



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

**August 16, 2024 ♦ 10:30 a.m.**

**TELECONFERENCE LOCATION**

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

**A meeting of the South Coast Air Quality Management District Stationary Source Committee will be held at 10:30 a.m. on Friday, August 16, 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#

**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 ITEMS (Items 1-4)

- 1. Update on Proposed Rule 1165 – Control of Emissions from Municipal Solid Waste Incinerators (10 mins)** Michael Morris  
*(No Motion Required)* Planning and Rules  
Manager  
Staff will provide a summary of Proposed Rule 1165 which establishes NOx and PM emission limits and other requirements at municipal solid waste incinerators.  
*(Written Material Attached)*
- 2. Update on Proposed Amended Rule 1135 – Emissions of Oxides of Nitrogen from Electricity Generating Facilities (10 mins)** Michael Krause  
*(No Motion Required)* Assistant Deputy  
Executive Officer  
Staff will provide a summary of Proposed Amended Rule 1135 which seeks to achieve further NOx emission reductions from the electric generating facility on Catalina Island.  
*(Written Material Attached)*
- 3. Update on Proposed Amended Rule 1173 – Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants (10 mins)** Michael Morris  
*(No Motion Required)*  
Staff will provide a summary of Proposed Amended Rule 1173 which seeks to achieve further VOC emission reductions at affected facilities with new leak detection requirements and lowering of existing leak detection thresholds.  
*(Written Material Attached)*
- 4. Status Report on Regulation XIII – New Source Review (10 mins)** Dr. Jillian Wong  
*(No Motion Required)* Assistant Deputy  
Executive Officer  
This report presents the state and federal Final Determination of Equivalency for January 2022 through December 2022. The report provides information regarding the status of Regulation XIII – New Source Review in meeting state and federal NSR requirements and shows that South Coast AQMD's NSR program is in final compliance with applicable state and federal requirements from January 2022 through December 2022.  
*(Written Material Attached)*

## **WRITTEN REPORTS (Items 5-7)**

- 5. Monthly Permitting Enhancement Program (PEP) Update**  
*(No Motion Required)*  
This report is a monthly update of staff's PEP implementation efforts for the previous month.  
*(Written Material Attached)*
- Jason Aspell  
Deputy Executive  
Officer
- 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)*  
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)*
- Michael Krause
- 7. Notice of Violation Penalty Summary**  
*(No Motion Required)*  
This report provides the total penalties settled in June and July 2024 which includes Civil, Supplemental Environmental Projects, Mutual Settlement Assessment Penalty Program, Hearing Board and Miscellaneous.  
*(Written Material Attached)*
- Bayron Gilchrist  
General Counsel

## **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, September 20, 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](mailto: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](mailto: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.



## Background

- Applicable to municipal solid waste incinerators
  - Incinerators that combust household, residential, and commercial waste
  - Only one facility in South Coast Air Basin
- 2022 Air Quality Management Plan
  - *Control Measure L-CMB-09*
  - Focuses NO<sub>x</sub> reductions from **municipal solid waste incinerators**
- Attainment Plan for 2012 Annual PM<sub>2.5</sub> Standard
  - *Control Measure BCM-07*
  - Focuses on low NO<sub>x</sub> technologies and improved ammonia control on **municipal solid waste incinerators**



# U.S. EPA's Good Neighbor Plan

- State of California is under Federal Implementation Plan for “good neighbor” provision of Clean Air Act
- Issued on March 15, 2023 as the “Good Neighbor Plan”
- Requires reduced NOx emission limits for large municipal solid waste incinerators
- U.S. EPA will impose this federal rule if no action taken



Image source: U.S. EPA. *Good Neighbor Plan for 2015 Ozone NAAQS*. <https://www.epa.gov/Cross-State-Air-Pollution/good-neighbor-plan-2015-ozone-naaqs>.

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## Applicability

Long Beach Southeast Resource Recovery Facility (SERRF) is only facility currently subject to PR 1165



SERRF began operation in July 1988



Currently, the facility has ceased operation and is working towards permanent shutdown



Utilizes mass-burn process to reduce volume of nearly 1,300 tons of municipal solid waste (MSW) per day



Facility emits:  
0.76 tons per day of NOx; and  
0.11 tons per day of PM

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## Proposed Emission Limits

- Currently permitted NOx concentration limit of 175 ppmv\*
- Lower emission limits for NOx and PM in 2029
- Achieved by replacing existing NOx emission control equipment with more efficient NOx emission control equipment
- New NOx emission control equipment results in PM emission reduction co-benefit

Pollutant	Emission Limit	Compliance Date
NOx	105 ppmv*	2026
NOx	75 ppmv*	2029
Total PM	26.4 mg/dscm	2024
Total PM	17.7 mg/dscm	2029

\* Values corrected to 7% O2

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## Other Key Requirements

### Housekeeping

- Use approved cleaning method weekly to prevent fugitive dust

### Odor Capture and Control

- Vent air to control system to minimize odor impacts beyond facility

### Monitoring

- Continuous Emission Monitoring System for NOx at the exhaust stack



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## Emission Reductions and Cost-Effectiveness

Pollutant	Total Emission Reductions (tons per day)	Cost-Effectiveness (\$/ton reduced)
NOx	0.22	\$27,500
PM	0.035	No Additional Cost (Co-Benefit)

NOx emission reductions will be met by utilizing Selective Catalytic Reduction (SCR) technology

Reduced ammonia use associated with SCR technology relative to the currently installed NOx emission control equipment will reduce total PM emissions

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## Socioeconomic Impact Assessment and California Environmental Quality Act (CEQA)

### Socioeconomic Impact Assessment

- Draft Socioeconomic Impact Assessment is available
- Preliminary results for 2027-2052 forecast period
  - **Average annual cost of compliance:** \$3.38 million at a 4% interest rate
  - **Jobs Impact:** ~ 9 jobs forgone annually on average

### CEQA

- No significant adverse impacts are expected
- A Notice of Exemption from CEQA will be prepared

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## Next Steps

### Key Issues

Staff is not aware of any remaining key issues

### Public Hearing

Scheduled for September 6, 2024



# Proposed Amended Rule 1135 Emissions of Oxides of Nitrogen from Electricity Generating Facilities

Stationary Source Committee

August 16, 2024

## Rule 1135 Regulatory Background

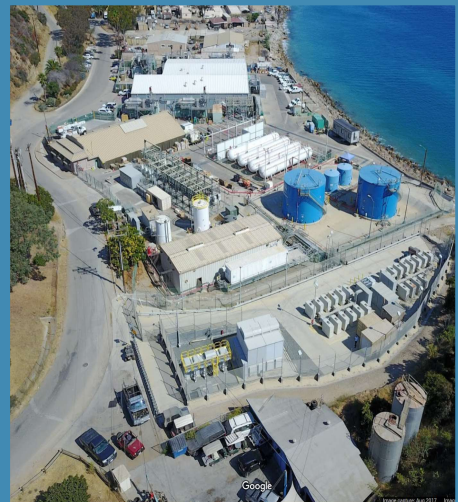
Rule 1135 was adopted in 1989 and addresses NOx emissions from electricity generating facilities

Most recently, amendments on January 7, 2022, revised requirements for Santa Catalina Island

- Limits annual NOx emissions by a certain date from electricity generating facility to:

2024	2025	2026
50 tons per year	45 tons per year	13 tons per year

- Adopted resolution directs staff to conduct a revised Best Available Retrofit Control Technology (BARCT) assessment for electric generating units on Santa Catalina Island



## Technological Feasibility Challenges on Santa Catalina Island

- Challenges for the deployment of Zero- and/or Near Zero-Emission technologies on Santa Catalina Island include:
  - Fuel must be barged
    - Only one barge is known to be available
  - Small facility footprint
    - Acquiring additional land is challenging
  - Need 30-day fuel storage as backup when barge is unable to deliver fuel



