



South Coast Air Quality Management District

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

STATIONARY SOURCE COMMITTEE MEETING **HYBRID MEETING**

Committee Members

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

**September 17, 2021 ♦ 12:00 p.m. ♦ Indian Wells Ballroom
44600 Indian Wells Lane, Indian Wells, CA 92210**

(Immediately following the Governing Board Retreat, but not before 12:00 p.m.)

PLEASE NOTE TIME AND LOCATION CHANGE

**Proof of vaccination or a negative COVID test within 72 hours prior to
start of meeting will be required for admittance into the meeting room.**

Proof of COVID-19 Vaccination includes:

- COVID-19 Vaccination Record Card (issued by the Department of Health and Human Services Centers for Disease Control & Prevention or WHO Yellow Card¹) which includes name of person vaccinated, type of vaccine provided and date doses administered); OR
- A photo of a vaccination card as a separate document; OR
- A photo of the vaccine card stored on a phone or electronic device; OR
- Documentation of vaccination from a healthcare provider; OR
- [Digital record](#) that includes a QR code that when scanned by a SMART Health Card reader displays to the reader: name, date of birth, vaccine dates and vaccine type

REMINDER: Mask wearing is required indoors during the event unless you are actively eating or drinking.

Pursuant to Governor Newsom's Executive Orders N-25-20 (March 12, 2020) and N-29-20 (March 17, 2020), the South Coast AQMD Stationary Source Committee meeting will be held on September 17, 2021 through a hybrid format of in-person and/or virtual attendance of the South Coast AQMD Board and staff in the Indian Wells Ballroom at the Hyatt Regency Indian Wells Resort & Spa, 44600 Indian Wells Lane, Indian Wells, California; and via videoconferencing and by telephone.

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION INFORMATION

(Instructions provided at bottom of the agenda)

Join Zoom Webinar Meeting - from PC or Laptop

<https://scaqmd.zoom.us/j/94141492308>

Zoom Webinar ID: 941 4149 2308 (applies to all)

Teleconference Dial In

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One tap mobile

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Spanish Language Audience Zoom Meeting ID: 932 0955 9643

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Spanish interpretation will be offered at the meeting.

Members of the public may participate either in person or electronically through Zoom or telephone but electronic participation is encouraged.

PUBLIC COMMENT WILL STILL BE TAKEN

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 attending in person, please provide a Request to Address the Committee card to the Committee Secretary if you wish to address the Committee on an agenda item. If no cards are available, please notify South Coast AQMD staff or a Board Member of your desire to speak. If on Zoom, 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 each.

CALL TO ORDER

ROLL CALL

INFORMATIONAL ITEMS (Items 1 through 2)

- 1. Annual Progress Report for AB 617 Community Emissions Reduction Plans (15 mins) Dan Garcia**
Planning and Rules Manager
(No Motion Required)
This report summarizes the implementation of Community Emissions Reduction Plan actions taken from September 2019 to June 2021 to reduce emissions in AB 617 communities designated in 2018 and 2019.
(Written Material Attached)

- 2. Summary of Proposed Rule 1109.1 – Emissions of Oxide Nitrogen from Petroleum Refineries and Related Operations, Proposed Rescinded Rule 1109 – Emissions of Oxides of Nitrogen from Boilers and Process Heaters in Petroleum Refineries, Proposed Rule 429.1 – Startup and Shutdown Provisions at Petroleum Refineries and Related Operations, Proposed Amended Rule 1304 – Exemptions, and Proposed Amended Rule 2005 – New Source Review for RECLAIM (45 mins) Susan Nakamura**
Assistant Deputy Executive Officer
Michael Morris
Planning and Rules Manager
Michael Krause
Planning and Rules Manager
(No Motion Required)
Staff will provide an update of Proposed Rule 1109.1, which establishes NOx and CO emission limits for combustion equipment at petroleum refineries and facilities with related operations, Proposed Rule 429.1, which exempts facilities subject to Proposed Rule 1109.1 from NOx and CO emission limits when units are starting up and shutting down, and Proposed Amended Rules 1304 and 2005, which provide a narrow BACT exemption for PM10 and SOx emission increases that can occur from installation of pollution controls needed to meet NOx limits under Proposed Rule 1109.1. Staff will summarize potential environmental and socioeconomic impacts associated with implementation of these proposed and proposed amended rules and discuss key remaining issues. Rule 1109 is proposed to be rescinded, as it is no longer needed if Proposed Rule 1109.1 is adopted.
(Written Material Attached)

WRITTEN REPORTS (Items 3 through 4)

- 3. Monthly Update of Staff's Work with U.S. EPA and CARB on New Source Review Issues for the Transition of RECLAIM Facilities to a Command and Control Regulatory Program** Susan Nakamura

(No Motion Required)

This is a monthly update on staff's work with U.S. EPA and CARB regarding New Source Review issues related to the RECLAIM transition.

(Written Material Attached)

- 4. Notice of Violation Penalty Summary** Bayron Gilchrist
(No Motion Required) General Counsel

This report provides the total penalties settled in July and August of 2021 which includes Civil, Supplemental Environmental Projects, Mutual Settlement Assessment Penalty Program, Hearing Board and Miscellaneous.

(Written Material Attached)

OTHER MATTERS

- 5. Other Business**

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

- 6. Public Comment Period**

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

- 7. Next Meeting Date:** Friday, October 15, 2021 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 prior to the meeting at South Coast AQMD's web page (www.aqmd.gov).

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION

Instructions for Participating in a Virtual Meeting as an Attendee

As an attendee, you will have the opportunity to virtually raise your hand and provide public comment.

Before joining the call, please silence your other communication devices such as your cell or desk phone. This will prevent any feedback or interruptions during the meeting.

Please note: During the meeting, all participants will be placed on Mute by the host. You will not be able to mute or unmute your lines manually.

After each agenda item, the Chairman will announce public comment.

A countdown timer will be displayed on the screen for each public comment.

If interpretation is needed, more time will be allotted.

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

Directions for Video ZOOM on a DESKTOP/LAPTOP:

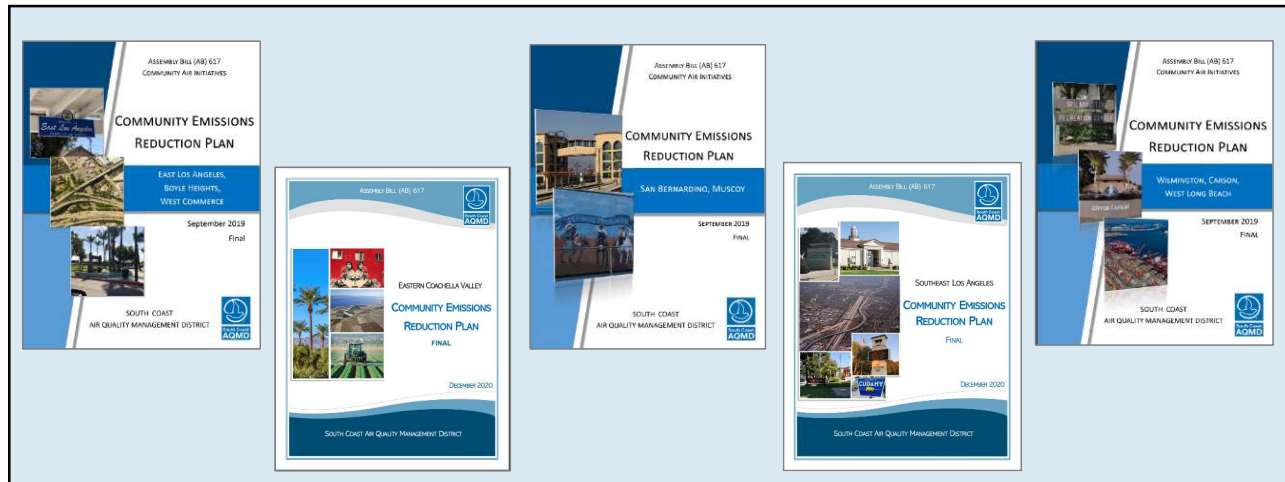
- If you would like to make a public comment, please click on the “**Raise Hand**” button on the bottom of the screen.
- This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for Video Zoom on a SMARTPHONE:

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

Directions for TELEPHONE line only:

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



2019-2021 ANNUAL PROGRESS REPORT – AB 617 COMMUNITY EMISSIONS REDUCTION PLANS

Stationary Source Committee
September 17, 2021



BACKGROUND: COMMUNITY EMISSIONS REDUCTION PLANS (CERPs)

2018 – Designated AB 617 Communities



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



San Bernardino, Muscody (SBM)



