# PROPOSED AMENDED RULE 1147 WORKING GROUP MEETING #11

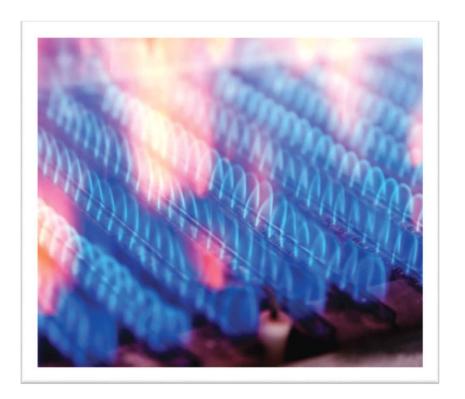
01/05/2022 SOUTH COAST AQMD DIAMOND BAR, CA

Zoom Meeting: <a href="https://scaqmd.zoom.us/j/93738333065">https://scaqmd.zoom.us/j/93738333065</a>

Webinar ID: 937 3833 3065 Conference Call: (669) 900-6833

### **AGENDA**

- □ Summary of BARCT Assessment
- ■Updates to Rule Structure
- □ Summary of Rule Language Proposals
- ■Next Steps



### BARCT ASSESSMENT RECAP

Technology Assessment and Cost Effectiveness

#### PAR 1147 BARCT ASSESSMENT RECAP

Assessment of SCAQMD Regulatory Requirements

Assessment of Emission Limits of Existing Units

Other Regulatory Requirements

Assessment of Pollution Control Technologies

Initial BARCT Emission Limit and Other Considerations

Cost Effectiveness
Analysis

- **Technology Assessment**
- ■Staff evaluated existing South Coast AQMD requirements for equipment subject to Rule 1147 and RECLAIM
- □BARCT assessment was conducted for each category identified in Rule 1147 as well as new categories for Proposed Amended Rule (PAR) 1147
- □ Proposed BARCT limits for PAR 1147 are determined with existing permit limits and South Coast AQMD approved source test results

#### SUMMARY OF PROPOSED BARCT LIMITS

Equipment Category	Operating Temperature	Current Rule Limit <sup>^</sup>	Cost-Effectiveness	Proposed BARCT Limit
Oven, Dehydrator, Dryer, Heater, Kiln, Calciner,	<1,200°F	30 ppm	\$12,700/Ton	20 ppmv (0.024 lb/mmBtu)
Cooker, Roaster, Furnace, or Heated Storage Tank	≥1,200°F	60 ppm	\$5,600/Ton	30 ppmv (0.036 lb/mmBtu)
T 10	<1,200°F	30 ppm	\$49,200/Ton	30 ppmv (0.036 lb/mmBtu)
Tunnel Dryers	≥1,200°F	200°F 60 ppm	No Additional Cost	60 ppmv (0.073 lb/mmBtu)
Afterburner, Degassing Unit, Remediation Unit, Thermal Oxidizer, Catalytic Oxidizer or Vapor Incinerator	All	60 ppm	\$12,300/Ton	20 ppmv (0.024 lb/mmBtu)
Evaporator, Fryer, Heated Process Tank, and Parts Washer	All	60 ppm	\$31,300/Ton	60 ppmv (0.073 lb/mmBtu)
Burn-off Furnace, Burnout Oven, Incinerator, Crematory with or without Integrated Afterburner	All	60 ppm	\$25,800/Ton	30 ppmv (0.036 lb/mmBtu)
Tenter Frame, Fabric or Carpet Dryer	All	30 ppm	\$23,600/Ton	20 ppmv (0.024 lb/mmBtu)
Other Unit and Process Temperature	<1,200°F	30 ppm	No Additional Coat	30 ppmv (0.036 lb/mmBtu)
	≥1,200°F	60 ppm	No Additional Cost	60 ppmv (0.073 lb/mmBtu)