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## Addressing Feasibility Challenges

- South Coast AQMD performed analyses which determined the fuel usage, barge trips, and space required for each repower scenario
- The proposed BARCT NO<sub>x</sub> emission limit of 1.8 tpy
  - Based on repower scenario of 30% ZE, 65% NZE, and 5% Tier 4 final diesel engines
  - Repower scenario determined to be technologically feasible
  - SCE raised concerns about the feasibility and grid stability of the scenario to achieve the proposed BARCT limit
- PAR 1135 will incorporate a final NO<sub>x</sub> limit of 6 tpy with a feasibility analysis



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# Impacted Facility and Equipment

**PAR 1135 affects one electricity generating facility located on Santa Catalina Island**

- Over 90% of the power generated at site is from diesel engines
- Accounts for more than 10% of NOx emissions from all electricity generation in South Coast AQMD while only providing less than 0.06% of power

## PAR 1135 Affected Equipment

Equipment Type	Rating (MW)	Construction Year	NOx Emissions*
Diesel Engine Unit 7	1	1958	97 ppmv (15% O <sub>2</sub> , dry)
Diesel Engine Unit 8	1.5	1964	97 ppmv (15% O <sub>2</sub> , dry)
Diesel Engine Unit 10	1.125	1968	140 ppmv (15% O <sub>2</sub> , dry)
Diesel Engine Unit 12	1.5	1976	82 ppmv (15% O <sub>2</sub> , dry)
Diesel Engine Unit 14	1.4	1985	103 ppmv (15% O <sub>2</sub> , dry)
Diesel Engine Unit 15	2.8	1995	51 ppmv (15% O <sub>2</sub> , dry)
Microturbines (23 units)	1.49	2011	0.07 lb/MW-hr

\*NOx emissions for diesel engines calculated by using the uncontrolled NOx emissions and control efficiency specified in Southern California Edison's Best Available Control Technology and Alternative Analysis for Pebble Beach Generating Station (Version 00; Revised April 30, 2021) and NOx emissions for microturbines reflect the emission standard in the California Air Resources Board Distributed Generation Certification Regulation

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# Proposed Emission Limits

## Proposed Emission Limits

Compliance Date	NOx (tpy)
January 1, 2027	45
January 1, 2028	30
January 1, 2030	13
January 1, 2035	6

## Feasibility Analysis

- Analysis will be conducted by SCE for the 13 tpy NOx limit and the 6 tpy NOx limit
- Feasibility analysis will review grid stability, construction plans, etc. to determine if timeline is achievable
- If the feasibility analysis shows that timeline is not feasible, then time extension can be requested for up to three years

## Time Extension

- Time extension up to three years can be requested to meet the 13 tpy and 6 tpy NOx limits for circumstances beyond control of operator

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## Glidepath to Final Emission Limit

45 TPY NOx  
(2027)

- Two Tier 4 final diesel engines (~ 60% of power generation)
- Four legacy diesel engines (~ 40% of power generation)

30 TPY NOx  
(2028)

- Three Tier 4 final diesel engines (~ 90% of power generation)
- Two legacy diesel engines (~ 10% of power generation)
- No additional diesels allowed

13 TPY NOx  
(2030)

- Three Tier 4 final diesel engines (~ 50% of power generation)
- Near-Zero Emission Units (~ 50% of power generation)
- Legacy diesel engines removed

6 TPY NOx  
(2035)

- Three Tier 4 final diesel engines (~ 20% of power generation)
- Near-Zero Emission Units (~ 50% of power generation)
- Zero Emission Units (~ 30% of power generation)

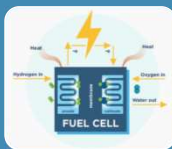
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## Power Generation Profile at Final Emission Limit



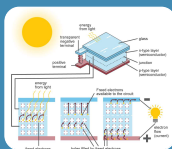
### Three Tier 4 final diesel engines

- ~ 20% of power generation
- No further diesel engines allowed
- Legacy engines removed



### Near-Zero Emission Units

- ~ 50% of power generation
- Would likely utilize propane as fuel



### Zero-Emission Units

- ~ 30% of power generation
- Renewable power source such as solar or hydrogen fuel cell

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## Other Key Amendments

### Removal of Legacy Engines

- Diesel engines installed prior to rule adoption must cease operation by 2030 or six months after any applicable extensions

### Limit on New Diesel Engines

- Prohibition to install 1) more than three new diesel internal combustion engines; and 2) engines with a maximum cumulative rating greater than 5.5 MW

### Santa Catalina Island Zero-Emission and Near Zero-Emission Electric Generating Unit

- Any electric generating unit installed after 2028 must meet Zero-Emission or Near Zero-Emission emission standards



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## Cost-Effectiveness Analysis

Cost-effectiveness is measured in terms of the cost in dollars per ton of air pollutant reduced

- The final 6 tpy NO<sub>x</sub> limit results in 65.3 tpy NO<sub>x</sub> emission reductions
- The 2022 Air Quality Management Plan (AQMP) established a cost-effectiveness threshold of \$325,000/ton NO<sub>x</sub> reduced, adjusted for inflation (\$388,500 in 2023 dollars)
- The proposed 6 tpy final NO<sub>x</sub> limit has a cost-effectiveness of \$32,000/ton NO<sub>x</sub> reduced

	<b>Final NO<sub>x</sub> Limit of 6 tpy</b>
<b>Net Annual Costs (includes annualized capital and O&amp;M costs)</b>	<b>\$2,076,000</b>
<b>NO<sub>x</sub> Emission Reductions (Tons/Year)</b>	<b>65.3</b>
<b>Cost-Effectiveness (\$/Ton of NO<sub>x</sub> Reduced)</b>	<b>\$32,000</b>

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# Socioeconomic Impact Assessment and California Environmental Quality Act (CEQA)

## Socioeconomic Impact Assessment

- Preliminary average annual savings ranges from ~\$14.1 million to ~\$13.2 million using a 1% to 4% real interest rate, respectively
- Initial estimate of seven jobs gained annually on average from 2027-2059
- Socioeconomic Impact Assessment will be made available at least 30 days prior to the Public Hearing on October 4, 2024 (subject to change)

## CEQA

- Staff is preparing a Draft Subsequent Environmental Assessment (SEA), which tiers off the previously certified Final Mitigated SEA for the November 2018 Amendments to Rule 1135
- Draft SEA will be released for public review and comment

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## Next Steps

**Set Hearing scheduled  
for September 6, 2024**

**Public Hearing scheduled  
for October 4, 2024**



## **Proposed Amended Rule 1173 - Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants**

Stationary Source Committee  
August 16, 2024

## Rule 1173 Background



- Rule 1173 first adopted in 1989
  - Last amended in 2009, 15 years ago
- Reduces fugitive volatile organic compounds (VOC) emission from 2.3 million components
  - Primarily valves and fittings
  - Located at refineries, oil and gas production sites, and others
- Rule development initiated to improve leak detection in response to:
  - Objectives in the Wilmington, Carson, West Long Beach (WCWLB) Community Emission Reduction Plan (CERP)
  - Partially implement control measure FUG-01 – Improved Leak Detection and Repair (VOC) in the 2022 Air Quality Management Plan (AQMP)



## Key Amendment – Optical Gas Imaging



- Currently, most components are inspected *quarterly* using a Toxic Vapor Analyzer (TVA)
  - Using a TVA, components are checked one-by-one
- PAR 1173 proposes enhanced leak detection by requiring *monthly* optical gas imaging (OGI)
  - Using OGI, many components can be scanned at once
- Estimated to reduce VOC emissions by **0.44 tons per day**

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## Key Amendment – Lower Leak Standards