Wilmington, Carson, West Long Beach (WCWLB)

2019 – Designated AB 617 Communities



Eastern Coachella Valley (ECV)



Southeast Los Angeles (SELA)

Overview



AB 617* requires air districts to annually report the progress of CERP implementation



Report will be updated to include implementation totals to-date



Annual reports sent to CSC and CARB for review



CARB may suggest plan revisions to air districts

*Health and Safety Code §44391.2(c)(7)

Report Elements



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COMMUNITY MEETINGS AND OUTREACH (CERP IMPLEMENTATION)



- Each 2018-designated community held 8 CSC quarterly update meetings since September 2019
- 2019-designated communities held 14 CSC meetings since December 2020
- Continued CSC engagement includes:
 - One-on-one and small group meetings (e.g., phone calls, virtual platforms) in all AB 617 communities
 - CSC providing input on implementation & quarterly meeting topics
 - Informing CSC of various public meetings related to CERP implementation

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SUMMARY OF CERP ACTIONS

Summary of actions and goals requiring implementation efforts from September 6, 2019 to June 30, 2021

	East LA, Boyle Heights, West Commerce	San Bernardino, Muscoy	Wilmington, Carson, West Long Beach	Southeast Los Angeles	Eastern Coachella Valley
Actions and Goals*	38	42	64	18	37
Initiated or Ongoing	25	27	46	11	35
Completed	2	3	8	4	0

*Deliverable required by each CERP from September 2019 to June 2021

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IMPLEMENTATION HIGHLIGHTS: 2018 – DESIGNATED COMMUNITIES

Enforcement

- 25 truck idling sweeps conducted resulting in **817 trucks inspected**

Air Monitoring

- Development of a **Community Air Monitoring Display Tool** for each community
- Ongoing mobile air monitoring since June 2019 to implement various actions

Collaborations

- South Coast AQMD and CARB staff are collaborating to initiate **installation of "No Idling" signs** (in ELABHWC & WCWLB) and conduct an **Automated License Plate Recognition (ALPR)** System pilot study (ELABHWC & SBM)

Incentives

- CSCs developed a school **prioritization list for air filtration system** installations
- **Participatory budgeting** meetings for Year 3 Community Air Protection Program (CAPP) Funds

Outreach

- Several education program **outreach events through CAPES and WHAM** in all communities
- **Outreach to the Neighborhood Councils** to provide an overview of truck idling enforcement and reporting air quality complaints

Rules and Regulations

- CARB Board approved the **Advanced Clean Truck Rule**
- South Coast AQMD Board adopted **Rule 2305 – Warehouse Indirect Source Rule (ISR)** in May 2021

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IMPLEMENTATION HIGHLIGHTS: 2019 – DESIGNATED COMMUNITIES

Enforcement

- South Coast AQMD received **96 complaints for rendering facilities**, resulting in facility inspections and 3 Notices of Violation (NOV)

Air Monitoring

- Participated in **8 Monitoring Working Team (MWT) meetings** that have been held to discuss potential monitoring locations in ECV

Collaborations

- Initiated **partnership with CARB, Department of Pesticides Regulation (DPR), the Office of Environmental Health Hazard Assessment (OEHHA), and the Riverside County Agricultural Commissioner** to address CSC concerns related to pesticides

Incentives

- CSC developed a **school prioritization list** for future air filtration system installations
- **Participatory budgeting** meetings for Year 3 CAPP Funds

Outreach

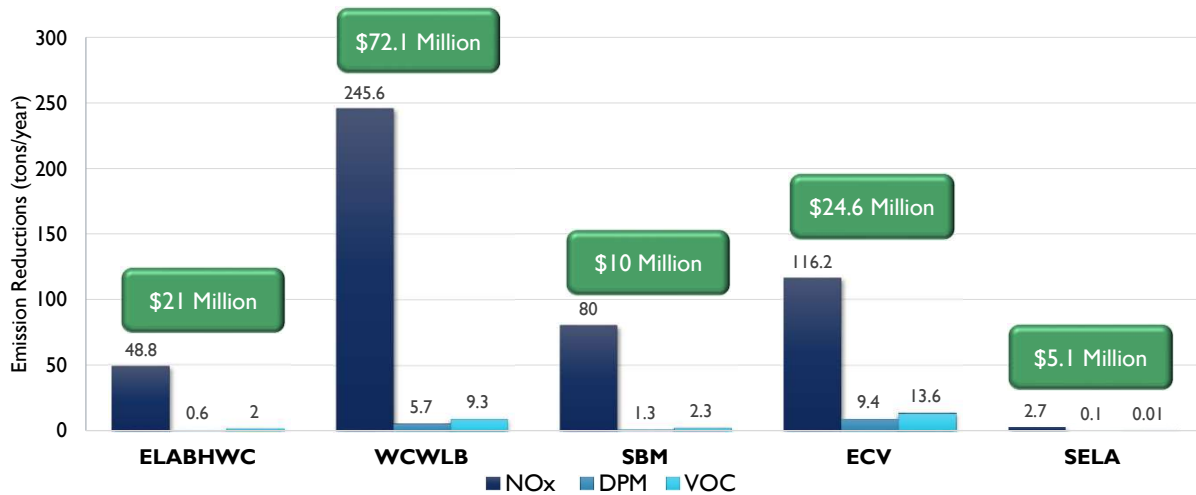
- Worked with the CSC to identify approximately 10 local fleets and small businesses to provide **information on incentive funding for zero-emission technology** in SELA
- Presented at a **DPR and U.S. EPA Pesticides Workshop** for ECV

Rules and Regulations

- CARB Board adopted the **Advanced Clean Truck Rule**
- South Coast AQMD Board adopted **Rule 2305 – Warehouse Indirect Source Rule (ISR)** in May 2021

TOTAL INVESTMENT IN MOBILE SOURCE INCENTIVES*

Approximate Emission Reductions** based on Total Investment



*Includes Year 1, Year 2, and Year 3 CAPP funds allocated to mobile source projects (including infrastructure projects)

**Emission reductions are calculated based on the [Carl Moyer Program Guidelines](#) and [Proposition 1B Program Guidelines](#) and reflect the total anticipated emission reductions from the allocated mobile source incentives; however, some of these projects have yet to be fully implemented and achieve emission reductions

EXPECTED EMISSION REDUCTION ACHIEVEMENTS

- Mobile source incentive projects account for the following percentages based on the five-year milestones* from initial CERP adoption

AB 617 Community	NOx Milestone Target Reductions Achieved	DPM Milestone Target Reductions Achieved
ELABHWC	34%	50%
SBM	107%	151%
WCWLB	41%	63%
ECV	215%	392%
SELA	2%	--

* 2024 is the milestone year for 2018 – designated communities and 2025 is the milestone year for 2019 – designated communities

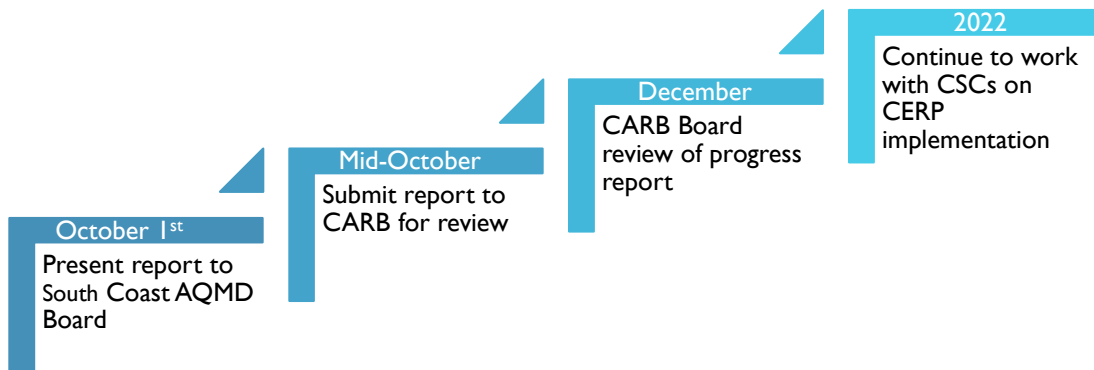
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CSC COMMENTS

CSC Comment	Staff Response
CSC members requested an opportunity to provide input on metrics for tracking CERP implementation progress in the future	The report includes a commitment to gather CSC input on tracking CERP implementation progress in advance of developing future annual progress reports
Provide additional clarification on the methodology to calculate emissions reductions related to mobile source incentive projects	The emission reductions presented in this report reflect the total anticipated emission reductions from allocated mobile source incentives
Provide a detailed status update of all actions, goals, and strategies in the ECV CERP	Staff will post CARB's AB 617 Annual Progress Reporting templates to the AB 617 webpage that details the status of CERP actions, goals and strategies

