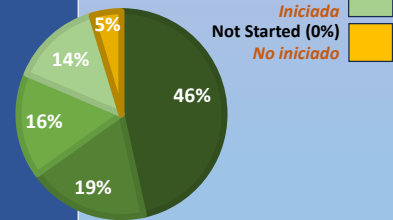
- Installation of 37 "No Idling" truck signs in 34 locations identified by the CSC

Espacios verdes

- Se publicó la Solicitud de propuestas para el Programa de espacios verdes

Camiones

- Instalación de 37 carteles de "No dejar el vehículo con el motor encendido" en 34 lugares identificados por el CSC



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2020-Designated Community Comunidad Designada en 2020

South Los Angeles (SLA)

Auto Body Shops

- Rule development underway for Proposed Amended Rule (PAR) 1151 – Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations and PAR 1171 – Solvent Cleaning Operations

Participatory Budgeting

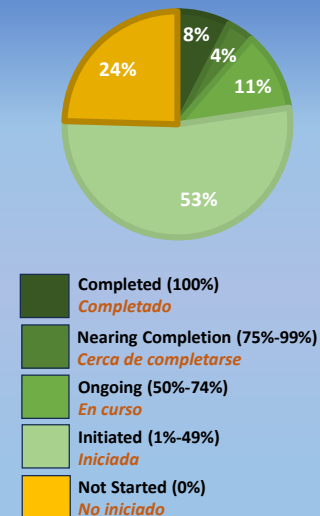
- Initiated Participatory Budgeting to allocate \$11.2 million in CAP Incentives funds for community projects

Talleres de Carrocería

- Se está desarrollando la reglamentación propuesta para la reglamentación modificada (PAR) 1151 – Operaciones de Recubrimiento de Vehículos de Motor y Equipos Móviles que no sean de Línea de Ensamblaje y la PAR 1171 – Operaciones de Limpieza con Solventes

Presupuesto Participativo

- Inició el Presupuesto Participativo para asignar \$11.2 millones en fondos de incentivos CAP para proyectos comunitarios



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Cross-Community Highlights *Aspectos Destacados entre varias Comunidades*

Incentives

- AB 617 Private Schools Air Filtration Program (All Six)**
- \$1.1 million in Supplemental Environmental Project (SEP) funds for 184 private schools and daycares
- Clean Technology Truck Loaner Program (ELABHWC, SBM, SELA, WCWLB)**
- Applications for zero-emission truck rental services received through December 2023 and vendors selected in June 2024

Incentivos

- AB 617 Programa de Filtración de Aire de Escuelas Privadas (Las seis)**
- \$1.1 millones en fondos del Proyecto Ambiental Suplementario (SEP) para sistemas de filtración de aire para 184 escuelas privadas y guarderías
- Programa de Préstamo de Camiones con Tecnología Limpia (ELABHWC, SBM, SELA, WCWLB)**
- Solicitudes de servicios de alquiler de camiones de cero emisiones recibidas hasta diciembre de 2023 y proveedores seleccionados en junio del 2024

Outreach

- Automated License Plate Reader (ALPR) Pilot Studies (ELABHWC, SBM)**
- Targeted outreach to truck owners and operators on available incentive programs for heavy-duty trucks

Alcance

- Estudios Piloto de Lectores Automáticos de Placas de Vehículos (ALPR) (ELABHWC, SBM)**
- Alcance dirigido a los propietarios y operadores de camiones sobre los programas de incentivos disponibles para camiones pesados

Rule Making

- Rule 2306 – Freight Rail Yards and Rule 1148.1– Oil and Gas Production Wells; (ELABHWC, SBM, WCWLB, SELA, SLA)**
- Rail Indirect Source Rule and amended Rule 1148.1 passed by Governing Board in August 2024

Desarrollo de Reglas

- Regla 2306 – Patios de carga ferroviaria y Regla 1148.1 – Pozos de producción de petróleo y gas; (ELABHWC, SBM, WCWLB, SELA, SLA)**
- Regla de Fuente Indirecta Ferroviaria y Regla enmendada 1148.1 aprobada por la Junta de Gobierno en agosto del 2024

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Projected Emission Reductions in the 5th and 10th Year of CERP Implementation in Tons per Year (tpy) from Mobile Source Incentive Projects and Statewide Control Measures

Reducciones de Emisiones Proyectadas en el 5^{to} y 10^{mo} año de Implementación del CERP en toneladas por año (tpa) de Proyectos de Incentivo de Fuentes Móviles y Medidas de Control Estatales

Community <i>Comunidad</i>	Total Mobile Source Incentives Approved* (millions of dollars) <i>Total de incentivos de Fuentes Móviles aprobados* (millones de dólares)</i>	NOx (tpy/ <i>tpa</i>)		DPM (tpy/ <i>tpa</i>)	
		5 th year <i>5^{to} año</i>	10 th year <i>10^{mo} año</i>	5 th year <i>5^{to} año</i>	10 th year <i>10^{mo} año</i>
ELABHWC	\$82.9	197	530	2.0	3.3
SBM	\$10.1	119	200	1.5	2.0
WCWLB	\$117.8	970	2271	21.9	38.5
ECV	\$37.1	263	337	12.0	12.2
SELA	\$8.4	196	446	1.1	3.4
SLA	\$4.2	156	342	2.5	6.3

*Mobile source incentive projects approved by South Coast AQMD Governing Board

*Proyectos de incentivos de fuentes móviles aprobados por la Junta Directiva de South Coast AQMD

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Key Community Input

Sugerencias Destacadas de la Comunidad

Outreach and Engagement	Collaboration and Providing Additional Opportunities
<ul style="list-style-type: none"> Enhance targeted outreach to independent truck owner-operators about available incentive programs for cleaner trucks Increase involvement in town hall meetings and schools Increase in-person engagement and recruitment of new participants Continue enforcement with CSC coordination Allow more time for RFP applications Include CSC input in permit application review Continue outreach through text and multilingual media 	<ul style="list-style-type: none"> Identify additional opportunities and/or funding for air filtration systems, tree planting and air monitoring Develop an inter-agency task force and collaborate with local agencies Coordinate discussions among CSC members and other agencies Provide additional opportunities for inter-CSC collaboration, adopted rules updates, and incorporating community driven data
<i>Formas de mejorar el alcance y la participación</i>	<i>Colaboración y provisión de oportunidades adicionales</i>
<ul style="list-style-type: none"> <i>Alcance dirigido a propietarios-operadores de camiones independientes sobre los programas de incentivos disponibles para camiones más limpios</i> <i>Aumentar la participación en reuniones del ayuntamiento y escuelas</i> <i>Más reuniones presenciales y captación de nuevos participantes</i> <i>Continuar la aplicación de la ley con seguimiento</i> <i>Permitir más tiempo para las solicitudes de RFP</i> <i>Incluir a los miembros del CSC para la revisión de la solicitud de permiso</i> <i>Continuar la divulgación como texto y opciones multilingües</i> 	<ul style="list-style-type: none"> <i>Identificar oportunidades adicionales y/o financiamiento para sistemas de filtración de aire, plantación de árboles y monitoreo del aire</i> <i>Establecer un grupo de trabajo interinstitucional y colaborar con las agencias locales</i> <i>Más talleres con miembros de los CSCs y otras agencias</i> <i>Proveer oportunidades adicionales para la colaboración entre los CSCs y la incorporación de datos impulsados por la comunidad</i>

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Future CERP Implementation Efforts