Component Category	Existing Leak Standard (ppm)	Proposed Lower Leak Standard (ppm)	Expected VOC Emission Reduction (tons per day)
Valve, Fitting, Other	500 → 100	100	1.39
Pump (Light Liquid), Compressor	500 → 400	400	0.03

- Staff completed a Best Available Retrofit Control Technology (BARCT) assessment on existing leak standards
- Combined, lower leak standards expected to reduce VOC emissions by **1.42 tons per day**

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## Other Amendments



Violation standards updated and OGI violation path with due process for facilities



Streamlined, simplified repair schedule with modernized electronic report submission

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## Ozone Contingency Measures



**Stage 1 CM**  
Pumps, Compressors



**Stage 2 CM**  
OGI Frequency



**Stage 3 CM**  
Valves, Fittings, Others

- Required by federal Clean Air Act and 2022 AQMP
- Triggered when a Finding of Failure to attain ozone standard or make reasonable further progress (RFP) is issued by U.S. EPA
- Proposing three contingency measures (CM) that are required progressively for each finding, effective 60 days after final determination:
  - CM #1 – Reduces leak threshold for compressors or pumps from 400 ppm to 300 ppm
  - CM #2 – Increases OGI inspection frequency for components to once every two weeks
  - CM #3 – Reduces leak threshold for valves, fittings, or other components from 100 ppm to 50 ppm

## Cost-Effectiveness and Emission Reductions

Proposed Requirement	Cost-Effectiveness* (\$/ton VOC reduced)	Incremental Cost-Effectiveness* (\$/ton VOC reduced)	VOC Emission Reduction (tons per day)
100 ppm standard (valve, fitting, other)	\$19,300	\$36,100	1.39
Monthly OGI Inspection	\$14,400	\$28,800	0.44
400 ppm standard (pump, compressor)	\$27,000	N/A	0.03
<b>Overall</b>	<b>\$18,300</b>	<b>N/A</b>	<b>1.86</b>

\* Cost-Effectiveness Threshold for VOC per 2022 AQMP: \$40,168/ton (for 2024)

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## Key Issues – Delay of Repair

- Other jurisdictions allow for repair of leaking components to be delayed when repair of critical components require unit to be shut down
  - Stakeholders assert some components cannot be safely repaired unless unit is shutdown
  - Shutdown could generate more emissions than allowing component to continue to leak
- Staff continuing to work with stakeholders to receive and review additional information in order to inform a possible provision
  - Data will be used to confirm what is considered critical, the time needed for repair, and comparison of emissions due to immediate shutdown

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# Key Issues – Fin Fan Plugs

- Fin fan plugs are threaded plugs on heat exchangers
- Source of significant VOC leaks and enforcement action has been taken in the past
  - U.S. EPA consent decree confirms that fin fan plugs are components subject to leak detection and repair
- Due to uncertainty, some facilities consider fin fan plugs as components and monitor them for leaks, while other facilities do not
- Proposing language in rule and staff report to clearly identify fin fan plugs as components
- Staff report will include cost-effectiveness assessment for informational purposes

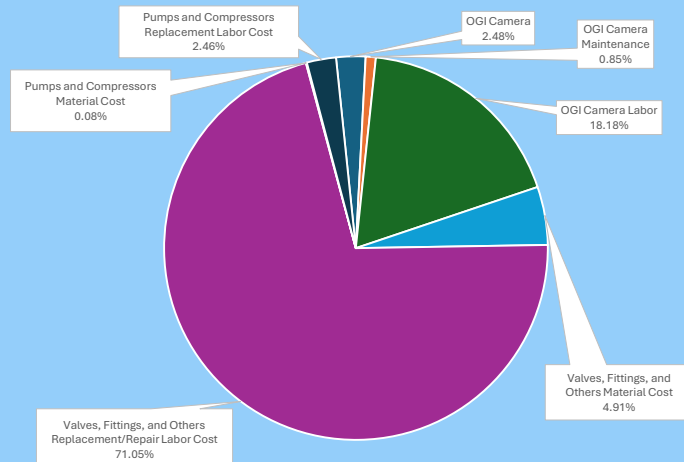


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# Preliminary Socioeconomic Impact Assessment

- Preliminary results for 2025-2034 forecast period
  - **Average annual cost of compliance:** \$13.2 million at a 4% real interest rate
  - **Job Impacts:** ~ 32 jobs gained annually
- Draft Socioeconomic Impact Assessment will be made available at least 30 days prior to the Public Hearing scheduled for October 4, 2024 (subject to change)

**Average Annual Compliance Cost by Category**



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## California Environmental Quality Act (CEQA)



- PAR 1173 is a project subject to CEQA
- Physical modifications from implementing PAR 1173 would require minimal to no construction
- No significant adverse environmental impacts are expected
- A Notice of Exemption from CEQA will be prepared

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## Next Steps

Milestone	Projected Date
Set Hearing	September 6, 2024
Public Hearing	October 4, 2024



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## Status Report on Regulation XIII - New Source Review

Stationary Source Committee Meeting  
August 16, 2024

### New Source Review (NSR) Status Report Overview

- South Coast AQMD has produced Annual NSR Status Reports since 1990
- Between 2002 - 2004 U.S. EPA requested South Coast AQMD to adopt a rule to memorialize equivalency demonstrations
- South Coast AQMD adopted Rule 1315 - Federal NSR Tracking System in 2006 / 2007 and adopted revisions in February 2011
- U.S. EPA approved Rule 1315 into the SIP and it became effective on June 25, 2012



## Regulation XIII - New Source Review

Regulation XIII - New Source Review (NSR) is designed to comply with state and federal Clean Air Act requirements

- Ensures emission increases from new and modified sources do not interfere with attainment of state and federal ambient air quality standards, without unnecessarily impeding economic growth
- Regulates and accounts for all emission changes (both increases and decreases) from the permitting of new, modified, and relocated stationary sources within the South Coast AQMD jurisdiction, excluding RECLAIM sources

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## Rule 1315 - Federal New Source Review Tracking System

- South Coast AQMD has historically exempted certain sources from Regulation XIII NSR offset requirements such as:
  - Facilities identified in Rule 1304 – Exemptions and Rule 1309.1 – Priority Reserve
  - Essential public services
  - Low emitting sources
  - Research and innovative technology
- Offsets are provided from the South Coast AQMD offset accounts for these exempted sources
- Debits and credits in the South Coast AQMD offset accounts are tracked pursuant to Rule 1315 to ensure compliance with state and federal NSR offset requirements
- Unclaimed credits from shutdowns or other emission reductions are the primary source of offsets in the offset accounts

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## Rule 1315 - Federal NSR Tracking System

Rule 1315 established procedures to demonstrate equivalency with federal NSR offset requirements for sources exempt from offsets

- ✓ Tracks debits from and credits to South Coast AQMD's federal internal offset account for each pollutant
- ✓ Annual Preliminary Determination of Equivalency (PDE), Final Determination of Equivalency (FDE), and Projections
- ✓ Balances in South Coast AQMD's federal offset accounts must remain positive
- ✓ Cumulative Net Emission Increases must remain below Rule 1315(g) threshold



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## Federal NSR Offset Accounts

### Final Determination of Equivalency (FDE), CY 2022

DESCRIPTION	(Tons / Day)			
	VOC	NOx	SOx	PM10
<b>CY 2021 Final Ending Balance</b>	<b>118.03</b>	<b>24.73</b>	<b>5.50</b>	<b>18.04</b>
CY 2022 Total Debits	-0.23	-0.47	0.00	0.00
CY 2022 Total Credits	2.83	0.53	0.06	0.29
CY 2022 Total Discount of Credits for Surplus Adjustment	0.00	-0.30	0.00	0.00
<b>CY 2022 Final Ending Balance</b>	<b>120.63</b>	<b>24.49</b>	<b>5.56</b>	<b>18.33</b>