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NEXT STEPS



Summary of

Proposed Rule 1109.1 – Emissions of Oxide Nitrogen from Petroleum Refineries and Related Operations,

Proposed Rescinded Rule 1109 – Emissions of Oxides of Nitrogen from Boilers and Process Heaters in Petroleum Refineries,

Proposed Rule 429.1 – Startup and Shutdown Provisions at Petroleum Refineries and Related Operations,

Proposed Amended Rule 1304 – Exemptions, and

Proposed Amended Rule 2005 – New Source Review for RECLAIM



STATIONARY SOURCE COMMITTEE
SEPTEMBER 17, 2021

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Background

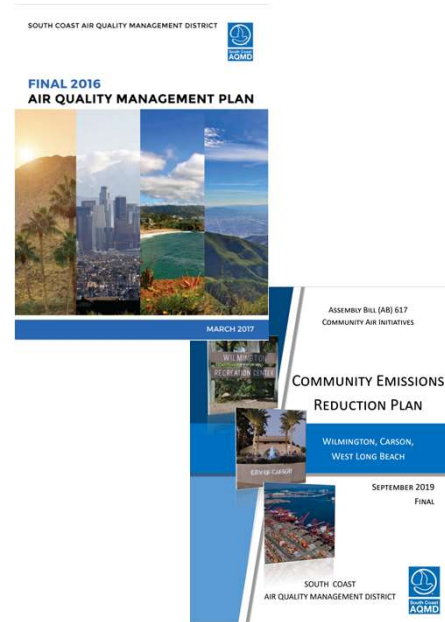
- Proposed Rule 1109.1 (PR 1109.1) applies to nine petroleum refineries and seven small refineries and related operations
- PR 1109.1 establishes NO_x BARCT limits for nearly 300 pieces of combustion equipment
- Staff briefed Stationary Source Committee in:
 - September 2020
 - February 2021
 - March 2021
 - June 2021



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Regulatory and Other Commitments

- 2016 AQMP
 - Adoption Resolution directed staff to transition NOx RECLAIM facilities to command-and-control with an additional 5 tons per day
- AB 617 – Approved in 2017
 - Requires expedited BARCT by December 31, 2023
 - Highest priority given for sources that have not modified emissions-related permit conditions for the greatest period of time
 - Three petroleum refineries located in the AB 617 Community of Wilmington, Carson, West Long Beach
 - The Community Emission Reduction Plan seeks 50 percent reduction (3-4 tons per day) in NOx from refinery operations by 2030



Overview of Rulemakings Related to PR 1109.1

Proposed Rule 1109.1

- Establishes NOx and CO emission limits for combustion equipment at petroleum refineries and facilities with operations related to petroleum refineries

Other Rulemakings to Support PR 1109.1

Proposed Rule 429.1

Provides exemptions from PR 1109.1 NOx concentration limits when units are starting up and shutting down, and certain maintenance activities

Proposed Amended Rules 1304 and 2005

Provides a narrow NSR exemption for installation of BARCT controls related to the RECLAIM transition

Proposed Rescinded Rule 1109

Existing rule for large refinery boilers and heaters that is proposed to be rescinded

PR 1109.1 Rulemaking Process



*PARs 1304 and 2005 rulemaking process conducted as part of Regulation XIII Monthly Working Group Meetings

Stakeholder Meetings in 2021

Chevron	Marathon	Phillips 66	Torrance	Valero
Feb 19	Jan 27	Feb 16	Jan 29	Jan 29
Feb 26	Feb 17	Mar 4	Feb 12	Feb 24
April 1	Feb 24	Mar 31	Feb 26	Apr 16
May 20	Mar 9	July 15	Mar 12	May 5
June 16	Mar 23	July 23	Mar 24	May 19
July 14	May 13	Aug 12	Apr 9	June 2
Aug 5	July 27	Aug 13	Apr 28	July 27
Sep 2	Aug 4	Sep 7	May 18	Aug 4
Sep 10	Aug 5		June 1	Aug 12
	Aug 11		June 16	Sep 1
			July 1	
			July 13	
			July 20	
			July 27	
			Aug 3	
			Aug 10	
			Aug 17	
			Aug 24	
			Aug 31	
			Sep 7	
			Sep 14	

Meetings with Environmental Groups and WSPA



Environmental Groups¹

February 26	June 25	September 3
March 17	July 16	September 10
April 2	July 23	
April 16	July 23	
April 30	July 30	
May 14	August 10	
May 28	August 12	
June 11	August 27	



WSPA

May 20	July 23
June 18	July 30
June 24	August 6
July 1	Sep 10
July 8	
July 16	
July 23	

¹ Biological Diversity, Coalition for Clean Air, Earth Justice, Communities for a Better Environment, Natural Resources Defense Council and East Yard Communities for Environmental Justice

Applicability



9 Petroleum Refineries

- Chevron
- Marathon (Carson)
- Marathon (Wilmington)
- Marathon – Calciner
- Marathon – Sulfur Recovery Plant
- Phillips 66 (Carson)
- Phillips 66 (Wilmington)
- Torrance Refining Company
- Ultramar (Valero)



3 Small Refineries

- Asphalt Refineries
- Lunday-Thagard DBA World Oil Refining
 - Valero Wilmington Asphalt Plant

- Biodiesel Refinery
- Alt Air Paramount



4 Related Operations

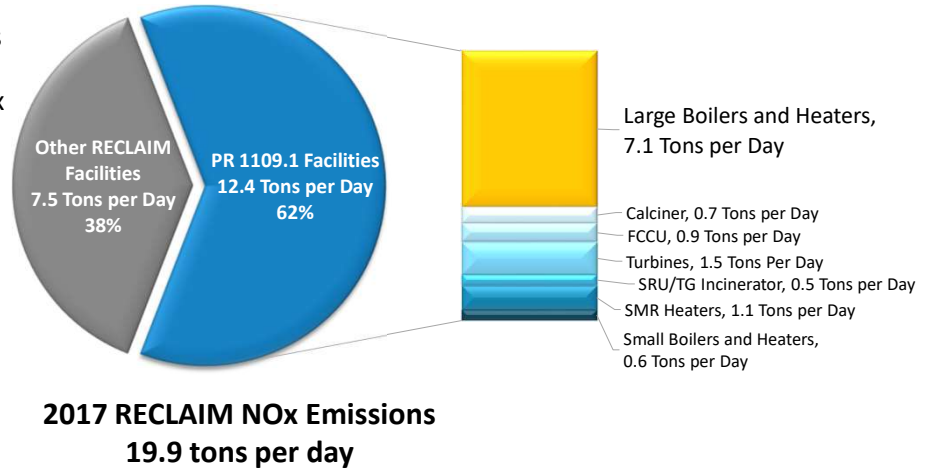
- Hydrogen Plants
- Air Liquide Large Industries
 - Air Products and Chemicals (Carson & Wilmington)

- Sulfuric Acid Plant
- Eco Services Operations

Applies to more than 300 pieces of combustion equipment

PR 1109.1 2017 Baseline Emissions (Tons per Day)

- PR 1109.1 facilities represent 62 percent of the NOx emissions in RECLAIM
- NOx emissions from large boilers and heaters (≥ 40 MMBtu/hour) represent 58% of the PR 1109.1 baseline emissions



Core Requirements

- Operators must meet NOx limits in Table 1
- If the conditional requirements can be met, operators can meet Table 2 “conditional NOx limits” in lieu of Table 1 limits
- Conditional NOx limits were developed to acknowledge achieving Table 1 NOx limits for some units have:
 - A high cost-effectiveness due to high capital cost and/or low emission reduction potential
- Incorporating the Conditional NOx limits reduced the average cost-effectiveness to \$50,000 per ton of NOx reduced for equipment categories

TABLE 1: NOx AND CO EMISSION LIMITS

Unit	NOx (ppmv)	CO (ppmv)	O ₂ Correction (%)	Rolling Averaging Time ¹
Boilers <40 MMBtu/hour	Pursuant to paragraph (d)(3)	400	3	24-hour
Boilers ≥ 40 MMBtu/hour	5	400	3	24-hour
FCCU	2	500	3	365-day
	5			7-day
Flares	20	400	3	2-hour
Gas Turbines fueled with Natural Gas	2	130	15	24-hour
Gas Turbines fueled with Gaseous Fuel other than Natural Gas	3	130	15	24-hour
	5			365-day
Petroleum Coke Calciner		2,000	3	

TABLE 2: CONDITIONAL NOx AND CO EMISSION LIMITS

Unit	NOx (ppmv)	CO (ppmv)	O ₂ Correction (%)	Rolling Averaging Time ¹
Process Heaters <40 MMBtu/hour				
Process Heaters ≥ 40 MMBtu/hour	7.5	400	3	24-hour
SMR Heaters	8	500	3	365-day
SMR Heaters with Gas Turbine	16			7-day
SRU/TG Incinerators	2.5	130	15	24-hour
Sulfuric Acid Furnaces	18	400	3	24-hour
Vapor Incinerators	22	400	3	24-hour
	7.5	400	3	24-hour
	40	400	3	24-hour

¹ Averaging times apply to units operating a certified CEMS and shall be calculated pursuant to Attachment A of this rule. Requirements, including averaging times, for units without CEMS are specified in subdivision (3).