Actividades para la Futura Implementación de los CERPs

 <p>Truck Routes</p> <ul style="list-style-type: none"> Obtain CSC input on neighborhood streets and corridors of concern for truck traffic Encourage agencies to implement truck restrictions per CSC recommendations <p>Rutas de camiones</p> <ul style="list-style-type: none"> <i>Obtener aportes del CSC sobre las calles de los vecindarios y los corredores de interés con respecto al tráfico de camiones</i> <i>Alentar a las agencias a implementar restricciones de camiones según las recomendaciones del CSC</i> 	 <p>Green Spaces</p> <ul style="list-style-type: none"> Continue to collaborate with green space partners to provide funding for trees Identify additional opportunities for green spaces, such as residential tree planting <p>Espacios verdes</p> <ul style="list-style-type: none"> <i>Continuar colaborando con socios de espacios verdes para proporcionar financiamiento para árboles</i> <i>Identificar oportunidades adicionales para espacios verdes, como la plantación de árboles residenciales</i> 	 <p>School Air Filtration</p> <ul style="list-style-type: none"> Public School Air Filtration Program open for applications Outreach to and work with relevant school districts to apply <p>Filtración de aire escolar</p> <ul style="list-style-type: none"> <i>Programa de Filtración de Aire de Escuelas Públicas abierto para solicitudes</i> <i>Alcance a y trabajo con los distritos escolares pertinentes para presentar la solicitud</i> 	 <p>Emission Reductions</p> <ul style="list-style-type: none"> Pursue emission reductions from commercial marine port sources Continue rule development for Proposed Rule (PR) 1435 – Metal Heating Operations and PR 1445 – Laser and Plasma Arc Metal Cutting <p>Reducción de emisiones</p> <ul style="list-style-type: none"> <i>Reducir las emisiones de fuentes en puertos marítimos comerciales</i> <i>Continuar el desarrollo de reglas para la Regla Propuesta (PR) PR 1435 – Operaciones de calentamiento de metales y PR 1445 –Corte de metales con arco de plasma y láser</i>
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Next Steps for APR

Próximos Pasos para el APR

Final APR Package to **South Coast AQMD Governing Board**
November 1, 2024
Paquete Final del APR prestando a la Junta Directiva de South Coast AQMD 1 de noviembre del 2024

APR Package
Submittal to **CARB staff**
Mid-November 2024
*Paquete APR
Presentación al personal de CARB
Mediados de noviembre del 2024*

CARB staff presents APR Package to **CARB Governing Board**
Spring / Summer 2025*
*El personal de CARB presenta el Paquete del APR a la Junta Directiva de CARB Primavera/Verano del 2025**

***CARB Governing Board date is still to be determined**
La fecha de la reunión de la Junta del CARB aún está por determinarse

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



STATIONARY SOURCE COMMITTEE
October 18, 2024

1

Rule 1151 Background

- Rule 1151 was adopted in 1988
 - Applies to all motor vehicle and non-assembly line mobile coating operations
 - Establishes VOC limits for coatings used on motor vehicles and mobile equipment
- Proposed amendments needed to:
 - Implement CTS-01 from 2022 AQMP
 - Phase out toxic exempt solvents
 - Seek further VOC reductions
 - Fulfill AB 617 CERP commitment to reduce emissions from autobody shops
- Public process began in November 2023
 - Four Working Group Meetings and ~27 individual stakeholder meetings



2

VOC Emission Control in Automotive Coatings

- Historically, South Coast AQMD has achieved significant VOC emission reductions from coatings and solvents
 - Some reductions achieved with low photochemically reactive exempt solvents
- In 2017, Stationary Source Committee directed to prioritize reducing toxicity, even if it results in increased VOC emissions
- Office of Environmental Health Hazard Assessment (OEHHA) determined two exempt solvents to have toxic end points
 - para-chlorobenzotrifluoride (pCBtF) in 2020
 - *tert*-butyl acetate (t-BAc) in 2018

3



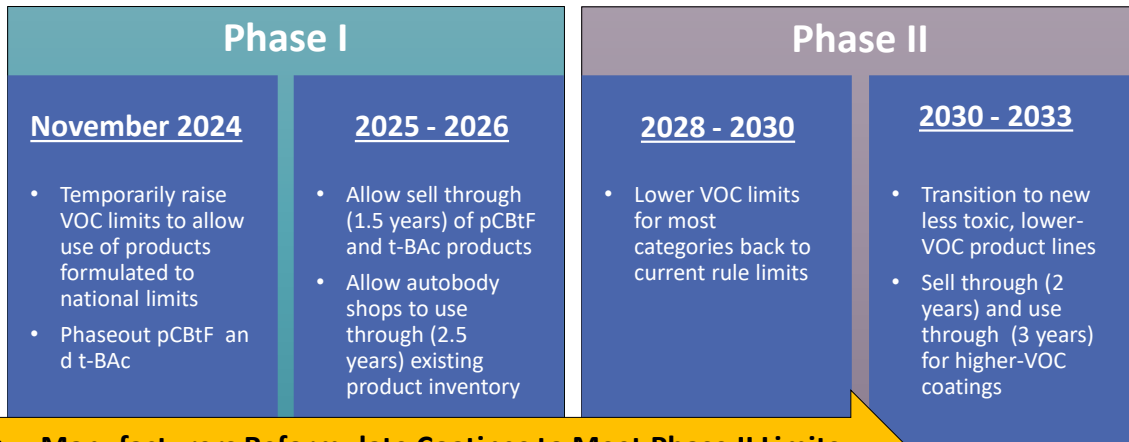
pCBtF and t-BAc use in Automotive Coatings

- pCBtF used in most automotive refinishing coatings
 - t-BAc used to lesser extent
- Both pCBtF and t-BAc have high cancer potency, higher than some currently prohibited compounds
- Approximately 3,000 automotive refinishing facilities in South Coast AQMD
 - Many located near residences, especially in overburdened communities, sometimes in clusters
- Nine out of 12 coatings categories confirmed to rely on pCBtF to meet current VOC limits



4

Overall Phase Out Approach for pCBtF and t-BAc



Manufacturers Reformulate Coatings to Meet Phase II Limits

Sell through and use through provision incorporated to address stranded assets of existing inventory