- Federal NSR offset accounts include federal major sources, *i.e.*, stationary sources with emissions greater than federal major source thresholds
- Ending balances are positive and continue to be strong for all pollutants
- Two-year projections for CY 2023 and CY 2024 continue to show net credits

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## Projected Federal NSR Offset Accounts

CY 2023

DESCRIPTION	(Tons / Day)			
	VOC	NOx	SOx	PM10
<b>CY 2022 Actual Ending Balance</b>	<b>120.63</b>	<b>24.49</b>	<b>5.56</b>	<b>18.33</b>
CY 2023 Total Projected Debits	-0.15	-0.22	-0.01	-0.05
CY 2023 Total Projected Credits	2.71	0.54	0.27	0.51
<b>CY 2023 Projected Ending Balance</b>	<b>123.19</b>	<b>24.81</b>	<b>5.82</b>	<b>18.79</b>

## Projected Federal NSR Offset Accounts

CY 2024

DESCRIPTION	(Tons / Day)			
	VOC	NOx	SOx	PM10
<b>CY 2023 Projected Ending Balance</b>	<b>123.19</b>	<b>24.81</b>	<b>5.82</b>	<b>18.79</b>
CY 2024 Total Projected Debits	-0.15	-0.22	-0.01	-0.05
CY 2024 Total Projected Credits	2.71	0.54	0.27	0.51
<b>CY 2024 Projected Ending Balance</b>	<b>125.75</b>	<b>25.13</b>	<b>6.08</b>	<b>19.25</b>

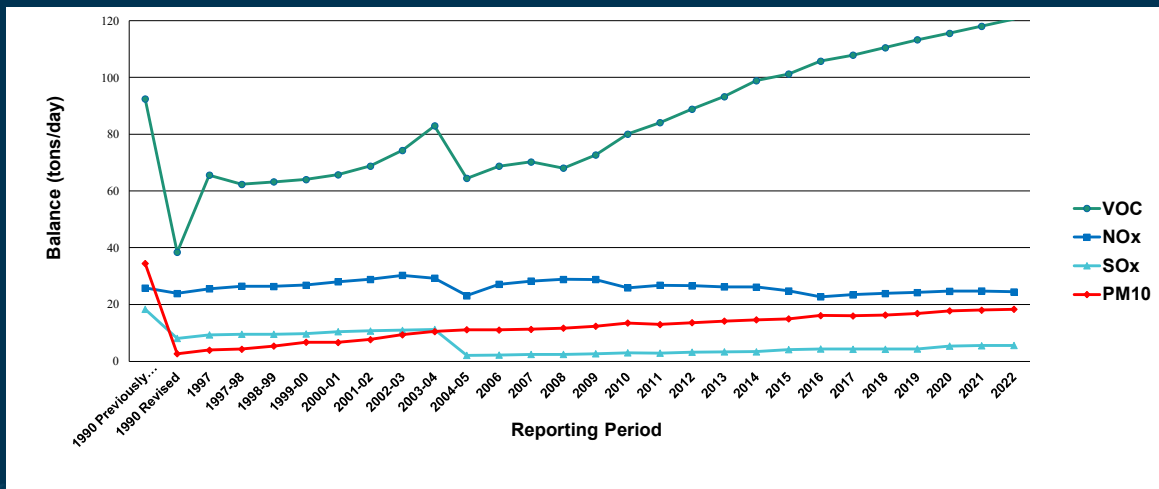
# Federal Cumulative Net Emission Increase

February 4, 2011 - December 31, 2022

DESCRIPTION	(Tons / Day)			
	VOC	NOx	SOx	PM10
2021 Cumulative Net Emission Increase	-27.49	-4.15	-2.07	-2.29
2022 Increases in Potential to Emit	0.15	0.02	0.00	0.00
2022 Decreases in Potential to Emit	-3.37	-0.65	-0.07	-0.36
<b>2022 Cumulative Net Emission Increase</b>	<b>-30.71</b>	<b>-4.78</b>	<b>-2.14</b>	<b>-2.65</b>
<b>Rule 1315(g) Table B Threshold</b>	<b>15.21</b>	<b>1.08</b>	<b>0.36</b>	<b>2.24</b>

# Federal Offset Account Balances

(1990 - 2022)



## State NSR Offset Accounts

### Final Determination of Equivalency (FDE), CY 2022

DESCRIPTION	(Tons / Day)			
	VOC	NOx	SOx	PM10
<b>CY 2022 Actual Starting Balance</b>	<b>89.51</b>	<b>35.64</b>	<b>10.15</b>	<b>23.87</b>
CY 2022 Actual Total Debits	-0.95	-0.55	-0.10	-0.07
CY 2022 Actual Total Credits	2.82	0.53	0.05	0.29
<b>CY 2022 Actual Ending Balance</b>	<b>91.38</b>	<b>35.62</b>	<b>10.10</b>	<b>24.09</b>

- State offset accounts include state subject sources, *i.e.*, sources with emissions greater than state thresholds
- Total credits were greater than debits for all pollutants, and complies with state requirement for “no net emission increase”
- Ending balances continue to be positive for all pollutants

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## Conclusions

- The final analysis for CY 2022 shows South Coast AQMD’s NSR program continued to be at least equivalent to the federal NSR offset requirements
- For CYs 2023 and 2024 it is also projected that South Coast AQMD’s NSR program will continue to be equivalent to the federal NSR offset requirements
- The Cumulative Net Emission Increases for CY 2022 remained below the thresholds identified in Table B of Rule 1315(g)(4)
- Next Preliminary Determination of Equivalency for CY 2023 will be presented to the Governing Board in February 2025

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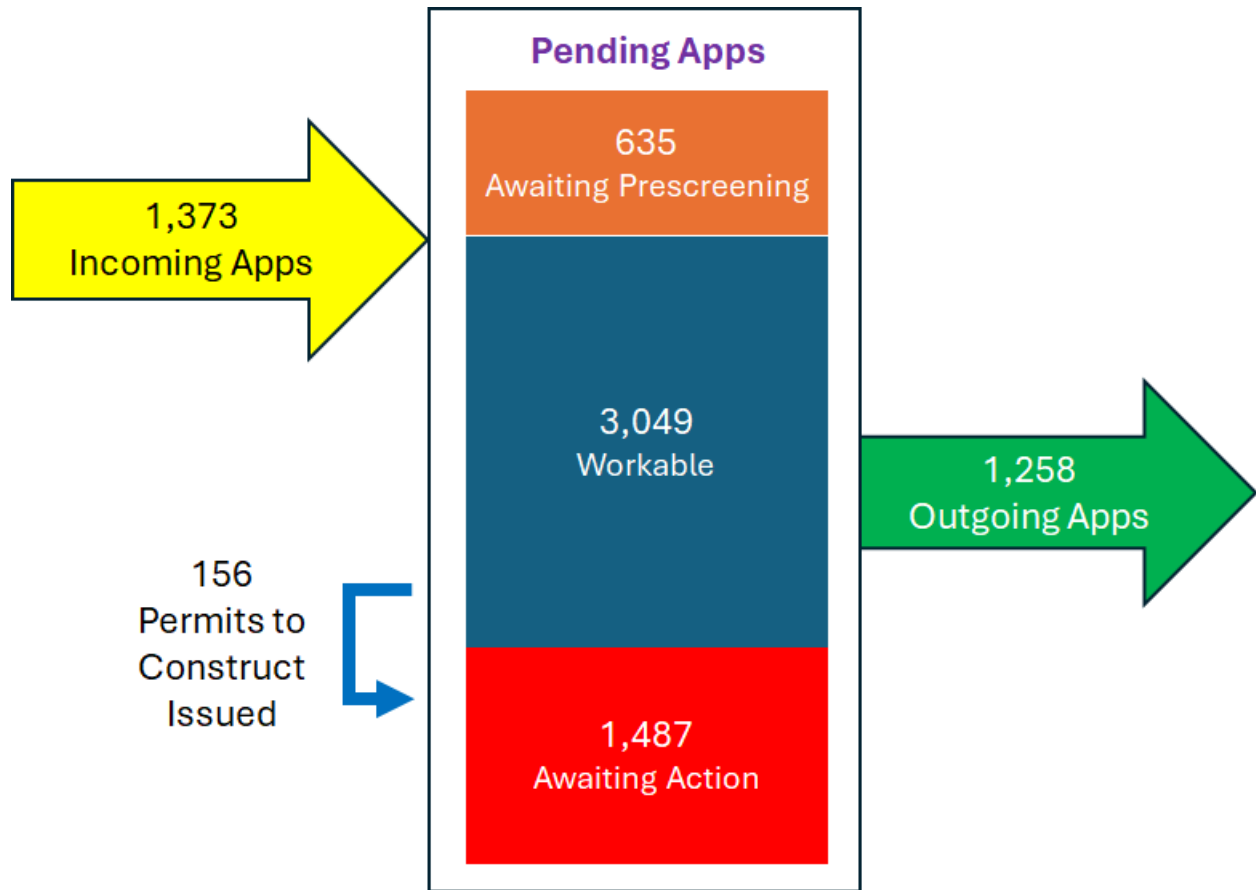
**Monthly Permitting Enhancement Program (PEP) Update**  
**South Coast AQMD**  
**Stationary Source Committee – August 16, 2024**