² Averaging times apply to units operating a certified CEMS and shall be calculated pursuant to Attachment A of this rule. Requirements, including averaging times, for units without CEMS are specified in subdivision (3).

Table 1 NOx Limits and Table 2 Conditional NOx Limits¹

- NOx limits developed through robust BARCT analysis consistent with state law
- Incorporated facility provided cost data
- Cost-effectiveness for all categories ≤ \$50,000 per ton, with the allowance of Table 2 Conditional Limits
- Incremental cost-effectiveness for 2 ppm for large boilers and heaters was >>\$50,000 per ton

Unit	Table 1 NOx (ppmv) ¹	Table 2 Conditional NOx (ppmv) ¹
Boilers ≥40 to <110 MMBtu/hour	5	
Boilers ≥110 MMBtu/hour		7.5
Process Heaters ≥40 to <110 MMBtu/hour		18
Process Heaters ≥110 MMBtu/hour		22
Boilers <40 MMBtu/hour	5	
Process Heaters <40 MMBtu/hour	9	
FCCU	2	8
	5	16
Flares	20	
Gas Turbines fueled with Natural Gas	2	2.5
Gas Turbines fueled other than Natural Gas	3	
Petroleum Coke Calciner	5	
	10	
SMR Heaters	5	7.5
SMR Heaters with Gas Turbine	5	
SRU/TG Incinerators	30	
Sulfuric Acid Furnaces	30	
Vapor Incinerators	30	40

¹ Refer to PR 1109.1 Table 1 and Table 2 for percent oxygen correction and rolling averages

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Table 2 Conditional NOx Limits

- Conditional limits reduce the average cost-effectiveness and address outlier units
- Recognizes units that are achieving NOx levels near the Conditional Limits
 - These units have existing pollution controls such as Selective Catalytic Reduction (SCR)
- Designed to encourage early reductions
 - Requires permit application by July 1, 2022
- PR 1109.1 includes provisions for “pre-qualified” units – early permit submittal is not required for pre-qualified units

Conditions for Using Table 2 NOx Limits

- Table 2 Conditional Limits can be used if:
 - Permit to Construct was not issued on or after December 4, 2015 for post combustion controls
 - Potential NOx reductions is less than:
 - 10 tons per year for boilers or process heaters 40 and 110 MMBtu/hour
 - 20 tons per year for boilers and process heaters ≥110 MMBtu/hour
 - Unit does not have a permit limit or is not currently performing at or below the applicable Table 1 NOx limit
 - Unit will not be decommissioned
- New SCRs should meet Table 1 NOx Limit

Units with large potential reductions should meet Table 1 NOx Limit
- Unit already achieving Table 1 NOx Limit

Unit will be shutdown

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PR 1109.1 Implementation Considerations

- Refineries competing for same pool of skilled labor, equipment manufacturers, source testing companies, etc.

- Integrating projects in refinery turnaround schedules minimizes fuel supply disruptions
- Most turnaround schedules are 3 to 5 years, a few are 9 to 10 years



- ~75 new selective catalytic reduction (SCR) projects
- ~25 SCR upgrades projects
- SCR projects customized and require complex engineering
- Challenging to integrate within existing facility structure
- Capital costs for each project \$10 to \$70 million
- Cost per petroleum refinery ranges from \$179 million to \$1 billion

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Key Elements in PR 1109.1 to Address Complexity and Cost-Effectiveness

I-Plan



I-Plan – Phased implementation that seeks the earliest reductions and acknowledges individual refinery turnaround schedules

Conditional Limits



Table 2 Conditional Limits – Recognizes high cost-effectiveness for certain units to meet Table 1 NOx limits

B-Plan



B-Plan – Achieves BARCT concentration in aggregate – same reductions as direct compliance with Table 1 and Table 2

B-Cap



B-Cap – Achieves same BARCT emission reductions as direct compliance with Table 1 and Table 2

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Implementation Plan (i-Plan) and BARCT Equivalent Compliance Plans (B-Plan and B-Cap)

- I-Plan provides an alternative implementation schedule
- B-Plan and B-Cap provides options to achieve BARCT in the aggregate



I-Plan

- I-Plan is a phased implementation schedule
- Allows operators to tailor the implementation schedule to meet NOx limits to minimize operational disruptions



B-Plan

- B-Plan is a BARCT equivalent concentration plan
- Allows operators to select NOx concentration limits that are equivalent to BARCT in the aggregate



B-Cap

- B-Cap is a BARCT equivalent mass cap
- Requires operators to accept a "not to exceed" NOx emission limit for each unit
- Allows facilities to take credit for equipment that is shutdown



- I-Plan is an alternative implementation schedule
- Designed to allow refineries to implement projects within their turnaround schedules
- Designed to achieve the most NOx reductions in Phase I
- Option 2 and 3 are for facilities that have already made reductions
- Later dates are needed for certain units that have longer turnarounds

I-Plan Options	Provision	Phase I	Phase II	Phase III
I-Plan Option 1 B-Plan Only	Percent Reduction Targets	80	100	
	Permit Application Submittal Date	January 1, 2023	January 1, 2031	
	Compliance Date	No later than 36 months after a Permit to Construct is issued		
I-Plan Option 2 B-Plan Only Facility Must Meet 0.02 lb/MMBtu Based on 2021 emissions	Percent Reduction Targets	65	100	
	Permit Application Submittal Date	January 1, 2024	January 1, 2030	
	Compliance Date	No later than 36 months after a Permit to Construct is issued		
I-Plan Option 3 B-Plan or B-Cap Facility Must Meet 0.02 lb/MMBtu Based on 2021 emissions	Percent Reduction Targets	50	100	
	Permit Application Submittal Date	January 1, 2025	January 1, 2029	
	Compliance Date	No later than 36 months after a Permit to Construct is issued		
I-Plan Option 4 B-Cap Only	Percent Reduction Targets	50 to 60 (Still Developing)	80	100
	Permit Application Submittal Date	N/A	January 1, 2025	January 1, 2028
	Compliance Date	January 1, 2024	No later than 36 months after a Permit to Construct is issued	
I-Plan Option 5 B-Plan Only	Percent Reduction Targets	50	70	100
	Permit Application Submittal Date	January 1, 2023	January 1, 2025	July 1, 2028
	Compliance Date	No later than 36 months after a Permit to Construct is issued		

PR 1109.1 Estimated NOx Reductions

- PR 1109.1 expected to achieve 7.7 – 7.9 tpd NOx reductions
- Estimated to achieve more than 70% reduction in NOx emissions from boiler and process heater categories
- Range of emission reductions for large boilers and process heaters reflects units that can potentially meet Table 2 Conditional NOx Limits

Equipment Type	2017 NOx Baseline Emissions (tpd)	Potential NOx Emission Reductions (tpd)
Boilers and Process Heaters ≥40 MMBtu/hr	7.1	5.0 to 5.2 ⁽¹⁾
Boilers and Process Heaters <40 MMBtu/hr	0.64	0.47 ⁽²⁾
FCCU	0.83	0.4
Gas Turbine	1.4	0.4
Petroleum Coke Calciner	0.71	0.68
SMR Heaters	1.1	0.6
SRU/TG Incinerator	0.43	0.1
Sulfuric Acid Plants	0.1	0
Vapor Incinerators	0.05	0.02
Total	12.4	7.7 to 7.9

¹ Estimated reductions based on units anticipated to meet conditional limits

² Includes projected NOx emission reductions from end-of-life burner replacement and emerging technologies

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Other Rule Requirements

Interim Emission Limits	}	<ul style="list-style-type: none"> • PR 1109.1 includes interim NOx and CO emission limits to prevent backsliding once a facility exits RECLAIM but before each rule limit takes effect
Continuous Emissions Monitoring System (CEMS)		<ul style="list-style-type: none"> • All units >40 MMBtu/hour are required to install and maintain certified CEMS
Source Testing Requirements		<ul style="list-style-type: none"> • Units <40 MMBtu/hour units will be required to demonstrate compliance through annual source testing • Small vapor incinerators will only require test every 36 months
Diagnostic Emission Checks		<ul style="list-style-type: none"> • Units only required to source test every 36 months will be required to conduct annual diagnostic emission checks
Monitoring, Recordkeeping & Recording		<ul style="list-style-type: none"> • PR 1109.1 includes rigorous monitoring, recordkeeping and recording requirements