Need for 3 to 5 Year Reformulation Timeline

Research and Development

- Reformulate to lower-VOC without pCBtF & t-BAc
- Includes long term testing



Color Matching

- Up to 30,000 colors
- Requires Original Equipment Manufacturer (OEM) approval



OEM Certification and Approvals

- Strict performance standards for each automaker



Manufacturing, Logistics, and labeling

- Adequate inventory to support industry

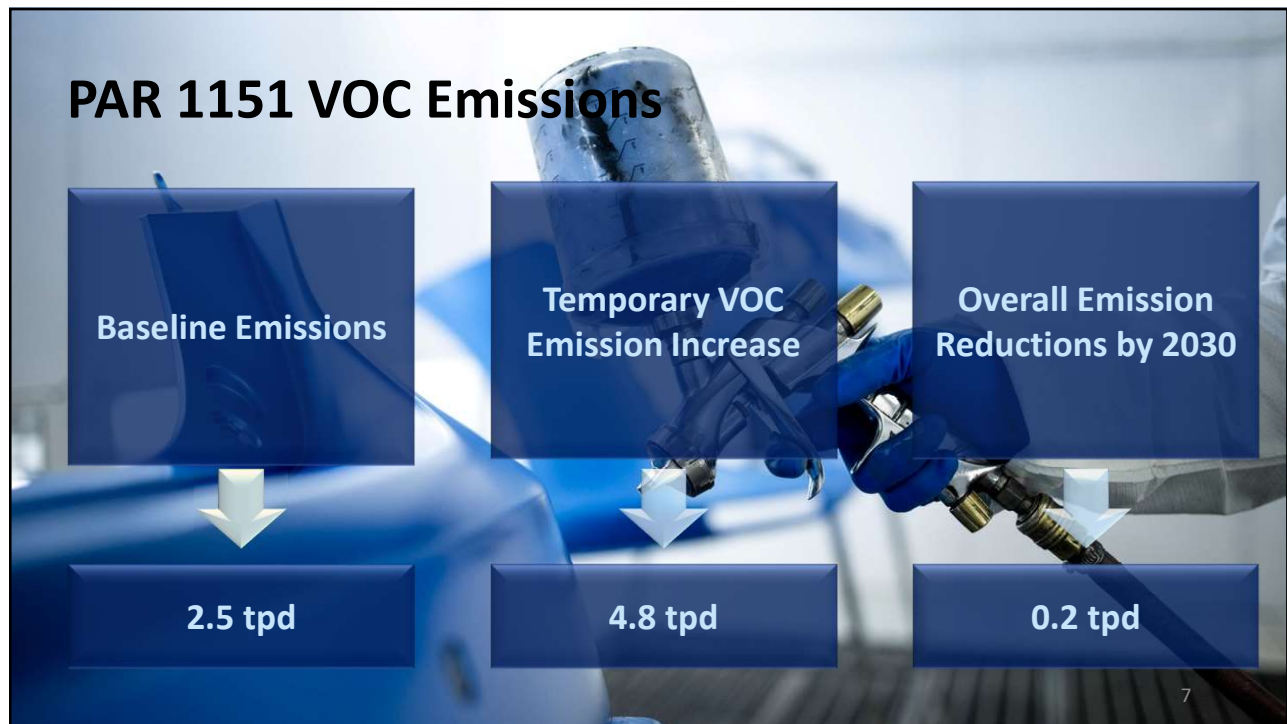


End User Training

- New products may have different performance and characteristics



PAR 1151 VOC Emissions



Key Issue #1

Key Issues

- Potential cost impacts to end-user
- Reformulation cost passed on to end-user

- Staff acknowledges some uncertainties with the cost associated with reformulation
 - Cost will be passed on to end-users
- Socioeconomic impact assessment projects a cost savings
- Interim short-term costs (3 – 5 years) will be lower as coating manufacturers sell products formulated to meet national VOC standards
 - pCBtF and t-BAC have higher cost than traditional solvents
- Long term costs for local shops may increase but toxicity of coatings will substantially decrease
 - Lower cancer risk for workers and nearby communities
- Staff anticipates reformulated coatings with lower-VOC content to have similar costs to currently-used pCBtF-containing coatings

Key Issue #2

- Recordkeeping and reporting requirements for UV/EB/LED technology too burdensome

- U.S. EPA has cited inadequate recordkeeping as reason to prevent SIP approval¹
- Recordkeeping critical for end user to demonstrate compliance with rule and permit limits
- Rule 1151 recordkeeping incorporates Rule 109 by reference
 - Allows for minimal recordkeeping for super-compliant VOC coatings
 - Low-VOC coatings used at high volumes result in high emissions
- Reporting requirements are necessary even for low-VOC coatings:
 - Provides accurate emissions inventories
 - Critical to inform staff of existing low-VOC commercially available coatings
- UV/EB/LED coatings are not necessarily low-VOC
 - LED autobody primer used locally contains over 200 g/L VOC

1. Page 2-1 of Rule 219 Final Staff Report: [Rule 219 Final Staff Report](#)

Socioeconomic Impact Assessment

- Coating formulations vary by phase:
 - Phase 0 (Present Day)** – Low VOC coatings with pCBtF or t-BAc are more expensive
 - Phase I** - Higher VOC coatings without pCBtF or t-BAc are less expensive than Phase 0 coatings
 - Phase II** - Reformulated, low VOC coatings without pCBtF or t-BAc are assumed to cost the same as Phase 0 coatings
- Two alternative price scenarios analyzed:
 - Less Expensive Scenario**
 - More Expensive Scenario**

Cost and Job Impact Results for Price Scenarios of PAR 1151 (2025-2044)

	Annual Average Costs/ Cost Savings	Annual Average Job Impacts
Baseline Analysis (Phase II = Phase 0 coating prices)	(\$13,400,388)	167 Jobs Gained
Less Expensive Scenario¹	(\$40,973,082)	445 Jobs Gained
More Expensive Scenario²	\$14,172,306	110 Jobs Foregone

- Less expensive scenario: Phase II coatings are 5 percent less expensive than Phase 0 coatings
- More expensive scenario: Phase II coatings are 5 percent more expensive than Phase 0 coatings

California Environmental Quality Act (CEQA)

- PAR 1151 implements the 2022 AQMP Control Measure CTS-01 which was analyzed in the Final Program Environmental Impact Report (EIR) for the 2022 AQMP
- No new environmental document will be required because:
 - ✓ PAR 1151 is a later activity within the scope of the program approved earlier (e.g., the 2022 AQMP) per CEQA Guidelines 15168 (c); and
 - ✓ Final Program EIR for the 2022 AQMP adequately describes the activities associated with implementing PAR 1151 for the purposes of CEQA

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Next Step

- Public Hearing:
November 1, 2024



12



Proposed Rule 1159.1

Control of NOx Emissions from Nitric Acid Tanks



Stationary Source Committee

October 18, 2024

Background

- Proposed Rule 1159.1 (PR 1159.1) reduces NOx emissions from nitric acid tanks
 - NOx emissions formed from:
 - Reaction between nitric acid and metal
 - Decomposition of nitric acid at high temperature
 - NOx emissions not a result of combustion
- Landing rule for RECLAIM transition
- Establishes Best Available Retrofit Control Technology (BARCT) requirements



PR 1159.1 Impacted Universe

- Impacted universe: 255 facilities
 - 11 RECLAIM facilities
 - 244 non-RECLAIM facilities
- Estimated 928 number of units
 - Primarily tanks containing solutions with nitric acid



Metal Finishing
– 252 facilities



Precious Metal Reclamation
– 2 facilities



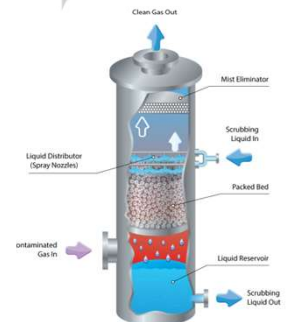
Expanded Graphite Foil
– 1 facility

3

BARCT Assessment



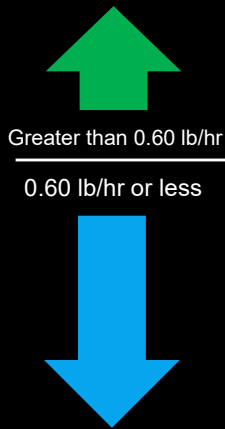
- Facilities with NO_x emissions greater than 0.6 pound per hour (based on cost-effectiveness threshold) are required to meet the following BARCT emission limits:
 - 0.30 pound per hour (represents greater than 93% control efficiency for majority of the facilities evaluated) or
 - 99% control efficiency (requested by a facility as an alternative)



4

PR 1159.1 Compliance Pathways

Facility may elect one or more pathways to control NOx emissions (Pathway A) or demonstrate NOx emissions are low (Pathway B or C)



Pathway A – Meet 0.30 lb/hr or 99% Control Efficiency

- January 2026 – submit permit application for new or modified air pollution control device
- January 2029 – operate control device that meets performance standard (demonstrated via a source test; periodic source test once every five years)

Pathway B – Demonstrate Uncontrolled Emissions of 0.60 lb/hr or Less through Source Tests

- January 2026 – conduct one-time source test
 - Test at maximum operating conditions and incorporate such conditions into permit(s)

Pathway C – Demonstrate Low Use through Recording Nitric Acid Usage

- January 2026 – perform recordkeeping to demonstrate usages below thresholds
 - Individual unit: 550 gallons per year; and
 - Facility-wide: 1,650 gallons per year

5

Emission Reductions and Cost-Effectiveness

- Seven facilities are expected to install control to reduce NOx emissions
 - Other facilities are low usage/low emissions and controls are not required
- Baseline emission from nitric acid units is 1.12 tons of NOx per day
 - A conservative estimate based on reported usage and all nitric acid reacts to form NOx