**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 June, Figure 1 includes data for both June and July.



**Figure 1: Application Processing Workflow – June and July 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	March 2024	April 2024	May 2024	June 2024	July 2024
Additional Information from Facility	235	223	249	220	219
CEQA Completion	25	27	34	35	31
Completion of Construction	770	794	866	904	935
Facility Compliance Resolution	17	19	22	22	36
Facility Draft Permit Review	92	91	86	63	59
Fee Payment Resolution	2	3	9	3	4
Other Agency Review	35	52	45	15	36
Other Facility Action	69	7	7	4	10
Other South Coast AQMD Review	100	0	0	0	0
Public Notice Completion	23	34	32	35	29
Source Test Completion	117	127	120	138	142

Please see Attachment 1 for more information on these categories.

In June, staff completed an extraordinarily high number of applications, 867. There was a large increase of incoming applications in June, as expected every year due to the permit fee increase in July, and 793 applications were submitted. In July, 584 incoming applications were submitted, which is also above average. Production normalized in July with 395 outgoing applications. Additionally, due to the month-to-month accounting procedures, July only included 27 production days as compared to 35 production days for June, but weekly average production stayed within the expected range for July. Since incoming applications (yellow arrow) exceeded outgoing applications (green arrow) this month, the pending application inventory increased. Since May however, the inventory of Workable applications has decreased from 3,088 to 3,049.

The inventory of Awaiting Action applications has recently increased. Most of the Awaiting Action applications have a Completion of Construction status. From March to July, staff have issued many Permits to Construct increasing the Completion of Construction status from 770 to 935, including 156 Permits to Construct in June and July. Staff must wait for construction of the equipment to be completed prior to moving forward on these applications.

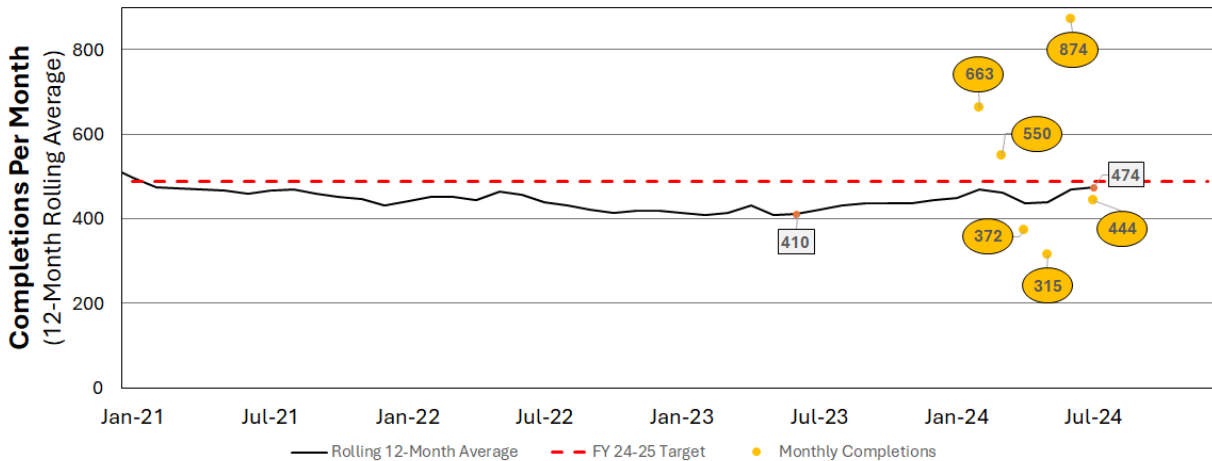
The rate of incoming applications is unpredictable and is dependent on business demands and the economic climate, as well as South Coast AQMD rule requirements. Maintaining the average production rate of outgoing applications greater than average rate of incoming applications is key to reducing the pending 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 474 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. For this July 2024 report, the red line in Figure 2 has been adjusted since the May 2024 report to account for 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 9.1%. 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. In July, one new engineer was hired, and two more new engineers are scheduled to start in August. Two Supervising AQ Engineers were promoted, and one new short-term Supervisor AQ Engineer was added to proactively address the pending permit inventory in the Operations team. Senior AQ Engineer vacancies are expected to be addressed in August, and a new AQ Engineer recruitment is tentatively set to be announced in September.

#### Key Activities in June and July

- Permitting Working Group – Waste Management Industry Focus
- Permit Streamlining Task Force Subcommittee

#### Upcoming Meetings:

- Governing Board PEP Update - September 2
- Permit Streamlining Task Force - September 25
- Permitting Working Group - October (tentative)
- Staff is targeting to conduct at least six public meetings regarding permitting in Fiscal Year 2024-2025. A schedule of future Permit Streamlining Task Force and Permitting Working Group meetings is under development.

- Staff will conduct Permitting Working Group meetings that will be a collaborative public effort to discuss permitting requirements with various industry sectors and receive public input.



## 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.

## August 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. The table below summarizes key activities with U.S. EPA and California Air Resources Board (CARB) since the last report.

Item	Discussion
Meeting with U.S. EPA (Region IX) – July 10, 2024	<ul style="list-style-type: none"><li>Discussed options to address offset availability for RECLAIM facilities</li></ul>
Meeting with U.S. EPA (Region IX) – August 1, 2024	<ul style="list-style-type: none"><li>Discussed requirements of a one-time programmatic equivalency demonstration for the RECLAIM transition</li></ul>

- The RECLAIM/NSR Working Group meeting was not held in July or August
- The RECLAIM/NSR Working Group will be reconvened when there is information to report

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
General Counsel's Office  
Settlement Penalty Report (06/01/2024 - 06/30/2024)**

**Total Penalties**

Civil Settlement: \$457,621.80  
Hearing Board Settlement: \$103,656.56  
MSPAP Settlement: \$168,225.00  
  