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Proposed Rule 429.1 - Startup and Shutdown Provisions at Petroleum Refineries and Related Operations

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Background

- Proposed Rule 429.1 exempts PR 1109.1 facilities from the NO_x or CO emission concentration limits during startup, shutdown, initial commissioning, and certain maintenance activities
- During startup and shutdown a unit is not operating at steady-state conditions and operators cannot meet the NO_x and CO concentration limits in PR 1109.1
 - Temperature is not high enough for pollution control equipment
 - Fuel balance is unstable
- Proposed NO_x and CO concentration limits in PR 1109.1 are based on steady-state conditions
- PR 429.1 establishes duration limits and other requirements to minimize mass emissions during startup and shutdown

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Approach for Establishing Startup and Shutdown Duration Limits

Step 1: Assessment of duration limits in existing permits

Step 2: Established initial duration limits needed for each equipment category based on existing permits and consistent with safe operating practices

Step 3: Evaluated individual startup and shutdown data for units that were longer than duration limits in Step 2

Step 4: Based on evaluation of information received in Step 3

- Created a subcategory; or
- Extended the time for the overall equipment category

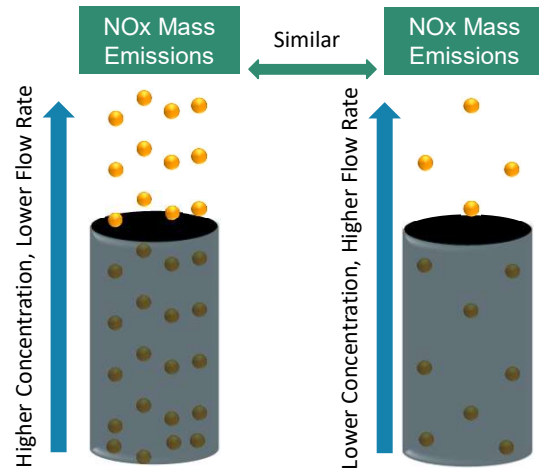
Startup and Shutdown Duration Limits

- Duration limits apply when a unit exceeds PR 1109.1 NOx or CO concentration limits
- Startup shall not last longer than the time to reach:
 - Stable conditions; and
 - The minimum operating temperature of NOx post-combustion control equipment
- Longer time periods reflect large and/or complex systems with multiple steps to startup or shutdown properly
- Must provide adequate time so operator does not need to re-initiate the startup process

Unit Type	Time Allowed When Emissions Exceed Rule 1109.1 Emission Limits (Hours)
<ul style="list-style-type: none"> • Boilers and Process Heaters without NOx Post-Combustion Controls • Gas Turbines • Flares • Vapor Incinerators without NOx Post-Combustion Control Equipment or without Castable Refractory 	2 hours
<ul style="list-style-type: none"> • Vapor Incinerators with NOx Post-Combustion Control Equipment • Vapor Incinerators with Castable Refractory 	20 hours
<ul style="list-style-type: none"> • Boilers and Process Heaters with NOx Post-Combustion Controls • Steam Methane Reformer Heaters • Sulfuric Acid Furnaces 	48 hours
<ul style="list-style-type: none"> • Steam Methane Reformers with Gas Turbine 	60 hours
<ul style="list-style-type: none"> • FCCUs • Petroleum Coke Calciners • SRU/TG Incinerators 	120 hours

Higher NOx Concentrations Does Not Necessarily Yield Higher Mass Emissions

- Continuous Emissions Monitoring Systems measure **NOx Mass Emissions** using two main components:
 - **Stack flow rate through the stack**
 - **NOx concentration in the stack**
- During startup and shutdown the NOx concentration is higher, but stack flow is much lower
- An increase in NOx concentration does not necessarily yield the same increase in NOx mass emissions during these events
- As a unit reaches stable conditions and the stack flow rate increases, the NOx concentration will approach the PR 1109.1 limit



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Maximum Frequency of Scheduled Startups

Unit Type	Maximum Annual ¹ Scheduled Startups for Each Unit
<ul style="list-style-type: none"> • Boiler • Flare • Gas Turbine • Process Heater 	<ul style="list-style-type: none"> • Steam Methane Reformer Heater • Sulfuric Acid Furnace • Vapor incinerator
<ul style="list-style-type: none"> • FCCU • Petroleum Coke Calciner • SRU/TG Incinerator 	3

¹ Based on a calendar year

- PR 429.1 limits the number of scheduled or planned startups each year
- Limitation on scheduled startups applies after the facility transitions out of RECLAIM
- Scheduled startups do not include:
 - Response to demand
 - Unscheduled maintenance
 - Equipment failure
 - Breakdowns or malfunctions

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Other Proposed Provisions

Catalyst Maintenance

- Applies to units with a bypass stack or ducting that exists prior to the date of rule adoption
- Limited to conditioning, repairing, or replacing the catalyst in NOx post-combustion control equipment
- Provision includes an hour limit, minimum operating rates, and monitoring, reporting, and notification requirements

Recordkeeping

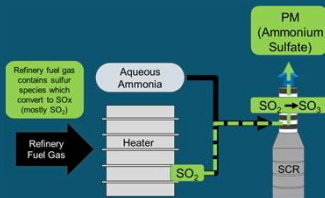
- Added requirements to for an operating log and other records for compliance verification
- Required to be maintained onsite for 5 years

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Proposed Amended Rule 1304 –
Exemptions
Proposed Amended Rule 2005 –
New Source Review for RECLAIM

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Need for Proposed Amended Rules 1304 and 2005



- During the development of PR 1109.1, it was recognized that installation of Selective Catalytic Reduction (SCR) systems could potentially trigger NSR requirements
- BACT requirements would be triggered for:
 - PM₁₀ under Regulation XIII – New Source Review, and
 - SO_x under Rule 2005 – New Source Review for RECLAIM
- Would require operators to reduce the sulfur content in refinery fuel gas to BACT
 - Sulfur clean up in the refinery fuel gas can cost over \$100 million
- Sulfur content in refinery fuel gas can be addressed when transitioning SO_x RECLAIM facilities

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Proposed Narrow BACT Exemption

- Staff worked with CARB and U.S. EPA to develop the proposed BACT exemption
 - Other California air districts have similar exemption to ensure implementation of BARCT is not impeded
- Staff is proposing a narrow BACT exemption for PM₁₀ and SO_x emission increases associated with air pollution control equipment installations to comply with NO_x BARCT rules as part of the RECLAIM transition
 - Ensures NO_x reductions can be achieved under PR 1109.1

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Limitations for Proposed BACT Exemption

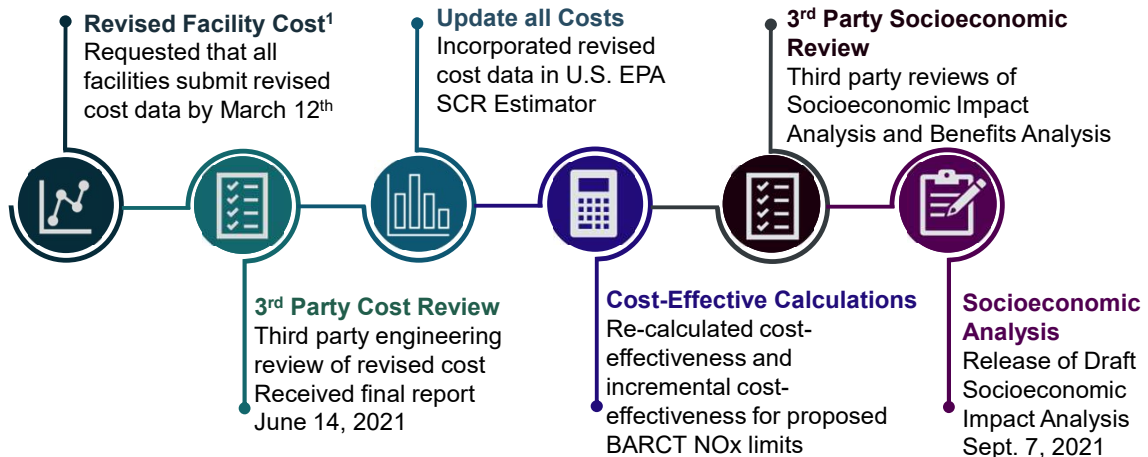
- Projects with PM10 and/or SOx emission increases associated with:
 - Installation or modification of add-on air pollution control equipment; or
 - Replacement of basic equipment that is combined with the installation or modification of add-on air pollution control equipment
- Must be needed to comply with a command-and-control NOx BARCT limit to transition from RECLAIM program
- No increase in total capacity
- Emission increases that do not cause an exceedance of any state or national ambient air quality standard
- Projects that do not trigger federal major NSR

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Socioeconomic Impact Analysis

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Socioeconomic Analyses



¹ Received new or revised cost for over 100 units (originally received cost for 58 units).