Proposed Requirement	Cost-Effectiveness	Emissions Reductions (tons per day of NOx)	Implementation Date
Install APCD (7 facilities)	\$37,300/ton	0.11	January 1, 2029

6

Socioeconomic Impact Assessment

- Preliminary cost analysis for implementing PR 1159.1 indicates:
 - Average annual cost of ~ \$2.29 million using a 1% real interest rate or ~ \$2.48 million using a 4% real interest rate over 2025-2052
 - Much of cost is projected to be on larger facilities
 - Maintenance of control devices will incur highest annual cost (56%)
 - 33 jobs foregone, annually on average
- Draft Socioeconomic Impact Assessment will be made available at least 30 days prior to the Public Hearing on December 6, 2024 (subject to change)

7

California Environmental Quality Act (CEQA) Assessment

- Physical modifications associated with implementing PR 1159.1 may involve installing air pollution control devices at seven facilities and conducting source tests at 21 facilities
- Construction activities are not expected to cause significant adverse environmental impacts
- PR 1159.1 qualifies for an exemption from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption
- A Notice of Exemption from CEQA will be prepared

8

Next Steps

- **No key issues identified**
- **Set Hearing**
November 1, 2024
- **Public Hearing**
December 6, 2024





Proposed Amended Rule 1111 – Reduction Of NO_x Emissions From Natural Gas-Fired Furnaces (PAR 1111)

Proposed Amended Rule 1121 – Reduction of NO_x Emissions From Small Natural Gas-Fired Water Heaters (PAR 1121)

*Stationary Source Committee
October 18, 2024*

Regulatory History

2

Rule 1111 and Rule 1121 – Adopted in 1978

- Establishes NO_x emission standards for natural gas residential space and water heating
- Regulated through the supply chain (e.g., manufacturers, distributors, retailers, and installers)

Amendments needed to implement 2022 Air Quality Management Plan

- Seeks to establish a zero-NO_x emission standard wherever feasible
- Identified zero-NO_x emission technologies for all categories of space and water heating units

Public Process

3

Conducted six Working Group Meetings and a Public Workshop

Numerous meetings with stakeholders

- Building owners, manufacturers, environmental groups, business associations, energy providers, local and state government agencies, consulting firms, etc.

Conducted visits to installations in various buildings, including:



Single Family Homes



Mobile Home Parks



Low Rise Apartment Buildings



High Rise Apartment Buildings



Office Buildings



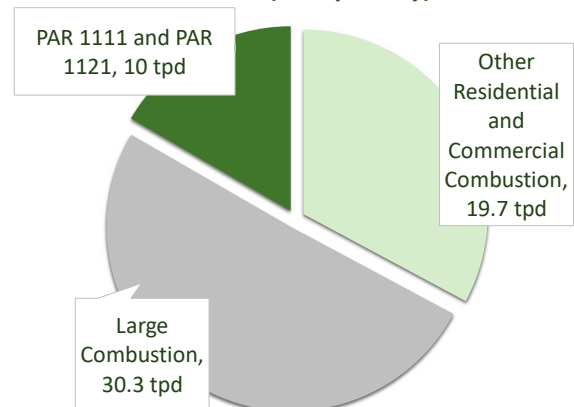
Grocery Stores

Universe, Baseline, and Estimated Emission Reductions

4

- ▶ PARs 1111 and 1121 will impact over 10 million units
 - PAR 1111 universe expanded to include wall/floor/commercial furnaces
- ▶ Estimated 10 tpd NO_x reductions upon full implementation
 - 17% of 2018 NO_x inventory

2018 NO_x Emissions from Stationary Sources (tons per day)



Compliance Schedule

5

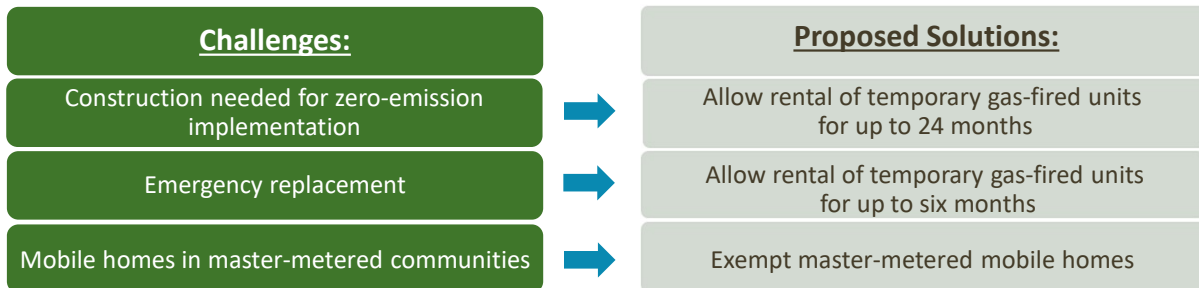
- ▶ Zero-emission standards at future effective dates
 - Residents can continue to operate existing natural gas furnaces and water heaters until natural turnover
- ▶ Earlier implementation for new buildings
- ▶ Mobile homes get more time to accommodate space constraints

PAR	Type	Zero-Emission Start Date	
		New Buildings	Existing Buildings
1111	Residential & Commercial Furnaces	2026	2028
	Mobile Home Furnaces	2028	2030
1121	Residential Water Heaters	2026	2027
	Mobile Home Water Heaters	2026	2030

Addressing Challenges

6

- Provide alternative compliance options and exemption to address challenges of transitioning to zero-emission technology



Key Issue #1: High Cost for Zero Emission Units

7



Image Source: [AO Smith Heat Pump Water Heater Presentation from Working Group Meeting #6](#)

- Socioeconomic analysis estimates overall cost savings
 - Higher upfront costs but lower annual operational costs
- Including longer timeline for certain installations to address cost
 - Future market adoption will drive down the cost
- New and emerging technologies less likely to require a panel upgrade (e.g., 120-volt plug-in heat pump water heaters and multi-function heat pumps which provide space/water heating)
- Federal, state, and local incentives could offset some costs
 - South Coast AQMD Go Zero incentive program launch early 2025
- Status Update/Technology Check-in will re-assess costs

Key Issue #2: Electrical Grid Will Not Meet Demand

8



Electrical generation may not be able to meet demand

- Staff relied on analysis of state and local utilities
 - California projected to add more electricity generation capacity than projected demand from zero-emission building appliances
 - In 2021, the CPUC created and modified programs to reduce electricity demand and increase energy supply*
- State agencies meet regularly with utilities on regulatory changes that will increase electrical demand

* <https://www.cpuc.ca.gov/news-and-updates/all-news/cpuc-ensures-electricity-reliability-during-extreme-weather-for-summers-2022-and-2023>



Local grid infrastructure may not be able to meet demand

- Local utilities mapping service area to determine where upgrades are needed
- New low voltage heat pumps, like 120-volt plug-in heat pump water heaters, put less strain on local grid
- Staff is in regular contact with utilities

Key Issue #3: Zero Emission Units Not Feasible at High Altitudes

9



Too cold for heat pumps to operate efficiently

- Cold climate heat pumps* operate efficiently at low temperatures down to negative 25°F
- High level of heat pump adoption in cold Scandinavian countries and New England states

* <https://neep.org/heating-electrification/ccashp-specification-product-list>



Cost is too high for region where heating is critical

- High costs when replacing only a furnace
 - Heat pumps provide heating and cooling
 - Cooling (A/C) less common in high altitudes
- Staff considering delaying zero-emission limit effective date until January 1, 2030
 - Costs will come down over time

Technology Check-in to be Included in Resolution

10

Staff intends to conduct a technology check-in and provide an update on zero-emission technologies by June 1, 2027



Check-in with manufacturers on technology development



Re-assess technologies for challenging installations, electricity generation capacity, etc.

