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

Public Workshop August 30, 2024



Join Zoom Webinar Meeting

https://scaqmd.zoom.us/j/92823189689

Teleconference Dial-In: 1-669-900-6833

Webinar Meeting ID: 928 2318 9689

Agenda



Rule 1151 Background



Rule 1151 Background

- Applies to all motor vehicle and mobile equipment non-assembly line coating operations
- Establishes VOC content limits for coatings used on motor vehicles and mobile equipment, coating application restrictions, and recordkeeping requirements
- Adopted in 1988 and last amended in 2014 for administrative purposes
- VOC content limits and coating categories have not changed since the 2005 amendments

TABLE OF STANDARDS

VOC CONTENT LIMITS Grams per Liter of Coating, Less Water and Less Exempt Compounds					
AUTOMOTIVE COATING	Current Limit				
CATEGORIES	g/L	Lb/Gal			
Adhesion Promoter	540	4.5			
Clear Coating	250	2.1			
Color Coating	420	3.5			
Multi-Color Coating	680	5.7			
Pretreatment Coating	660	5.5			
Primer	250	2.1			
Single-Stage Coating	340	2.8			
Temporary Protective Coating	60	0.5			
Truck Bed Liner Coating	310	2.6			
Underbody Coating	430	3.6			
Uniform Finishing Coating	540	4.5			
Any Other Coating Type	250	2.1			

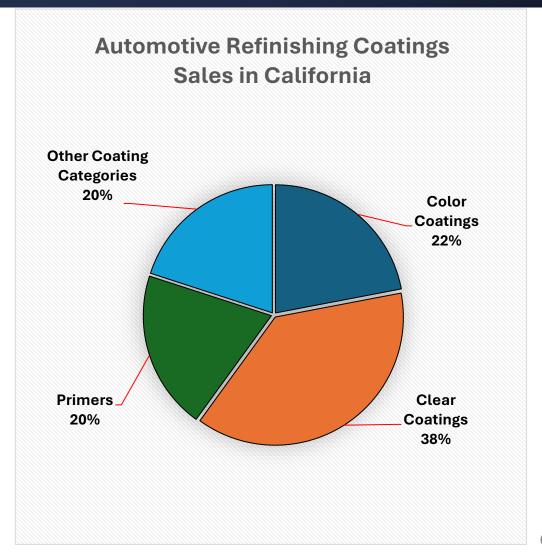
Exempt Compounds and VOC Limits

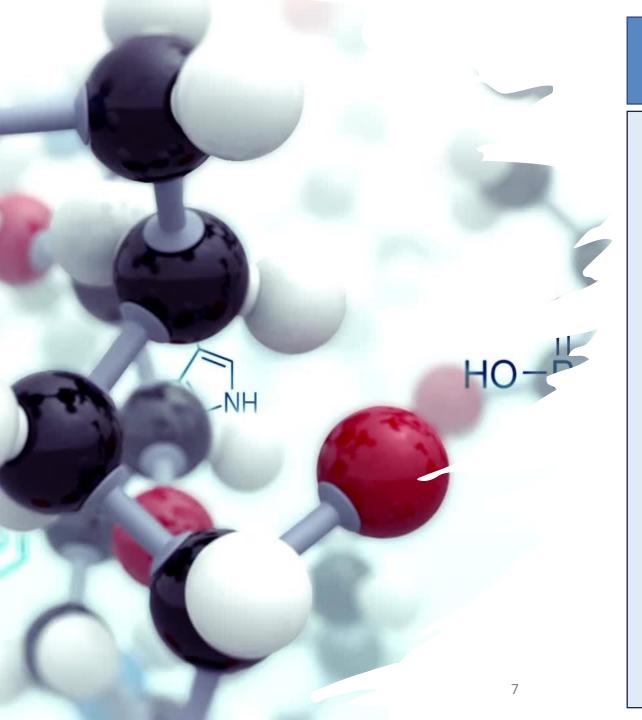
- Methods to control VOC emissions of automotive coatings is to:
 - Transition to water-based systems
 - Formulate with exempt solvents
- Exempt solvents not considered towards VOC content of regulated materials
- Tert-Butyl Acetate (t-BAc) and para-Chlorobenzotrifluoride (pCBtF) are considered exempt compounds
 - t-BAc has limited exemption
- Manufacturers rely on pCBtF or t-BAc to meet some of the VOC limits in Rule 1151
- Nearly all automotive coating categories used in South Coast AQMD contain pCBtF or t-BAc
- No substitute currently available



Automotive Coatings

- Color coatings, primers, and clear coatings make up about 80% of automotive refinishing coating sales in California
- pCBtF use prevalent across the two major coating categories, used most in primers and clear coatings
- t-BAc only found in adhesion promoters and truck bed liner coatings
- Water-based formulations most common in color coatings and associated components (e.g. reducers/ thinners)