PR 1109.1 Socioeconomic Analysis

Key Elements of Socioeconomic Analysis

- Affected facilities;
- Range of probable costs, including industry costs;
- Emission reduction potential;
- Availability and cost-effectiveness of alternatives to proposed rule;
- Regional employment and the economic impacts; and
- Need for rule adoption



Additional Elements for Socioeconomic Analysis

- Release Draft Socioeconomic Analysis 60 days before Public Hearing¹
- Third party consultant analysis of downstream impacts on fuel-prices²
- Public health benefits
- Three third-party reviews of:
 - Cost data
 - Socioeconomic impact analysis
 - Public health benefits assessment

¹ South Coast AQMD is required to prepare a socioeconomic impact assessment, released 30 days before a public hearing

² Dr. Erich Muehlegger, Associate Professor, UC Davis, publications on cost pass-through in the U.S. oil refinery sector

Socioeconomic Impact Analysis

- Socioeconomic Impact Assessment and 3rd Party Reviews released September 7, 2021
 - Total cost estimated to be \$2.3 billion (net present value)
 - Estimated average annual costs of \$133 million per year
- Local price of gasoline is projected to increase by less than one cent per gallon
- Average annual regional job impacts are projected increase by 213 jobs per year
 - In general, job gains are in the construction sector due to construction and installation of NOx control equipment
 - Job gains from construction is expected to outweigh any negative impacts on affected industries
- Monetized public health benefits estimated to be \$2.6 billion (net present value)
 - Public health benefits include approximately 370 premature deaths avoided, 6,200 asthma attacks avoided, and 21,400 work loss days avoided

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Key Issues

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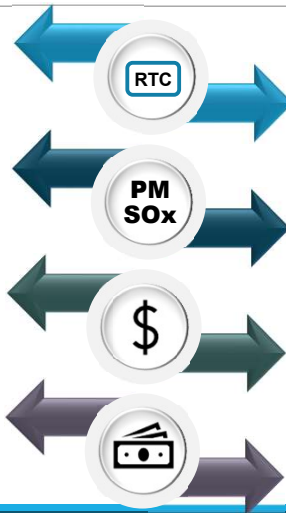
Key Issues Resolved During the Rulemaking

Key Issue #1: Retain RECLAIM as a bridge and allow use of RECLAIM Trading Credits (RTCs) for PR 1109.1

Key Issue #2: BACT requirements for co-pollutant emissions when installing SCR

Key Issue #3: Cost analysis should use most updated cost estimates from affected facilities

Key Issue #4: Compliance flexibility is needed to address the high capital cost of PR 1109.1



Response #1: Established Interim NOx limits as a bridge and industry representatives agreed to implement PR 1109.1 without RTCs

Response #2: Rules 1304 and 2005 include a narrow BACT exemption for co-pollutants when installing SCR systems

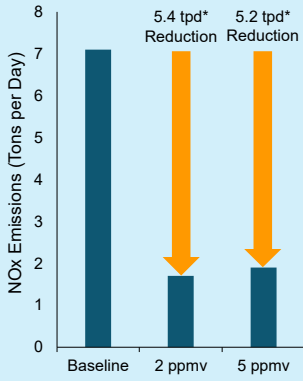
Response #3: Cost-effectiveness and incremental cost-effectiveness re-assessed based on revised facility cost data


Response #4: PR 1109.1 includes the I-Plan, B-Cap, and B-Plan, along with Table 2 NOx limits

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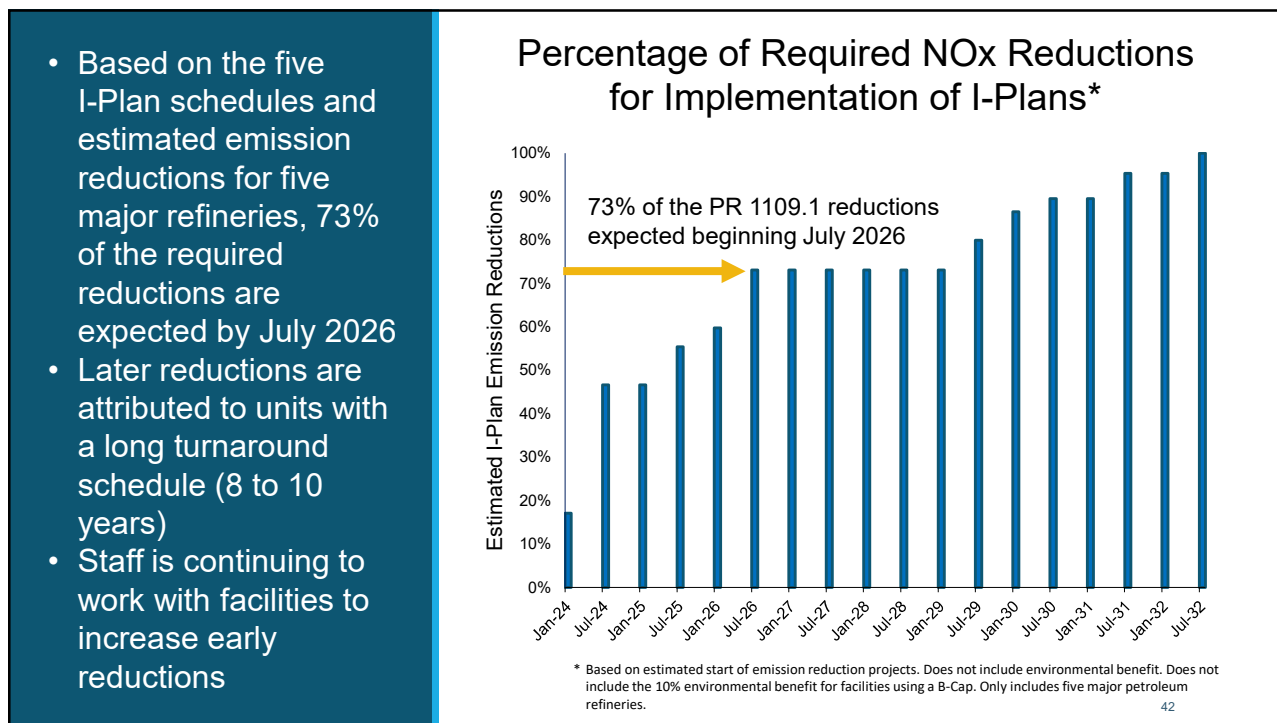
Key Issue #1	Exemption from Rule 1109.1 Concentration Limits During Startup and Shutdown
Comment	Response
<ul style="list-style-type: none"> • Startup, shutdown, and malfunction (SSM) exemptions are unlawful under the federal Clean Air Act • Refineries must be held accountable to PR 1109.1 during non-compliance periods that are a result of inadequate equipment maintenance, operator error, or other negligence 	<ul style="list-style-type: none"> • U.S. EPA's 2020 SSM policy states that SSM exemptions may be permissible if rule is collectively protective of the national ambient air quality standards • PR 429.1 contains duration limitations and other requirements during startup and shutdown • Provisions for equipment breakdowns are addressed in Rule 430 – Breakdown Provisions • Rule 430 does not provide exemptions for non-compliance that are a result of operator error, neglect, or improper operation or maintenance procedures