 $<sup>^{\</sup>wedge}$  NOx concentrations are corrected to 3% O  $_2$  dry

#### SUMMARY OF PROPOSED BARCT LIMITS (CONT'D)

Equipment Category	Operating Temperature	Current Rule Limit <sup>^</sup>	Cost-Effectiveness	Proposed BARCT Limit^
Absorption Chillers	All	30 ppm	No Additional Costs <sup>1</sup>	20 ppmv (0.024 lb/mmBtu)
Micro-Turbines (All Other)	All	N/A	No Additional Costs <sup>1</sup>	9 ppmv* (0.011 lb/mmBtu)
Micro-Turbines (In-Use Distillate Fuel)	All	40 ppm	No Additional Costs <sup>1</sup>	77 ppmv* <sup>3</sup> (0.094 lb/mmBtu)
Auto-Claves	All	30 ppm	\$49,000	30 ppmv (0.036 lb/mmBtu)
All Liquid Fuel-Fired Units	<1,200°F	40 ppm	No Additional Costs <sup>2</sup>	40 ppmv (0.053 lb/mmBtu)
	≥1,200°F	60 ppm	No Additional Costs <sup>2</sup>	60 ppmv (0.073 lb/mmBtu)

All equipment subject to PAR 1147 to be subject to CO emission limit of 1,000 ppmv<sup>^\*</sup>

<sup>&</sup>lt;sup>^</sup>NOx concentrations are corrected to 3% O<sub>2</sub> dry

<sup>\*</sup>NOx concentrations for micro-turbines are corrected to 15% O<sub>2</sub> dry

<sup>&</sup>lt;sup>3</sup> Proposed emission limit applies for in-use equipment with annual fuel usage of less than 13,800 gal/year

<sup>&</sup>lt;sup>1</sup>Proposed BARCT limit is at existing equipment permit limit, no further action required

<sup>&</sup>lt;sup>2</sup>Evaluated equipment is low use and not subject to proposed rule limits. Assessment resulted in no change to existing rule limits

### UPDATES TO RULE STRUCTURE

From Rule 1147 to PAR 1147

### IMPLEMENTATION APPROACH SUMMARY

- Structure of PAR 1147 language to be updated for improved clarity
  - Goal is for conformity of structure of all Rule 1147 series rules
- ■Changes include:
  - Removing rule language with outdated language
  - Restructuring existing paragraphs into more defined subdivisions
  - Adding additional rule language to implement BARCT and RECLAIM sunset

# OVERVIEW OF RULE STRUCTURE UPDATE

#### **Current Rule 1147**

Subdivision	Title
(a)	Purpose and Applicability
(b)	Definitions
(c)	Requirements
(d)	Compliance Determination
(e)	Certification
(f)	Enforcement
(g)	Exemptions
(h)	Technology Assessment
(i)	Mitigation Fee Compliance Option

#### **Proposed Amended Rule 1147**

Subdivision	Title
(a)	Purpose
(b)	Applicability
(c)	Definitions
(d)	Emission Requirements
(e)	Compliance Schedule
(f)	Burner Age
(g)	Determination of Less than One Pound of NOx Per Day
(h)	Monitoring and Source Testing
(i)	Labeling Requirements
(j)	Reporting and Recordkeeping
(k)	Certifications
<b>(I)</b>	Maintenance
(m)	Exemptions

# SUMMARY OF PROPOSED RULE CONCEPTS

### RULE LANGUAGE CONCEPTS IMPLEMENTATION SCHEDULE

- Two implementation schedules
  - All units, except units complying with existing Rule 1147 limits, must submit permit applications to meet the proposed NOx and CO limits when the burner reaches 12 years
  - Units complying with existing Rule 1147 limits must submit permit applications to meet the proposed NOx and CO limits when the burner reaches 32 years
- □ For equipment already past the 12 or 32 year age, as of January, Submit permit by July (starting in 2023)
- □ Proposed NOx and CO limits must be met if there is a combustion system modification or replacement, burner replacement, unit relocation, or unit replacement
- Units that meet the proposed NOx and CO limits through a source test will need to modify their permit to reflect the proposed BARCT limit