**Total Cash Settlements: \$729,503.36**  
**Total SEP Value: \$0.00**

**Fiscal Year through 06/30/2024 Cash Total: \$6,727,240.36**

**Fiscal Year through 06/30/2024 SEP Value Only Total: \$668,125.00**

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
<b>Civil</b>						
115536	AES REDONDO BEACH, LLC	2004	06/05/2024	KCM	P66900	\$4,160.00
200431	ANDERSON AIR CONDITIONING, LP	1111	06/14/2024	MR	P74276	\$23,420.00
141593	ARAD OIL, INC.	203, 461	06/04/2024	CL	P75725	\$1,750.00
192463	ARROWHEAD OPERATING, INC.	203, 1148.1	06/04/2024	MR	P69284	\$550.00
191545	BAGCRAFT PAPERCON 1, LLC	203, 1147	06/04/2024	EC	P73212	\$2,400.00
46268	CALIFORNIA STEEL INDUSTRIES, INC.	1146, 2004, 3002	06/12/2024	EC	P63819, P63832, P79202	\$16,500.00
800380	CERTIFIED ENAMELING, INC.	109, 1171, 3002	06/20/2024	JL	P73885	\$71,400.00
143740	DCOR, LLC	1173, 2004	06/20/2024	KCM	P67914, P74529, P74530, P74532, P79457, P80651, P80652	\$22,800.00
190049	DINO STATION (#2)	203	06/14/2024	RL	P78698, P79351	\$28,000.00
195707	ELSI CAROLINA CAMPOS	1403	06/06/2024	EC	P76105, P76106, P76107	\$1,500.00
199090	FERGUSON	2305	06/25/2024	ND	O15046	\$5,000.00
198701	GXO - COLTON, CA	2305	06/25/2024	ND	O15044	\$5,000.00
23460	HEMET CITY - PUBLIC WORKS DEPT.	403	06/20/2024	SH	P75203	\$2,000.00
201696	JC SALES	2305	06/20/2024	ND	O15058	\$5,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
800429	KAISER FOUNDATION HOSPITAL	1146, 3002	06/04/2024	KCM	P66818, P68855, P74866	\$6,750.00
800312	LA CO HARBOR-UCLA MEDICAL CENTER	3002	06/04/2024	DH	P78417	\$10,800.00
199087	MIRA LOMA	2305	06/20/2024	ND	O15045	\$5,000.00
193198	MRC ROCK & SAND LLC	13 CCR 2454	06/05/2024	JL	P75246	\$3,600.00
157972	NORTH COUNTY SAND AND GRAVEL	13 CCR 2454	06/20/2024	JL	P79303	\$12,300.00
146643	RJ'S CHIPPING AND GRINDING OPERATION	203, 403, 1133, 1133.1	06/05/2024	ND	P74330, P74331, P74348, P74761, P79108	\$13,000.00
182455	SMART 6, INC. (DBA "SPEED GAS")	203, 461, H&S 41960.2	06/14/2024	MR	P65750, P68128, P69870	\$8,342.80
175264	SYNERGY OIL AND GAS, LLC	203, 1173	06/05/2024	MR	P74527	\$5,400.00
174655	TESORO REFINING & MARKETING CO.	203, 210, 461, 463, 1118, 1158, 1173, 1178, 1303, 2005, 2011, 2011 Appendix A, 2012, 2012 Appendix A, 3002	06/20/2024	JL	P63845, P65126, P65127, P65128, P65129, P65130, P65131, P65134, P74084, P78801	\$151,100.00
153199	THE KROGER CO. (RALPHS GROCERY)	2004	06/20/2024	KCM	P78709	\$1,050.00
139193	UHS-CORONA, INC. (CORONA REGIONAL MED CENTER)	1146	06/07/2024	SH	P75432	\$3,500.00
800393	VALERO WILMINGTON ASPHALT PLANT	2004	06/20/2024	SH	P78906	\$15,000.00
123864	VERIZON WIRELESS (RIO HONDO)	203	06/14/2024	RM	P74451, P76472, P77810, SRV2023-00070, SRV2023-00071	\$21,800.00
105368	VIRCO MFG CORP.	2305	06/20/2024	JL	O15002	\$5,000.00
187092	VONS (#3325)	201, 203	06/07/2024	RM	P73037	\$1,999.00
170506	WATSON PARTNERS, LP	1150.1	06/14/2024	RM	P74757	\$3,500.00
<b>Total Civil Settlements: \$457,621.80</b>						
<b>Hearing Board</b>						
119219	CHIQUITA CANYON, LLC	431.1, 3002	06/18/2024	KER/MR	6177-4	\$103,656.56
<b>Total Hearing Board Settlements: \$103,656.56</b>						
<b>MSPAP</b>						
175581	ACX PACIFIC NORTHWEST, INC.	203, 403, 1155	06/14/2024	CL	P73662, P73669	\$10,880.00
173369	ADAMS SERVICE CENTER, INC.	461	06/07/2024	CR	P80557	\$1,813.00
188294	AMES CONSTRUCTION	403	06/07/2024	CL	P64796, P76452	\$15,487.00
200950	BEAZER HOMES	203	06/14/2024	CL	P63999, P77952	\$2,034.00
196529	BEAZER HOMES/CANTERRA	403	06/14/2024	CL	P76454	\$2,685.00
28862	CALIFORNIA HIGHWAY PATROL	461	06/07/2024	CR	P78589	\$2,772.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
109477	CALIFORNIA HIGHWAY PATROL	461	06/07/2024	VB	P79321	\$3,327.00
156095	CHRISTA CHEVRON AUTO SPA	461, H&S 41960.2	06/07/2024	VB	P79085	\$1,813.00
180061	CIRCLE K (#5019)	203	06/07/2024	CL	P73127, P73150	\$4,836.00
152550	CITY OF LAGUNA BEACH MAINTENANCE FACILITY	461	06/14/2024	VB	P78580	\$1,908.00
202038	COSTA MESA SURGERY CENTER	203	06/07/2024	VB	P77824	\$3,430.00
183076	COSTCO GASOLINE	203, 461, H&S 41960.2	06/21/2024	VB	P70481, P70740	\$2,647.00
63180	DARLING INGREDIENTS, INC.	2012	06/14/2024	CL	P72873	\$12,573.00
168673	DEL MAR PETROLEUM, INC. (#1)	203, 461	06/14/2024	CL	P78697	\$3,063.00
55002	FAROOQ IFTIKHAR (DBA "LA PAZ SHELL")	461, H&S 41960.2	06/07/2024	CR	P79356	\$1,438.00
128092	FOOTHILL CHEVRON (#90492)	461, H&S 41960.2	06/07/2024	CR	P70076	\$2,871.00
193095	FUEL BREAK, INC.	461	06/07/2024	VB	P70191	\$604.00
176766	G & S STATION	461, H&S 41960	06/21/2024	VB	P75730	\$1,531.00
177791	GENUINE OIL COMPANY, INC.	203	06/21/2024	CL	P74832	\$1,021.00
146608	GERMAN TEK, LLC	109, 203	06/21/2024	VB	P67747	\$1,171.00
181514	H & H GASOLINE	461, H&S 41960	06/07/2024	VB	P79603	\$1,110.00
192797	HJ/CG PARTNERS, LLC	461	06/21/2024	CR	P79323	\$2,018.00
192795	HJ/CG PARTNERS, LLC	461	06/21/2024	CR	P79324	\$504.00
192794	HJ/CG PARTNERS, LLC	461	06/21/2024	CR	P79325	\$504.00
192796	HJ/CG PARTNERS, LLC	461	06/21/2024	CR	P79326	\$504.00
192792	HJ/CG PARTNERS, LLC	461	06/21/2024	CR	P79327	\$504.00
23401	HOOD MFG, INC.	3002	06/07/2024	VB	P78592	\$1,270.00
169219	JB STATION, INC.	203, 461, H&S 41960	06/07/2024	CL	P70475, P75736	\$3,372.00
175301	JC LIGHT INVESTMENTS, LLC	461	06/21/2024	VB	P79083	\$1,349.00
126553	LOWE'S HOME IMPROVEMENT WAREHOUSE	203	06/14/2024	VB	P78584	\$1,059.00
136195	M & J SHELL	461, H&S 41960.2	06/07/2024	VB	P79094	\$2,223.00
20280	METAL SURFACES INTERNATIONAL, LLC	1469	06/14/2024	CL	P79518	\$5,440.00
191779	MORGAN GASOLINE, INC.	201	06/14/2024	VB	P78653	\$937.00
10656	NEWPORT LAMINATES	3002	06/21/2024	VB	P78593	\$1,588.00
89248	OLD COUNTRY MILLWORK, INC.	3002	06/21/2024	VB	P78430	\$4,765.00
195892	ORD, INC.	1403	06/07/2024	CL	P70149	\$1,918.00
113091	P & M OIL COMPANY	203	06/07/2024	VB	P80655	\$2,418.00
163406	P.W. STEPHENS ENVIRONMENTAL, INC.	1403	06/14/2024	CL	P79106	\$5,742.00
165182	PARAMOUNT OIL, INC. (DBA "ALONDRA 76")	461	06/14/2024	CL	P74838	\$1,735.00
179110	PCH PACIFIC/MOBIL	203, 461	06/07/2024	VB	P78679, P79353	\$7,089.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
97869	PENA GRADING & DEMOLITION/AMH RECYCLING	1157, 1403, 40 CFR 61.145	06/21/2024	CL	P70501, P79855	\$2,541.00
800079	PETRO DIAMOND TERMINAL, CO.	203	06/07/2024	CL	P74071	\$5,295.00
151738	PIONEER CHEVRON	461	06/07/2024	VB	P78686	\$2,048.00
151448	QUALITY ENVIRONMENTAL, INC.	1403	06/14/2024	CL	P77551	\$2,418.00
184614	RADC ENTERPRISES, INC.	461	06/21/2024	CR	P80901	\$2,018.00
142642	SAND CANYON OIL CORPORATION	461	06/14/2024	VB	P79080	\$1,224.00
117019	SHERMAN CAR, INC.	203, 461, H&S 41960	06/12/2024	VB	P75718	\$2,341.00
135561	SHERMAN OAKS CAPITOL, LLC, & PASADENA	1415	06/14/2024	CL	P78036	\$1,021.00
201070	TRI POINT HOMES	403	06/14/2024	CL	P75436	\$2,018.00
187143	TTV CORP.	203, 461	06/07/2024	CR	P80611	\$2,522.00
143057	UNITED NO. 1, LLC	461, H&S 41960.2	06/14/2024	CL	P77745	\$3,298.00
133781	UNITED RENTALS, INC.	203	06/14/2024	VB	P70340	\$850.00
143205	US PETRO, INC. (DBA "CHEVRON FONTANA")	203	06/21/2024	VB	P76188	\$2,342.00
185602	VISSER BUS SERVICES, INC.	461	06/21/2024	CR	P78456	\$10,276.00
165070	WESTERN DIGITAL	201, 203	06/07/2024	CR	P77829	\$2,018.00
150150	WILSHIRE/WESTERN CONDOS, LLC	203	06/07/2024	CL	P76541	\$2,042.00
<b>Total MSPAP Settlements: \$168,225.00</b>						

## SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX FOR JUNE 2024 PENALTY REPORT

### REGULATION I - GENERAL PROVISIONS

Rule 109 Recordkeeping for Volatile Organic Compound Emissions

### REGULATION II - PERMITS

Rule 201 Permit to Construct

Rule 203 Permit to Operate

Rule 210 Applications

### REGULATION IV - PROHIBITIONS

Rule 403 Fugitive Dust

Rule 431.1 Sulfur Content of Gaseous Fuels

Rule 461 Gasoline Transfer and Dispensing

Rule 463 Storage of Organic Liquids

### REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1111 NOx Emissions from Natural-Gas-Fired, Fan-Type Central Furnaces

Rule 1118 Emissions from Refinery Flares

Rule 1133 Composting and Related Operations – General Administrative Requirements

Rule 1133.1 Chipping and Grinding Activities

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

Rule 1147 NOx Reductions from Miscellaneous Sources

Rule 1148.1 Oil and Gas Production Wells

Rule 1150.1 Control of Gaseous Emissions from Active Landfills

Rule 1155 Particulate Matter Control Devices

Rule 1157 PM10 Emission Reductions from Aggregate and Related Operations

Rule 1158 Storage, Handling and Transport of Petroleum Coke

Rule 1171 Solvent Cleaning Operations

Rule 1173 Fugitive Emissions of Volatile Organic Compounds

Rule 1178 Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities



**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX  
FOR JUNE 2024 PENALTY REPORT**

**REGULATION XIII - NEW SOURCE REVIEW**

Rule 1303        Requirements

**REGULATION XIV - TOXICS**

Rule 1403        Asbestos Emissions from Demolition/Renovation Activities

Rule 1415        Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems

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

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

Rule 2004        Requirements

Rule 2005        New Source Review for RECLAIM

Rule 2011        Protocol for Monitoring, Reporting, and Recordkeeping for Oxides of Sulfur (SO<sub>x</sub>) Emissions

Rule 2011        Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Sulfur (SO<sub>x</sub>) Emissions

Appendix A

Rule 2012        Protocol for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO<sub>x</sub>) Emissions

Rule 2012        Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO<sub>x</sub>) Emissions

Appendix A

**REGULATION XXIII - FACILITY BASED MOBILE SOURCE MEASURES**

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

**REGULATION XXX - TITLE V PERMITS**

Rule 3002        Requirements

**CODE OF FEDERAL REGULATIONS**

40 CFR 61.145    Standard for Demolition and Renovation

**CALIFORNIA HEALTH AND SAFETY CODE**

41960            Certification of Gasoline Vapor Recovery System

41960.2         Gasoline Vapor Recovery

**CALIFORNIA CODE OF REGULATIONS**

13 CCR 2454     Portable Equipment Registration Process

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

**Settlement Penalty Report (07/01/2024 - 07/31/2024)**

**Total Penalties**

Civil Settlement: \$329,330.50

Hearing Board Settlement: \$280,135.90

MSPAP Settlement: \$87,721.50

**Total Cash Settlements: \$697,187.90**

**Total SEP Value: \$0.00**

**Fiscal Year through 07/31/2024 Cash Total: \$697,187.90**

**Fiscal Year through 07/31/2024 SEP Value Only Total: \$0.00**

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
<b>Civil</b>						
198622	315 NORTH HARBOR BOULEVARD	1403, 40 CFR 61.145	07/09/2024	SP/JJ	P74800, P79501	\$7,500.00
182303	ANZA MANAGEMENT	1403, 40 CFR 61.145	07/17/2024	CL	P73624	\$3,100.00
200643	CEVA LOGISTICS	2305	07/17/2024	JL	O15060	\$5,000.00
201506	CEVA LOGISTICS	2305	07/24/2024	JL	O15077	\$11,000.00
201066	EL SUPER	2305	07/18/2024	RM	O15064	\$19,800.00
105190	FOUR TEAMS OIL PROD AND EXP, INC	203, 463, 1173	07/09/2024	JL	P73251, P73291, P75512	\$10,200.00
176035	HUY FONG FOODS, INC.	2305	07/05/2024	RM	O15012	\$5,000.00
201687	JAKKS PACIFIC	2305	07/19/2024	RM	O15085	\$19,800.00
201260	JBS LOGISTICS AND WAREHOUSING, LLC	2305	07/18/2024	RM	O15069	\$5,000.00
187476	KAO WAREHOUSE	2305	07/17/2024	JL	O15019	\$5,000.00
201376	KNOX LOGISTICS	2305	07/17/2024	ND	O15073	\$13,800.00
201232	KRAMERIA	2305	07/09/2024	JJ	O15068	\$5,000.00
193691	M & J DESIGN CORPORATION	3002	07/17/2024	ND	P73959	\$1,813.50