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Key Issue #2	2 ppmv Versus 5 ppmv for Large Boilers and Heaters													
Comment	Response													
<ul style="list-style-type: none"> The NOx limit for large boilers and heaters should be 2 ppmv instead of 5 ppmv PR 1109.1 should seek all emission reductions 	<ul style="list-style-type: none"> Staff conducted a rigorous BARCT assessment that evaluated a 2 ppmv NOx limit for large boilers and heaters To achieve 2 ppmv, some units will require ultra-low NOx burners with SCRs or multiple SCRs in series Consistent with Health and Safety Code Section 40920.6, staff determined that a 2 ppmv NOx limit was not incrementally cost-effective <ul style="list-style-type: none"> Incremental cost-effectiveness from 2 ppmv to 5 ppmv \$159,000 to \$656,000 per ton of NOx reduced A 5 ppmv NOx limit can achieve more than 95 percent of the reductions of a 2 ppmv NOx limit 	<p>Comparison of NOx Reductions for Large Boilers and Heaters with NOx Limits at 2 and 5 ppmv</p>  <p>NOx Emissions (Tons per Day)</p> <table border="1"> <thead> <tr> <th>Limit</th> <th>NOx Emissions (Tons per Day)</th> <th>Reduction (tpd*)</th> </tr> </thead> <tbody> <tr> <td>Baseline</td> <td>~7.2</td> <td>0</td> </tr> <tr> <td>2 ppmv</td> <td>~1.8</td> <td>5.4</td> </tr> <tr> <td>5 ppmv</td> <td>~2.0</td> <td>5.2</td> </tr> </tbody> </table> <p>* Based on lower range of NOx reductions using same assumptions for units that will use conditional limits</p>	Limit	NOx Emissions (Tons per Day)	Reduction (tpd*)	Baseline	~7.2	0	2 ppmv	~1.8	5.4	5 ppmv	~2.0	5.2
Limit	NOx Emissions (Tons per Day)	Reduction (tpd*)												
Baseline	~7.2	0												
2 ppmv	~1.8	5.4												
5 ppmv	~2.0	5.2												

Key Issue	Flexibility Allowed Under PR 1109.1 is Significant	
Comment	Response	
<ul style="list-style-type: none"> B-Plan and B-Cap allow too much flexibility to refineries Should maintain a strict command-and-control regulatory framework Compliance flexibility allows for too many loopholes 	<ul style="list-style-type: none"> Although the average cost-effectiveness for all equipment categories are at or below \$50,000 per ton, the annual average compliance costs are estimated to be \$133 million per year To achieve the low NOx limits, compliance flexibility is needed All units in the B-Plan and B-Cap are required to have NOx permit limits which are enforceable B-Plan and B-Cap are compliance plans and approved plans are enforceable Implementation of the B-Plan, B-Cap, and I-Plan have specific dates to meet NOx limits B-Cap has an on-going compliance demonstration to ensure facility emissions do not exceed the emissions cap 	 <p>Staggered Schedules Reduce Demand for Resources</p> <p>Large Number of Complex Projects</p> <p>Need to Minimize Disruptions in Fuel Supply</p> <p>Capital Investment</p>

Key Issue	Implementation Timeframes Past 2031 is Too Long
Comment	Response
<ul style="list-style-type: none"> The I-Plan has implementation timeframes that go beyond 2031 This is inconsistent with AB 617 which requires BARCT to be implemented by December 31, 2023 	<ul style="list-style-type: none"> I-Plans are designed to achieve the greatest reductions in the first phase I-Plan options where units on average are below 0.02 lb/MMBtu have lower percentages in Phase I to recognize those facilities with lower NOx levels for their units Health and Safety Code defines BARCT as “an emission limitation that is based on the maximum degree of reduction achievable” To achieve a NOx limit of 5 ppm, operators need time to design, engineer, permit, purchase, install, and commission SCR systems SCR systems for these units are customized and must be engineered within the existing configuration of the refinery PR 1109.1 allows operators to implement projects within scheduled turnaround schedules to minimize operational disruptions, interruptions in fuel supply, and to maintain the cost-effectiveness below \$50,000 per ton of NOx reduced



Key Issue		BARCT Methodology Should Recognize Operators that Purchased RTCs in Lieu of Installing Pollution Controls	
Comment		Response	
<ul style="list-style-type: none"> • Staff's methodology for establishing BARCT limits should include costs incurred when a refinery purchased RTCs which helped subsidize another facilities' installation of pollution controls • A facility that chose to purchase RTCs under RECLAIM in lieu of installing pollution controls is at an economic disadvantage compared to other refineries 		<ul style="list-style-type: none"> • Use of RTCs as a compliance option under RECLAIM is different than installing pollution control technologies to reduce on-site emissions • PR 1109.1 is focused on ensuring that each individual unit meets BARCT (directly or in aggregate) • The cost-effectiveness analysis focuses on the capital costs, and the operating and maintenance costs associated with achieving the proposed NOx limit <ul style="list-style-type: none"> ◦ Costs associated with purchasing RTCs are not considered in the BARCT analysis since those costs are associated with RECLAIM and not applicable to or not allowed in PR 1109.1 • The BARCT analysis takes into account existing pollution controls at the facility for each equipment category analyzed <ul style="list-style-type: none"> ◦ It would be inappropriate for the BARCT analysis to account for emission reductions that occurred at a facility unrelated to PR 1109.1 for a completely different equipment category 	

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Key Issue		FCCU BARCT and Implementation	
Comment		Response	
<ul style="list-style-type: none"> • BARCT for FCCUs is too small of universe to have both Table 1 and Table 2 limits • Staff is "picking and choosing controls in order to maximize total reductions" • Any division of the category places some facilities at a disadvantage • Modify I-Plan Option 3 to allow time to implement controls for the FCCU 		<ul style="list-style-type: none"> • BARCT analysis conducted consistent with state law <ul style="list-style-type: none"> ◦ Cost-effectiveness for FCCU with SCR to meet the Table 1 limit of 2 ppmv is >\$100,000/ton ◦ Cost-effectiveness for an FCCU without SCR to meet the Table 1 limit of 2 ppmv is \$24,000/ton • Units that do not have SCR, would install SCR to achieve 8 ppmv <ul style="list-style-type: none"> ◦ Since an SCR will achieve 90 to 95% reduction, the unit will achieve 2 ppmv • PR 1109.1 excludes units that are installing SCR from using the Conditional Limits as most of these units will achieve Table 1 NOx <ul style="list-style-type: none"> ◦ Changing this approach for one FCCU could potentially allow many units to only reduce to Table 2 Conditional Limits instead of Table 1 NOx limits ◦ This would be a substantial weakening of PR 1109.1 • Staff will meet with the facility to discuss the I-Plan Option 3 	

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Continuing to Work with Stakeholders

- Staff is continuing to meet with all stakeholders including CARB and U.S. EPA
- New issues may develop as stakeholders are continuing to review the August 20th version of PR 1109.1



Staff is continuing to meet with all stakeholders



Additional Working Group Meeting will be scheduled if needed



Presenting PR 1109.1 to the Wilmington, Carson, West Long Beach Community in October



Staff working on preparing "30-Day" versions of PR 1109.1 and Draft Staff Report

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Next Steps

Set Hearing:
October 1,
2021

Public
Hearing:
November 5,
2021

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September 2021 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
Video Conference with U.S. EPA and CARB – July 29, 2021	<ul style="list-style-type: none"> Discussed rule development concepts for Proposed Amended Rule 2005 and Proposed Rule 1109.1
Video Conference with U.S. EPA and CARB – August 5 2021	<ul style="list-style-type: none"> Discussed rule development concepts for Proposed Amended Rule 2005 and Proposed Rule 1109.1
Video Conference with U.S. EPA and CARB – August 6, 2021	<ul style="list-style-type: none"> Discussed co-pollutant strategies for Proposed Amended Rule 1304
Video Conference with CARB – August 10, 2021	<ul style="list-style-type: none"> Discussed rule development concepts for Proposed Amended Rule 2005
Video Conference with CARB – August 13, 2021	<ul style="list-style-type: none"> Discussed rule development concepts for Proposed Rule 1109.1

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

Settlement Penalty Report (07/01/2021 - 07/31/2021)

Total Penalties

Civil Settlement:	\$172,664.00
MSPAP Settlement:	\$14,576.00
Hearing Board Settlement:	\$20,000.00
Total Cash Settlements:	\$207,240.00
Fiscal Year through 07/31/2021 Cash Total:	\$207,240.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
Civil						
191364	4021 ROYAL OAKS PLACE LLC	1403	07/27/2021	NS	P72951, P72954, P72956, P72959	\$7,500.00
107011	ACTIVE PLATING INC	203	07/27/2021	WW	P65417, P66294	\$4,800.00
800030	CHEVRON PRODUCTS CO.	1118, 1173, 1176, 3002	07/21/2021	BT	P64042, P64046, P65617, P67818, P67822, P67823	\$104,000.00
101530	COACHELLA VALLEY WATER DIST	203, 461	07/27/2021	SH	P63146	\$4,500.00
183441	JBS SWIFT FOODS	2202	07/27/2021	DH	P67014, P67016	\$3,789.00
151909	JONES COVEY GROUP, INC	221, 1166	07/27/2021	SH	P67423	\$3,000.00
186629	KB HOME SOUTHERN CALIFORNIA	203(a)	07/27/2021	SH	P67151, P67153, P67352	\$2,800.00
800236	LA CO. SANITATION DIST	1146.1, 3002	07/27/2021	WW	P66470	\$6,000.00
113873	MM WEST COVINA LLC	3002(c)(1)	07/27/2021	SH	P67508	\$500.00
139446	PROJECT NAVIGATOR/ASCON LANDFILL SITE RP	221(b), 402, 1166, H&S 41700	07/27/2021	NS	P65516, P65518	\$15,000.00
7371	SAN BER CNTY SOLID WASTE MGMT-MILLIKEN	221, 1150.1, 3002	07/27/2021	DH	P70415	\$650.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
175264	SYNERGY OIL AND GAS, LLC	203(b), 402, 463, 1176(e)(1), H&S 41700	07/27/2021	NS	P66540, P66545, P67916, P67927, P67931, P67937, P67947, P67948, P72965, P74333, P74336	\$20,125.00