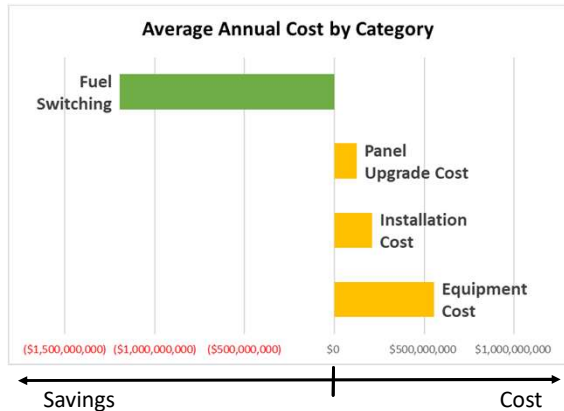


Re-evaluate costs

Preliminary Socioeconomic Impact Assessment

11

- ▶ Substantial upfront costs offset by energy savings over the equipment lifetime
 - **Average annual savings at 4% interest rate**
 - \$31 annual average savings **per unit**
 - \$308 million for PAR 1111 and PAR 1121
 - **Job Impacts:** 269 jobs forgone annually on average over the 2026 – 2060 period
- ▶ Sensitivity analysis will be conducted to examine alternative installation and energy costs
- ▶ Draft Socioeconomic Impact Assessment will be made available at least 30 days prior to the Public Hearing



California Environmental Quality Act (CEQA)

12

- ▶ A Draft Subsequent Environmental Assessment (SEA) for PAR 1111 and PAR 1121 has been prepared which tiers off of the Final Program Environmental Impact Report (EIR) for 2022 AQMP
- ▶ Potentially significant adverse impacts are expected for:
 - **Air Quality** related to construction activities
 - **Energy** due to increased demand for electricity and natural gas
- ▶ Draft SEA has been released for a 46-day public review and comment period from September 27, 2024, to November 12, 2024

Next Steps

- ▶ Set Hearing: November 1, 2024
- ▶ Public Hearing: December 6, 2024
(subject to change)

Monthly Permitting Enhancement Program (PEP) Update
South Coast AQMD
Stationary Source Committee – October 18, 2024

Background

At the February 2, 2024 Board meeting, the Board directed staff to provide monthly updates to the Stationary Source Committee to report progress made under the Permitting Enhancement Program (PEP). The Chair's PEP initiative was developed to enhance the permitting program and improve permitting inventory and timelines. This report provides a summary of the pending permit application inventory, monthly production, and other PEP related activities.

Summary**Pending Permit Application Inventory**

The permitting process consists of a constant stream of incoming applications and outgoing application issuances, rejections, and denials. The remainder of the applications are considered the pending application inventory. The inventory consists of applications that are being prescreened prior to being accepted, workable applications, and non-workable applications. Non-workable means that staff are unable to proceed with processing an application because it is awaiting actions to address various regulatory requirements or deficiencies. As an example, after staff issues a Permit to Construct to a facility, staff must wait for the facility to construct and test the equipment prior to issuing a final Permit to Operate. Once a final Permit to Operate is issued, the permit application is removed from the pending application inventory. Other examples include facilities that may be in violation of rules and cannot be permitted until a facility achieves compliance, staff awaiting additional information from facilities, or facilities that have not completed the CEQA process for their project. During the life of an application, it may switch several times between being workable and non-workable as actions are taken by facilities and staff. Attachment 1 contains more detailed descriptions of the categories of non-workable permit applications. Figure 1 below provides a monthly snapshot of the pending application inventory. Since there was no report for September, Figure 1 includes data for both August and September.

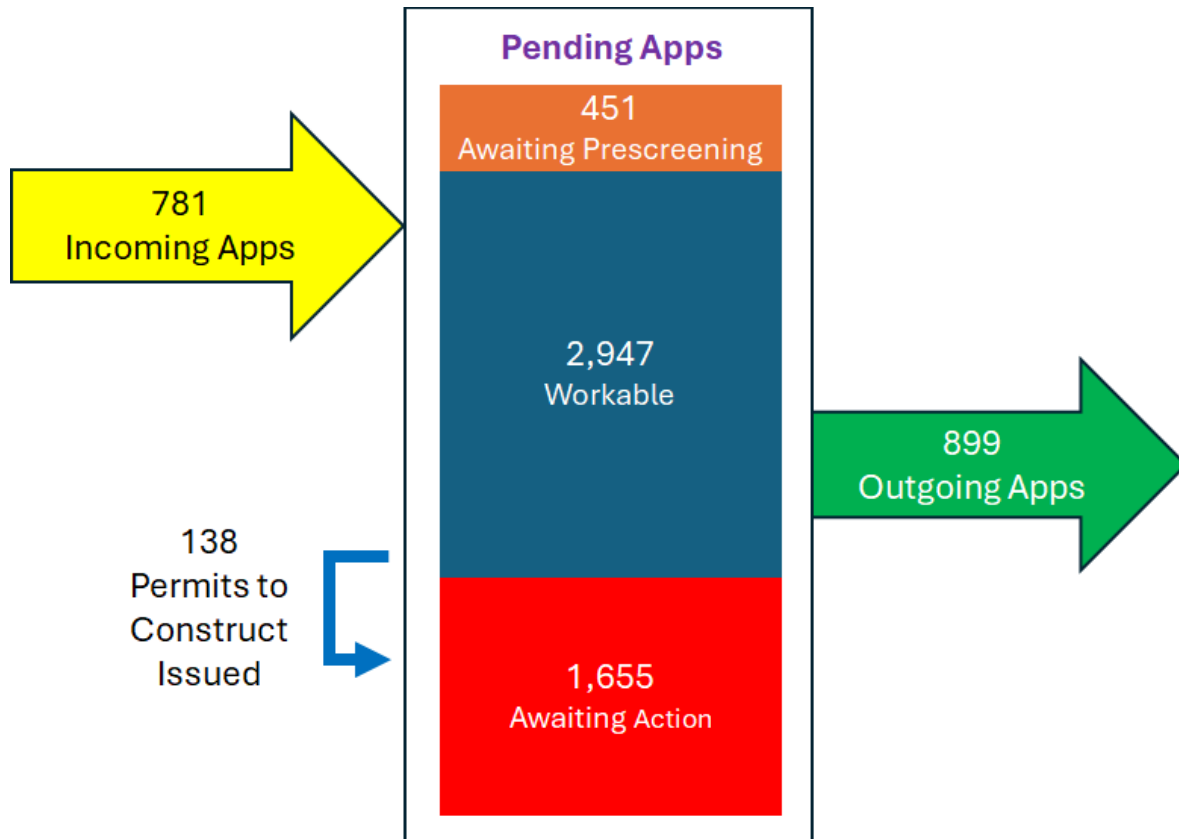


Figure 1: Application Processing Workflow – August and September 2024

Table 1 below lists the categories included in Awaiting Action (Non-Workable) for the last month. Please note that Table 1 provides a snapshot of data and applications may change status several times before final action. Multiple categories may apply to a single application.

Table 1: Awaiting Action (Non-Workable) Applications Summary

Awaiting Action (Non-Workable) Categories	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024
Additional Information from Facility	223	249	220	219	265	286
CEQA Completion	27	34	35	31	32	34
Completion of Construction	794	866	904	935	983	1,015
Facility Compliance Resolution	19	22	22	36	36	37
Facility Draft Permit Review	91	86	63	59	74	43
Fee Payment Resolution	3	9	3	4	4	6
Other Agency Review	52	45	15	36	45	37
Other Facility Action	7	7	4	10	10	21
Other South Coast AQMD Review	0	0	0	0	0	0
Public Notice Completion	34	32	35	29	23	24
Source Test Completion	127	120	138	142	137	169

Please see Attachment 1 for more information on these categories.