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
3029	MATCHMASTER DYEING & FINISHING, INC.	401, 402, 2004, 2012, 2012 Appendix A, H&S 41700	07/18/2024	MR	P60575, P63687, P64146, P65264, P65266, P65267, P65268, P66216, P66228, P67108, P67397, P68053, P68054, P68057, P74607, P74626, P76304	\$108,879.00
201083	MONSTER ENERGY COMPANY	2305	07/17/2024	JJ	O15097	\$9,000.00
131732	NEWPORT FAB, LLC	2004	07/11/2024	DH	P80252	\$3,513.00
118537	NIKRAD ENTERPRISES, INC.	461, H&S 41960	07/05/2024	RL	P74824	\$750.00
194820	PNG BUILDERS	403	07/02/2024	MR	P74011	\$550.00
201690	PRIVILEGE	2305	07/03/2024	JL	O15009	\$8,000.00
176754	PS 126 INVESTMENTS, LLC	203, 463	07/09/2024	EC	P69278, P73282, P73293	\$3,000.00
198466	RICHELLE BONILLA	1403, 40 CFR 61.145	07/05/2024	RM	P69176, P69177	\$500.00
17104	SO CAL EDISON CO	3002	07/18/2024	SH	P75308, P75425	\$5,000.00
169754	SO CAL HOLDING, LLC	463, 1173, 2004	07/18/2024	SH	P67934, P73346	\$14,000.00
150832	SUGAR FOODS CORP.	2305	07/05/2024	RM	O15084	\$5,000.00
198362	TURBO WHOLESALE TIRES, INC.	2305	07/09/2024	ND	O15041	\$5,000.00
800026	ULTRAMAR, INC.	203, 407, 1118, 3002, CFR 61.345	40 07/02/2024	DH	P75062	\$38,425.00
800288	UNIVERSITY OF CALIFORNIA, IRVINE	3002	07/24/2024	JL	P77828	\$1,800.00
201370	VIE LOGISTICS INCORPORATED	2305	07/19/2024	RM	O15072	\$2,000.00
14495	VISTA METALS CORPORATION	1470, 2004, 3002	07/02/2024	DH	P63827, P63835, P63839	\$11,900.00
<b>Total Civil Settlements: \$329,330.50</b>						
<b>Hearing Board</b>						
140373	AMERESCO CHIQUITA ENERGY, LLC	203, 431.1, 3002	07/23/2024	KER	6143-4	\$2,600.00
119219	CHIQUITA CANYON, LLC	431.1, 3002	07/23/2024	KER/MR	6177-4	\$277,535.90
<b>Total Hearing Board Settlements: \$280,135.90</b>						
<b>MSPAP</b>						
198496	3J CORP CORP	461	07/12/2024	CR	P79364	\$1,513.50
176159	6228 FRANKLIN (DBA "JOE'S SERVICE CENTER")	461, H&S 41960.2	07/05/2024	VB	P79052	\$2,836.00
181631	7-ELEVEN (#37067)	201	07/19/2024	CL	P73120	\$971.00
185084	AMERICAN OIL	203	07/19/2024	CR	P80614	\$1,009.00
183788	ANTHEM OIL , DOWNEY	461, H&S 41960.2	07/05/2024	VB	P78659	\$2,621.00
135179	ARCO AM/PM, LAKE FOREST	461	07/19/2024	CL	P70787, P79066	\$1,990.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
75513	ASSOCIATED READY MIXED CONCRETE, INC.	403	07/26/2024	VB	P73890	\$2,042.00
187100	BAYVIEW ENVIRONMENTAL SERVICES INC.	1403, 40 CFR 61.145	07/05/2024	CR	P79183	\$4,312.00
115566	CHEVRON	461	07/12/2024	CL	P77727	\$2,142.00
78293	DESERT FALLS COUNTRY CLUB	461	07/05/2024	CR	P79320	\$3,446.00
141144	EAGLE GLEN MOBIL	461, H&S 41960.2	07/05/2024	VB	P80554	\$3,018.00
194118	G&M OIL CO. (#197)	203	07/19/2024	CR	P80904	\$6,054.00
146405	HATHAWAY DINWIDDIE	403	07/26/2024	CM	P80259	\$2,018.00
154433	LBA REALTY FUND III, COMPANY IVE, LLC	203	07/12/2024	CL	P79703	\$922.00
191542	LIFE TIME ATHLETIC	222	07/26/2024	VB	P77811	\$2,913.00
122158	LOWES HOME IMPROVEMENT CENTER	203	07/05/2024	VB	P78908	\$1,009.00
182977	LQNN, INC. (DBA "LEE'S SANDWICHES)	203, 1147	07/05/2024	VB	P78586	\$5,650.00
197932	MARK G KAPLAN	1403	07/26/2024	VB	P75265	\$2,018.00
49380	MARRIOTT'S DESERT SPRINGS RESORT & SPA	461	07/26/2024	CM	P79333	\$2,018.00
180846	MONTEREY PARK AUTO COLLISION	1151	07/12/2024	CM	P74481	\$958.00
193896	NCK INDUSTRIES	1403	07/12/2024	CL	P79166	\$5,818.00
45095	OLTMANS CONSTRUCTION CO.	403	07/12/2024	CL	P78051	\$2,418.00
128079	RANCHO CUCAMONGA FIRE DEPT STATION #174	461	07/12/2024	VB	P78352	\$6,000.00
86132	RANCHO CUCAMONGA FIRE PROTECTION DISTRICT #5	461	07/12/2024	VB	P78356	\$6,000.00
141972	RANCHO FIRE STATION	461	07/12/2024	VB	P78355	\$6,000.00
185070	RIVERWALK CHEVRON	461, H&S 41960.2	07/19/2024	VB	P73142	\$4,098.00
183008	SIGNAL HILL PETROLEUM, INC.	203	07/26/2024	VB	P80708	\$1,009.00
195368	SUNRISE OF ORANGE PROPCO, LLC	203	07/19/2024	CL	P80254	\$969.00
201158	SYSTEM PAVERS LLC	403	07/26/2024	VB	P77816	\$2,913.00
392	TAYLOR DUNN MFG CO.	3002	07/12/2024	CL	P70338	\$3,036.00
<b>Total MSPAP Settlements: \$87,721.50</b>						

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**REGULATION II - PERMITS**

- Rule 201 Permit to Construct
- Rule 203 Permit to Operate
- Rule 222 Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II

**REGULATION IV - PROHIBITIONS**

- Rule 401 Visible Emissions
- Rule 402 Nuisance
- Rule 403 Fugitive Dust
- Rule 407 Liquid and Gaseous Air Contaminants
- Rule 431.1 Sulfur Content of Gaseous Fuels
- Rule 461 Gasoline Transfer and Dispensing
- Rule 463 Storage of Organic Liquids

**REGULATION XI - SOURCE SPECIFIC STANDARDS**

- Rule 1118 Emissions from Refinery Flares
- Rule 1147 NOx Reductions from Miscellaneous Sources
- Rule 1151 Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations
- Rule 1173 Fugitive Emissions of Volatile Organic Compounds

**REGULATION XIV - TOXICS**

- Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
- Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines

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

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

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX  
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**REGULATION XXX- TITLE V PERMITS**

Rule 3002 Requirements

**CODE OF FEDERAL REGULATIONS**

40 CFR 61.145 Standards for Demolition and Renovation

40 CFR 61.345 Standards for Containers

**CALIFORNIA HEALTH AND SAFETY CODE**

41700 Prohibited Discharges

41960 Certification of Gasoline Vapor Recovery System

41960.2 Gasoline Vapor Recovery

42402 Violation of Emission Limitations – Civil Penalty