## RULE LANGUAGE CONCEPTS COMPLIANCE FOR FACILITIES WITH MULTIPLE UNITS

- Concerns have been raised that some facilities who operate multiple units of similar age will be required to submit permit applications at the same time
- To address this concern, staff is proposing a staggered permit submittal approach
- Staggered permitting schedule will be based on the total number of applicable equipment and total heat input located at the facility
  - Equipment that will be permanently shut down can be used to meet implementation schedule quota

### RULE LANGUAGE CONCEPTS SCHEDULE FOR MULTIPLE UNITS

- □ Implementation schedule for multiple units apply for facilities with 5 or more pieces of equipment with the permit application submittal date of July 1, 2023
  - Implementation schedule based on % of total heat input of applicable units
- Owner or operator would need to submit applications in accordance to application submittal dates in the table below: (percentages rounded up to nearest whole number of unit(s))

Application Submittal Date	5 to 9 units (% of Total Heat Input)	10 to 19 units (% of Total Heat Input)	20+ units (% of Total Heat Input)
January 1, 2023	50%		
January 1, 2024	100%	50%	33%
January 1, 2025			
January 1, 2026	Not Applicable	100%	67%
January 1, 2027	Not Applicable	Not Applicable	
January 1, 2028			100%

### RULE LANGUAGE CONCEPTS SOURCE TESTING REQUIREMENT – TEST CONDITION

- ■Source test provision in PAR 1147 has been modified for better clarity at operations with varying heating profiles
- Source testing to be conducted during "firing rate under normal operating conditions"
  - Compliance determinations shall be made at the maximum input range during normal operation
- □Pounds per million btu compliance option to be retained from Rule 1147

# RULE LANGUAGE CONCEPTS SOURCE TESTING REQUIREMENT - PERIODIC

- □PAR 1147 to introduce periodic source testing requirements based on equipment size:
  - Every 5 Years: Units <10 MMBtu/hr</p>
  - Every 3 Years: Units ≥10 MMBtu/hr and <40 MMBtu/hr</p>
  - Every Year: Units ≥40 MMBtu/hr
- □ Will not apply until unit is subject to an emission limit in PAR 1147
- Certified Equipment <2MMBtu/hr would not be subject to periodic source testing

## RULE LANGUAGE CONCEPTS <u>EQUIPMENT EMITTING LESS THAN ONE POUND PER DAY</u>

- □ PAR 1147 will contain revisions to compliance requirements for equipment emitting less than one pound per day of NOx as well as determination of less than one pound per day
- Less than one pound determinations simplified to two methods:
  - 1. Calculation of usage based on unit specific non-resettable time meter
  - 2. Calculation of usage based on unit specific non-resettable fuel meter
- Equipment maintaining records to demonstrate emissions of less than one pound NOx will be exempt from emission limits of PAR 1147 as long as records are maintained
  - Permit condition of <1lb/day NOx will be required to qualify for exemption</li>
  - Records to be maintained for at least 5 years

#### **NEXT STEPS**

Release Preliminary Draft Staff Report and Preliminary Draft Rule Language

Continue to hold stakeholder meetings

Public Workshop – Early February 2022

Stationary Source Committee – February 18, 2022

Public Hearing – April 1, 2022

### CONTACTS

General RECLAIM Questions	Proposed Amended Rule 1147	Proposed Rule 1147.2
Susan Nakamura Assistant Deputy Executive Officer 909-396-3105 SNakamura@aqmd.gov	Shawn Wang Air Quality Specialist 909-396-3319 swang@aqmd.gov	James McCreary Air Quality Specialist 909-396-2451 jmccreary@aqmd.gov
	Gary Quinn, P.E. Program Supervisor 909-396-3121 gquinn@aqmd.gov	Michael Morris Planning and Rules Manager 909-396-3282 <u>mmorris@aqmd.gov</u>