In August and September, staff continued to complete applications at a rate higher than the targeted month to month average, raising the overall annual average. Most notable during this time, staff acted on 249 aged permit applications. Since outgoing applications (green arrow) were higher than incoming applications (yellow arrow) this month, the pending application inventory decreased. In addition, since May, the inventory of Workable applications has decreased from 3,088 to 2,947.

The inventory of Awaiting Action applications has recently increased. Most of the Awaiting Action applications have a Completion of Construction status. From March to September, staff issued many Permits to Construct, thereby increasing the Completion of Construction status from 770 to 1,015, including 138 Permits to Construct issued in August and September. Staff must wait for construction of the equipment to be completed prior to moving forward on these applications.

The rate of incoming applications is unpredictable and is dependent on business demands and the economic climate, as well as South Coast AQMD rule requirements. Maintaining the average production rate of outgoing applications greater than average rate of incoming applications is key to reducing the pending application inventory until a manageable working inventory is established. As stated above, the spike in incoming applications occurred in June as expected, and this typically results in a swell in the inventory as time is needed to address the surge of permit applications.

Maintaining a low vacancy rate with trained and experienced permitting staff is the biggest factor in maintaining high production and reducing the pending application inventory. In addition, data and analysis showed that addressing vacancies at the Senior and Supervising AQ Engineers was vital since these positions are the review and approval stages of the permitting process. Supervisory promotions occurred during this reporting period to fill vacancies (See “E&P Vacancy Rate” section).

Production

Prior to staff retirements, permit production levels in 2020 were typically above 500 completions per month. Prior to PEP implementation, high vacancy rates resulted in decreased permit completions. Lower production rates nearing 400 completions per month occurred as the vacancy rate peaked. As the vacancy rate has been reduced and staff have been trained, production has increased. Figure 2 below shows a rolling 12-month average of application completions and the monthly production for the last three months. Recently, increased monthly production levels (orange circles) are raising the rolling 12-month production averages (black line) in the chart below as compared to the period before PEP. The rolling 12-month average includes the monthly totals from the last year to visualize the trend over time, as production in individual months often fluctuates (in addition to fluctuations in incoming application submittals). The current rolling 12-month average production rate is 484 completions per month. A higher rolling 12-month average will indicate sustained higher production levels. These higher production levels will begin to reduce the pending application inventory and improve permit processing times. A new fiscal year (FY) goal was set to increase production by 500 completions as compared to 2023. This equates to a soft target of 489 completions per month. The red line in Figure 2 shows this new fiscal year goal.

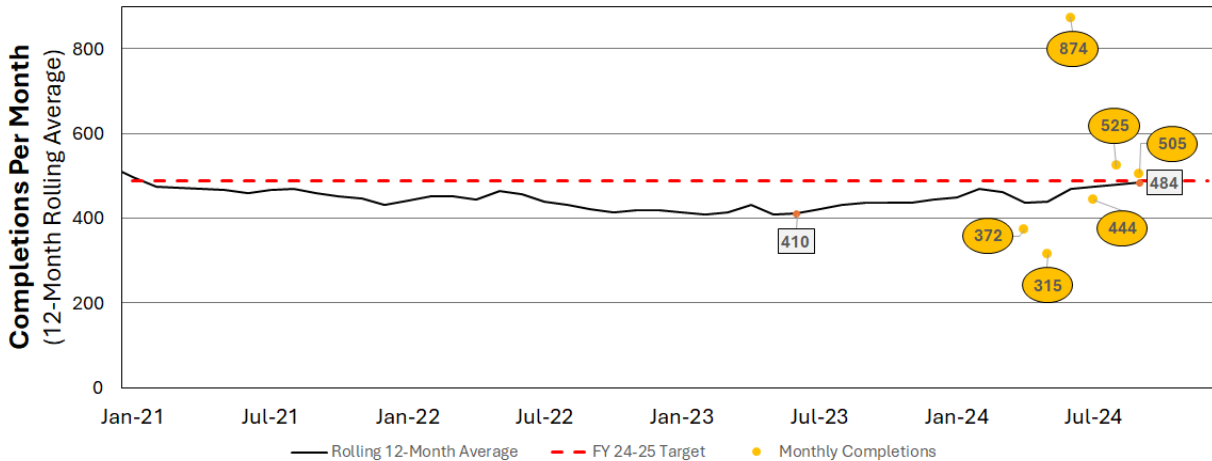


Figure 2: Application Completions - Rolling 12-Month Average and Recent Six Months

Production began to increase in the second half of 2023 as substantial promotions and hiring occurred. New engineering staff are currently being trained and production is expected to increase over the coming months and years as they become more experienced in their duties.

Engineering & Permitting (E&P) Vacancy Rate

The current E&P vacancy rate is 9.7%. The minimum target vacancy rate for PEP is 10%. When PEP was first announced, the E&P vacancy rate was greater than 20%.

Staff continued their ongoing efforts to maintain the vacancy rate. There was one retirement and one promotion of administrative staff which increased the vacancy rate. This increase was offset by two new AQ Engineers starting in August. Four Senior AQ Engineer promotions and two Working of Class Senior AQ Engineers were announced in September. The Senior AQ Engineer positions are critical to permit application review and approval. A new AQ Engineer recruitment was announced in September and will close in November. Hiring of new AQ Engineers is targeted for the first quarter of 2025.

Key Activities in August and September

- Governing Board PEP Update - September 6 ([Webcast link](#))
- Permit Streamlining Task Force Subcommittee – September 25 ([Webcast @ 37:00](#))
- AQ Engineer recruitment announced ([Recruitment link](#))
- Staff completed a focused initiative and acted on 249 aged applications

Upcoming Meetings:

- Permitting Working Group - October 25th
 - Topics: Health Risk Assessment Tool and Rule 317.1 Exclusion Plan Process
- Staff is targeting to conduct at least six public meetings regarding permitting in Fiscal Year 2024-2025

Attachment 1

Explanation of Non-Workable Application Statuses

Workable applications are those applications where staff have the required information to process the permit application.

Non-workable applications are those applications where the application process has been paused while staff are awaiting the resolution of one or more related tasks or where the permit cannot be issued.

Description of Non-Workable/Awaiting Action Terms

Additional Information from Facility

During permit processing staff may need additional information from a facility that was not included in the original permit application package or a change of scope of the proposed project. Additional information may include items regarding materials used in the equipment (such as toxics), equipment information, or other items to perform emission calculations or determine compliance for the proposal in the application.

CEQA Completion

Prior to issuing permits, CEQA requirements are required to be evaluated and completed. South Coast AQMD can either be the Lead Agency that certifies or approves the CEQA document or the Responsible Agency that consults with the Lead Agency (typically a land use agency) on the CEQA document.

Completion of Construction

After a Permit to Construct is issued, the permit application file remains in the pending application inventory. Staff must wait for the facility to complete construction prior to completing other compliance determination steps before the permitting process can continue. Typically, a Permit to Construct is valid for one year, but it may be extended for various reasons if the facility demonstrates they are making increments of progress. For some large projects, construction may take years while the permit application remains in the pending application inventory.

Facility Compliance Resolution

Prior to issuing permits the affected facility must demonstrate compliance with all rules and regulations [Rule 1303(b)(4)]. Prior to the issuance of a Permit to Construct, all major stationary sources that are owned or operated by, controlled by, or under common control in the State of California are subject to emission limitations must demonstrate that they are in compliance or on a schedule for compliance with all applicable emission limitations and standards under the Clean Air Act. [Rule 1303(b)(2)(5)].

Facility Draft Permit Review

If a facility requests to review their draft permit, staff provides the facility a review period prior to proceeding with issuance. During the review period, staff do not perform any additional evaluation until feedback from the facility is received. Some projects include several permits or large facility permit documents which may take a substantial time to review.

Fee Payment Resolution

Prior to issuing permits, all fees must be remitted, including any outstanding fees from associated facility activities including, but not limited to, annual operating and emission fees, modeling or source testing fees, and permit reinstatement fees.