Total Civil Settlements: \$172,664.00

Hearing Board

104234	SCAQMD v. Mission Foods	202, 203(b), 1153.1, 1303	07/21/2021	KCM	5400-4	\$10,000.00
104234	SCAQMD v. Mission Foods	202, 203(b), 1153.1, 1303	07/27/2021	KCM	5400-4	\$10,000.00

Total Hearing Board Settlements: \$20,000.00

MSPAP

189850	CUDAHY FUEL STOP	203(a)	07/29/2021	GC	P69022	\$800.00
144430	DOWNEY SHELL	203(b)	07/29/2021	TCF	P69620	\$2,500.00
127861	EXPERIAN INFORMATION SOLUTIONS INC	1146.1	07/29/2021	GC	P68564	\$3,251.00
116304	HIGHRIDGE CAR WASH	461(c)(3)(Q)	07/29/2021	GC	P69024	\$300.00
152386	JERRY'S AUTO SERVICE, INC	461	07/29/2021	GC	P68448	\$300.00
180676	KOMAL OIL INC	203(b), 461	07/29/2021	GC	P66383	\$300.00
185717	MENIFEE COLLISION CENTER	1151(d)(1)	07/29/2021	TCF	P68354	\$250.00
180366	NATROL LLC	1155, 203(a), 203(b)	07/29/2021	TCF	P68609	\$3,200.00
3578	PRUDENTIAL OVERALL SUPPLY	1146.1	07/29/2021	TCF	P69512	\$1,600.00
108901	QWIK STOP #5 "YASIN"	461(e)(2)	07/29/2021	TCF	P66382	\$1,200.00
29454	REDLANDS CITY, GARAGE	203(b), 461(e)(2)	07/29/2021	TCF	P69111	\$375.00
153542	SHELL STN, PALM SPGS SVC, M HOFFMAN	461(c)(3)(Q)	07/29/2021	TCF	P70154	\$500.00

Total MSPAP Settlements: \$14,576.00

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX
FOR JULY 2021 PENALTY REPORT**

REGULATION II - PERMITS

Rule 202 Temporary Permit to Operate
Rule 203 Permit to Operate
Rule 221 Plans

REGULATION IV - PROHIBITIONS

Rule 402 Nuisance
Rule 461 Gasoline Transfer and Dispensing
Rule 463 Storage of Organic Liquids

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1118 Emissions from Refinery Flares
Rule 1146.1 Emissions of Oxides of Nitrogen from Small Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters
Rule 1150 Excavation of Landfill Sites
Rule 1150.1 Emissions from Active Landfills
Rule 1151 Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations
Rule 1153.1 Emissions of Oxides of Nitrogen from Commercial Food Ovens
Rule 1155 Particulate Matter Control Devices
Rule 1166 Volatile Organic Compound Emissions from Decontamination of Soil
Rule 1173 Fugitive Emissions of Volatile Organic Compounds
Rule 1176 Sumps and Wastewater Separators

REGULATION XIII - NEW SOURCE REVIEW

Rule 1303 Requirements

REGULATION XIV - TOXICS

Rule 1403 Asbestos Emissions from Demolition/Renovation Activities

REGULATION XXII ON-ROAD MOTOR VEHICLE MITIGATION

Rule 2202 On-Road Motor Vehicle Mitigation Options

REGULATION XXX - TITLE V PERMITS

Rule 3002 Requirements for Title V Permits

CALIFORNIA HEALTH AND SAFETY CODE

41700 Violation of General Limitations

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

Settlement Penalty Report (08/01/2021 - 08/31/2021)

Total Penalties

Civil Settlement: \$54,000.00
Criminal Referral Settlement: \$13,463.86
MSPAP Settlement: \$12,330.00

Total Cash Settlements: \$79,793.86

Fiscal Year through 08/31/2021 Cash Total: \$287,033.86

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
Civil						
108730	AVALON PREMIUM TANK CLEANING	402	08/18/2021	DH	P65060	\$2,250.00
184849	CLOUGHERTY PACKING, LLC	2012	08/18/2021	SH	P67366	\$4,500.00
170117	GLEN HELEN PARKWAY, LLC	203	08/25/2021	DH	P68256	\$1,250.00
84007	L.A.UNIF SCH DIST- SELLERY SPEC ED	1403	08/24/2021	WW	P65050	\$100.00
12428	NEW NGC, INC.	2012 Appendix A	08/27/2021	SH	P66856	\$2,000.00
188194	PAMA MANAGEMENT COMPANY	40 CFR 61.145, 1403	08/20/2021	WW	P66439	\$25,000.00
126060	STERIGENICS US, LLC	203(B), 1405	08/27/2021	JL	P66448, P70401	\$16,500.00
165192	TRIUMPH AEROSTRUCTURES, LLC	2004	08/20/2021	JL	P66911	\$900.00
188974	YOSI GABAY	1403	08/24/2021	BT	P67603	\$1,500.00
Total Civil Settlements: \$54,000.00						
Criminal Referral						
189394	VISTA GENERAL ENGINEERING CO. INC	1403	08/13/2021	TCF	P65431, P65432	\$13,463.86
Total Criminal Referral Settlements: \$13,463.86						

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbrs	Total Settlement
MSPAP						
169992	ALPHA ENERGY INC.	203(b), 461, H&S 41960.2	08/13/2021	GC	P69621	\$1,320.00
180417	CALPORTLAND COMPANY	13 CCR 2460	08/13/2021	GC	P63268	\$800.00
150796	CITY OF GARDENA	203(b)	08/10/2021	GC	P69502	\$2,400.00
151491	FIX AUTO MORENO VALLEY	203(b)	08/13/2021	GC	P69114	\$450.00
133524	GRANITE CONSTRUCTION COMPANY INC.	403, 403.1	08/27/2021	GC	P68270	\$1,700.00
55539	IMPERIAL BODY SHOP	203(b)	08/27/2021	GC	P65895	\$480.00
62862	IMPERIAL IRRIGATION DISTRICT/ COACHELLA	3002	08/27/2021	GC	P68264	\$850.00
180672	INFINEON TECHNOLOGIES AMERICAS CORP.	203	08/27/2021	GC	P69109	\$680.00
147201	JUNGHEE ENTERPRISE INC,ELEGANCE CLEANERS	1421	08/27/2021	GC	P69556	\$400.00
182036	MAXUM MARINE FUELS	203(b)	08/10/2021	TCF	P63889	\$1,600.00
103877	THE HERTZ CORPORATION	203(b)	08/27/2021	GC	P69551	\$850.00
175500	WHISPERING LAKES GOLF COURSE	461	08/13/2021	TCF	P69362	\$800.00
Total MSPAP Settlements: \$12,330.00						

**SOUTH COAST AQMD'S RULES AND REGULATIONS INDEX
FOR AUGUST 2021 PENALTY REPORT**

REGULATION II - PERMITS

Rule 203 Permit to Operate

REGULATION IV - PROHIBITIONS

Rule 402 Nuisance
Rule 403 Fugitive Dust
Rule 403.1 Wind Entrainment of Fugitive Dust
Rule 461 Gasoline Transfer and Dispensing

REGULATION XIV - TOXICS

Rule 1403 Asbestos Emissions from Demolition/Renovation Activities
Rule 1405 Control of Ethylene Oxide and Chlorofluorocarbon Emissions from Sterilization or Fumigation Processes
Rule 1421 Control of Perchloroethylene Emissions from Dry Cleaning Operations

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

REGULATION XXX - TITLE V PERMITS

Rule 3002 Requirements for Title V Permits

CALIFORNIA CODE OF REGULATIONS

13 CCR 2460 Portable Equipment Testing Requirements

CALIFORNIA HEALTH AND SAFETY CODE

41960.2 Gasoline Vapor Recovery

CODE OF FEDERAL REGULATIONS

40 CFR 61.145 Standard for Demolition and Renovation