Other Agency Review

The Title V permitting program requires a 45-day review of proposed permitting actions by U.S. EPA prior to many permitting actions. During the review period, staff are unable to proceed with permit issuance. If U.S. EPA has comments or requests additional information, the review stage may add weeks or months to the process before staff can proceed with the project.

For Electricity Generating Facilities (Power Plants), CEC may provide a review of proposed permits prior to issuance.

Other Facility Action

Prior to issuing a permit, a facility may need to take action to address deficiencies or take steps to meet regulatory requirements. This may include acquiring Emission Reduction Credits after staff notifies a facility the project requires emissions to be offset, performing an analysis for Best Available Control Technology requirements, or conducting air dispersion modeling.

Other South Coast AQMD Review

Prior to proceeding with a permit evaluation, permit engineering staff may require assistance and support from other South Coast AQMD departments. For example, IM support for electronic processing due to unique or long-term project considerations or to complete concurrent review of separate phases or integrated processes for multi-phase projects is routinely needed.

Public Notice Completion

There are several South Coast AQMD requirements that may require public noticing and a public participation process prior to permit issuance. Rule 212 and Regulation XXX both detail public noticing thresholds and requirements which include equipment located near schools, high-emitting equipment, equipment above certain health risk thresholds, or significant projects or permit renewals in the Title V program. The public notice period is typically 30 days, and staff are required to respond to all public comments in writing prior to proceeding with the permitting process. Other delays in the public notice process may include delays in distribution of the notice by the facility, incomplete distribution which may require restarting the 30-day period, or requests for extension from the public.

Source Test Completion

Many rules require source testing prior to permit issuance. Source testing is the measurement of actual emissions from a source that may be used to determine compliance with emission limits, or measurements of toxic emissions may be used to perform a health risk assessment. Lab analysis of an air sample is often required as part of the process. The testing is performed by third party contractors who prepare a source test protocol to detail the testing program, and a source test report with the results of the testing and equipment operation. Both the protocol and report need to be reviewed and approved by South Coast AQMD staff.

October 2024 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.

- Staff submitted a comment letter on September 23, 2024, supporting U.S. EPA's conditional approval of Maricopa County Rule 205 – Emissions Offsets Generated by Voluntary Mobile Source Reduction Credits and stating interest to develop a similar mobile source emission reduction credit program
- Staff attended Air & Waste Management New Source Review Workshop September 17-18, 2024
- RECLAIM/NSR Working Group meeting was not held in October
- The RECLAIM/NSR Working Group will be reconvened when there is information to report

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

[Back to Agenda](#)

Settlement Penalty Report (09/01/2024 - 09/30/2024)

Total Penalties

Civil Settlement: \$453,060.79
MSPAP Settlement: \$158,675.00
Total Cash Settlements: \$611,735.79
Total SEP Value: \$0.00

Fiscal Year through 09/30/2024 Cash Total: \$2,380,571.69

Fiscal Year through 09/30/2024 SEP Value Only Total: \$0.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
Civil						
168314	5825 W SUNSET LLC	203, 1470	09/03/2024	EC	P75957, P76503	\$1,200.00
143132	ABSOLUTE ABATEMENT & DEMOLITION	1403	09/18/2024	KCM	P74574, P76215	\$5,400.00
199378	ALL PETROLEUM PROS	461, 1166	09/20/2024	RL	P73121, P73123	\$4,500.00
177939	APRO LLC (DBA "UNITED OIL #141")	203	09/03/2024	SP	P74834	\$10,000.00
202649	ARDEX LP	1168	09/20/2024	RM	P74924	\$10,750.00
181510	AVCORP COMPOSITE FABRICATION INC	2004, 3002	09/05/2024	DH	P66854, P76001	\$7,800.00
117290	B BRAUN MEDICAL INC	2004	09/03/2024	CL	P76073, P79253	\$3,747.00
199454	BERGEN LOGISTICS	2305	09/18/2024	ND	O15047	\$19,800.00
194344	CHATSWORTH CLEANERS	203, 1421	09/17/2024	SP	P68650, P73038, P73041	\$6,500.00
143741	DCOR LLC	1173, 2004	09/04/2024	KCM	P75684	\$7,500.00
800037	DEMENNO KERDOON (DBA "WORLD OIL RECYCLING")	402, 2004, 3002, H&S 41700	09/12/2024	DH	P74533, P74534, P79002	\$15,900.00
168686	EXCEL CONSTRUCTION SERVICES INC	1403, 40 CFR 61.145	09/11/2024	JJ	P70119, P70120, P70121	\$5,445.00
195341	FR ROOFING SERVICES	1403	09/17/2024	EC	P63497, P63498	\$1,000.00
141000	GURUAAN LA II LP	203	09/03/2024	SP	P70234, P80608	\$12,000.00
199972	HHKC DEVELOPMENT INC	1403	09/25/2024	ND	P79161	\$12,000.00
196130	HONOR RANCHO WAYSIDE CANYON HOLDINGS LLC	203, 463, 1173	09/25/2024	JL	P73277, P80654	\$25,200.00
196430	IDC LOGISTICS BUENA PARK	2305	09/12/2024	RM	O15026, O15027, O15048	\$64,400.00
124808	INEOS POLYPROPYLENE LLC	2012	09/25/2024	KER	P70021	\$3,627.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
204890	iRHYTHM TECHNOLOGIES INC	2305	09/20/2024	RM	O15112	\$1,500.00
195778	J AND J OPERATORS LLC	203, 463	09/04/2024	EC	P80719	\$3,000.00
236	K & L ANODIZING CORP	1469	09/06/2024	SH	P75267	\$500.00
179842	KARMA AUTOMOTIVE LLC	2305	09/12/2024	RM	O15101	\$9,000.00
800080	LUNDAY THAGARD CO ("DBA WORLD OIL REFINING")	463, 1173, 1178, 2004, 3002	09/25/2024	MR	P78209, P78215, P78712	\$14,508.00
182970	MATRIX OIL CORP	1173, 2004	09/10/2024	EC	P75679	\$10,500.00
149532	O'DONNELL OIL LLC	1148.1, 1173	09/24/2024	EC	P79654	\$9,600.00
195925	OLYMPUS TERMINALS LLC	402, 462, H&S 41700	09/25/2024	DH	P74364, P76275	\$15,000.00
198098	ONTARIO INDUSTRIAL PORTFOLIO	2305	09/18/2024	JJ	O15039	\$19,800.00
35302	OWENS CORNING ROOFING AND ASPHALT LLC	2004, 3002	09/11/2024	DH	P68675	\$960.00
202220	PIONEER TECHNOLOGY INC	2305	09/11/2024	JJ	O15102	\$28,600.00
14437	SAN ANTONIO REGIONAL HOSPITAL	218, 1110.2, 1146, 1415, 3002	09/12/2024	SH	P67586, P73161, P73168, P73171	\$16,000.00
14996	SLOANS DRY CLEANERS	203, 1421	09/24/2024	CL	P28664, P28699	\$7,495.79
5973	SOCAL GAS CO	17 CCR 95669	09/11/2024	JL	P73281, P73297, P73298	\$23,600.00
169990	SPS TECHNOLOGIES, LLC	3002, 3003, 3004	09/20/2024	RM	P79102	\$3,500.00
52107	SYLMAR CLEANERS	201, 203	09/03/2024	SP	P67740	\$3,000.00
200344	TOYO TIRES	2305	09/03/2024	ND	O15056	\$5,000.00
800026	ULTRAMAR INC	1118, 3002, 40 CFR 63.670	09/04/2024	DH	P75063, P75065, P75066, P75067	\$48,144.00
113674	USA WASTE OF CAL (EL SOBRANTE LANDFILL)	402, H&S 41700	09/25/2024	RM	P79503, P79504	\$12,500.00
163158	WHITTIER VALERO	461, H&S 41960.2	09/10/2024	VB	P78657	\$4,084.00

Total Civil Settlements: \$453,060.79

MSPAP						
192448	7 ELEVEN (#37338)	203	09/06/2024	CR	P80954, P80956	\$3,627.00
193434	900 CP OWNER LLC	1415	09/06/2024	VB	P78408	\$3,513.00
173369	ADAMS SERVICE CNT INC	203, 461	09/06/2024	CR	P80568	\$3,910.00
172080	ALICIA AUTO SPA & DETAIL CENTER	461	09/13/2024	VB	P69879	\$1,059.00
174631	ARCO (#42055) TESORO REFINING & MKTG. CO.	461, H&S 41960.2	09/13/2024	CM	P79370	\$1,286.00
198336	ARTSVIK MALKONYAN CONSTRUCTION INC	1403	09/13/2024	CL	P76247	\$1,438.00
47003	BRINDLE & THOMAS	203	09/06/2024	CM	P74397, P80714	\$3,527.00
184049	C.B. NICHOLS EGG RANCH INC	201, 203	09/13/2024	CM	P74902	\$2,297.00
110	CALTRANS	203, 461	09/13/2024	CL	P76522	\$1,243.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
160944	CATHEDRAL CANYON GOLF & TENNIS CLUB	461	09/06/2024	VB	P79331	\$1,588.00
27197	CHEVRON USA PRODUCTS CO (#91965)	461	09/20/2024	CM	P75453	\$2,118.00
130936	CHINATOWN GAS AMERICA	461, H&S 41960.2	09/06/2024	CM	P80912	\$1,286.00
13844	CHROMPLATE COMPANY	1469	09/13/2024	VB	P77751	\$1,059.00
169560	CIRCLE K STORES INC (#2709439)	461, H&S 41960.2	09/13/2024	VB	P70491	\$1,513.00
169738	CIRCLE K STORES INC (#2709462)	203	09/13/2024	VB	P74807	\$1,009.00
169571	CIRCLE K STORES INC (#2709465)	461	09/06/2024	CR	P79088	\$1,009.00
169475	CIRCLE K STORES INC (#2211253)	461	09/06/2024	CR	P79087	\$1,009.00
23194	CITY OF HOPE MEDICAL CENTER	461, 1146, 3002	09/20/2024	VB	P73177	\$16,944.00
146016	COFFMAN SPECIALTIES INC	203, 403.1	09/13/2024	CL	P64797, P64798	\$2,418.00
195645	COMMERCE CENTER CONSTRUCTION	403	09/13/2024	VB	P74198	\$5,045.00
196253	CRESTWOOD COMMUNITIES	403	09/13/2024	CL	P64799	\$3,116.00
151837	DUKE SERVICE CORNER	461, H&S 41960.2	09/20/2024	VB	P78692	\$8,782.00
104280	ENVENT CORPORATION	203	09/06/2024	CM	P73325	\$1,009.00
174168	HB GAS WORKS	461	09/13/2024	CM	P69883	\$1,059.00
192038	KORMEX MANAGEMENT & MARKETING INC	203, 461, H&S 41960.2	09/20/2024	VB	P70480	\$3,230.00
125612	LEBO AUTOMOTIVE MANHATTAN BEACH TOYOTA	461	09/13/2024	CM	P75601	\$1,361.00
148494	MAC BRIDE AUTOMOTIVE SERVICES	201, 203	09/13/2024	CM	P74803	\$1,906.00
9719	MANHATTAN BEACH CITY	461	09/13/2024	VB	P75602	\$529.00
136215	N & K INC	203, 461	09/13/2024	VB	P77707	\$1,343.00
179687	NATIONAL CONSTRUCTION AND REMEDIATION	1403	09/13/2024	CL	P70420, P79174	\$6,751.00
188314	NEWLIGHT TECHNOLOGIES INC	203, 430	09/13/2024	CL	P78588	\$5,213.00
176635	OLI FUEL INC	461	09/06/2024	CR	P80924	\$2,069.00
195694	OLTMANS	403	09/06/2024	CM	P74200	\$2,018.00
150641	PALMIERI CLEANERS	203	09/06/2024	VB	P74040	\$1,972.00
145117	PARAMOUNT STATION, INC.	461	09/13/2024	VB	P70483	\$1,336.00
167889	PAYCHEX INC.	203	09/13/2024	CL	P77830	\$2,018.00
199083	PLANET HOME LIVING	403	09/20/2024	VB	P75234	\$2,500.00
7010	PRUDENTIAL OVERALL SUPPLY	1146	09/20/2024	CM	P68597	\$2,870.00
95363	SAM'S CLUB (#6378)	461, H&S 41960.2	09/13/2024	CM	P80569	\$14,378.00
171533	SEAL BEACH MOBIL	461	09/20/2024	VB	P74812	\$1,336.00
45086	SIGNAL HILL PETROLEUM INC	203, 463, 1176	09/13/2024	CL	P69271, P74366, P75510	\$16,250.00
147358	SOUTH CITY GAS INC (DBA "SOUTH CITY AMPM")	461, H&S 41960.2	09/06/2024	CR	P79374	\$1,588.00
157175	SOUTH CITY GAS (DBA "CARSON ARCO")	203	09/20/2024	CM	P80618	\$1,009.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
184510	STANDARD DEMOLITION INC	1403	09/06/2024	CR	P78115	\$1,109.00
39496	THE LANSDALE COMPANY	203	09/06/2024	CM	P80723	\$1,109.00
38908	TOYOTA LOGISTICS SERVICES INC	203, 461	09/13/2024	CR	P69924	\$7,666.00
164411	VERIZON WIRELESS CALIMESA RELO	203	09/06/2024	VB	P79305	\$937.00
118015	VILLAGE AUTO SPA	461	09/13/2024	CM	P80617	\$2,719.00
194525	WEST COAST DEVELOPMENT INC	403	09/13/2024	CM	P74129, P74142	\$4,594.00
Total MSPAP Settlements: \$158,675.00						

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FOR SEPTEMBER 2024 PENALTY REPORT**

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- Rule 203 Permit to Operate
- Rule 218 Continuous Emission Monitoring

REGULATION IV - PROHIBITIONS

- Rule 402 Nuisance
- Rule 403 Fugitive Dust
- Rule 403.1 Wind Entrainment of Fugitive Dust
- Rule 430 Breakdown Provisions
- Rule 461 Gasoline Transfer and Dispensing
- Rule 462 Organic Liquid Loading
- Rule 463 Storage of Organic Liquids

REGULATION XI - SOURCE SPECIFIC STANDARDS

- Rule 1110.2 Emissions from Gaseous- and Liquid-Fueled Internal Combustion Engines
- 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 1148.1 Oil and Gas Production Wells
- Rule 1166 Volatile Organic Compound Emissions from Decontamination of Soil
- Rule 1168 Adhesive and Sealant Applications
- Rule 1173 Fugitive Emissions of Volatile Organic Compounds
- Rule 1176 Sumps and Wastewater Separators
- Rule 1178 Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities

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- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
- Rule 1415 Reduction of Refrigerant Emissions from Stationary 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
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- Rule 2004 Requirements
- Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions

REGULATION XXIII - FACILITY BASED MOBILE SOURCE MEASURES

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

REGULATION XXX- TITLE V PERMITS

- Rule 3002 Requirements
- Rule 3003 Applications
- Rule 3004 Permit Types and Content

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- 40 CFR 61.145 Standards for Demolition and Renovation
- 40 CFR 63.670 Requirements for Flare Control Devices

CALIFORNIA HEALTH AND SAFETY CODE

- 41700 Prohibited Discharges
- 41960.2 Gasoline Vapor Recovery
- 42402 Violation of Emission Limitations – Civil Penalty

CALIFORNIA CODE OF REGULATIONS

- 17 CCR 95669 Leak Detection and Repair