Exempt Compounds and Toxicity

- Certain solvents are defined as exempt from the definition of a VOC by the U.S.
 EPA if they are negligibly photochemically reactive
 - Defined as less reactive than ethane
- U.S. EPA does not consider toxicity when making their designation
- California Office of Environmental Health Hazard Assessment deemed pCBtF and t-BAc as potential carcinogens
- Stationary Source Committee directed staff to prioritize reducing toxicity even if VOC emissions increase

pCBtF and t-BAc Phase-Out Approach

- PAR 1151 sets a path to quickly phase out and prohibit the use of pCBtF and t-BAc
- Proposing to Phase out pCBtF and t-BAC in two phases:
 - Phase I: Temporarily allow higher limits at rule adoption
 - Phase II: Future effective date of lower limits
- Proposal allows time for manufacturers to reformulate and develop products to meet lower future limits
 - Longer timelines allowed for categories that are:
 - Challenging to reformulate to meet performance requirements and address color matching concerns
 - Heavily reliant on exempt compounds to comply with VOC limits
 - Included sell-through and use-through dates to allow time for current pCBtF and t-BAc containing products to be used

Rule Language Overview

Key Rule Updates Summary

Removed outdated language and subdivisions

Reorganized and updated provisions for clarity Added provisions to phase out pCBtF and t-BAc, including Phase I and II limits Added language to address use of noncompliant reducers/thinners Added compliance options and quantity and emission reporting requirements

Rule Structure Updates Overview

- No major changes made to rule structure
- Moved Alternative Compliance Options paragraph into separate subdivision
- Minor restructuring of provisions for consistency

Proposed Amended Rule 1151 Purpose (a) (b) **Applicability Definitions** (c)(d)Requirements (e) Alternative Compliance Options (f) Prohibition of Possession, Specification, Sale or Use Recordkeeping Requirements (g) (h) Administrative and Reporting Requirements for Automotive Coating Manufacturers Test Methods Rule 442 Applicability Exemptions

Purpose (a) and Applicability (b)

- Capitalized defined terms in both subdivisions
- Defined terms found in subdivision (c) – definitions

(a) Purpose

The purpose of this rule is to reduce volatile organic compound Volatile Organic Compound (VOC) emissions, toxic air contaminants, stratospheric ozone-depleting compounds, and global-warming compound emissions from automotive coating Automotive Coating applications performed on motor vehicles Motor Vehicles, mobile equipment Mobile Equipment, and associated parts and components Associated Parts and Components.

(b) Applicability

This rule is applicable to any person who supplies, sells, offers for sale, markets, manufactures, blends, packages, repackages, possesses, or distributes any automotive coating Automotive Coating, Automotive Coating Component, or associated solvent for use within the District South Coast AQMD, as well as any person who uses, applies, or solicits the use or application of any automotive coating Automotive Coating or associated solvent within the District South Coast AQMD.

Definitions (c)

- Added new definitions to reflect new subcategories of automotive coatings and address new rule requirements
- Revised several definitions to reflect usage
- Removed one definition for category not used in automotive coatings

Added eleven new definitions

- For clarification, new coating categories and new rule language
 - Matte Clear Coating
 - Maximum Incremental Reactivity (MIR)
 - Primer Sealer
 - Primer Surfacer
 - Private Labeler
 - Product-Weighted MIR
 - Ready-To-Spray Automotive Coatings
 - Reducer or Thinner
 - Regulated Product
 - South Coast AQMD Test Method
 - Tinted Mid-Coat

Revised three definitions

- Adhesion Promoter
 - Clarifying which surfaces that adhesion promoters are applied to
- Primer
 - Clarifying defining purpose of primer use
- Metallic/Iridescent Color Coating
 - Considered allowing higher limit for metallic coatings because metal flake needs more solvent
 - Iridescent mica should not need the higher VOC limits

Removed one definition

- Multi-Color Coating
 - Staff has not identified any multi-color coatings, proposing to remove category

- Matte clear coats is new subcategory of clear coats
 - Requires higher VOC limit due to flattening agent used to achieve low gloss appearance
- To further distinguish matte clears coats, staff considering adding definition for "gloss clear coats"
- MIR added to address new requirement for reducers

- (18) MATTE CLEAR COATING means any Automotive Coating that is formulated with materials that do not impart color and is specifically labeled and formulated for application over a Color Coating or a subsequent layer of a Matte Clear Coating, which register a gloss of less than 40 units on a 60-degree meter, according to ASTM Test Method D523.
- (20) MAXIMUM INCREMENTAL REACTIVITY (MIR) means the measure of the photochemical reactivity of a VOC, which estimates the weight of ozone produced from a weight of VOC expressed as gram of ozone per gram of VOC (g O₃/g VOC). MIR values for individual VOCs are specified in sections 94700 and 94701, Title17, California Code of Regulations.

Proposed "Gloss Clear Coating" Definition

GLOSS CLEAR COATING means any Automotive Coating that is formulated with materials that do not impart color and specifically labeled and formulated for application over a color coating or clear coating, which registers a gloss of 40 units or greater on a 60-degree meter, according to ASTM Test Method D523.

- Metallic color coats can require more solvent for proper flake orientation when applied
- Removed iridescent from metallic definition
 - Iridescent particles do not require high solvent
- Added subcategories to primer definition for clarity and address different Phase I VOC limits

- (19) METALLIC/IRIDESCENT COLOR COATING means any automotive coating Automotive Coating that contains more than 0.042 pounds per gallon (5 grams per liter) of metal or iridescent particles as applied, where such particles are visible in the dried film.
- PRIMER means any automotive coating Automotive Coating that is specifically labeled and formulated for application to a substrate to provide 1) a bond between the substrate and subsequent coats, 2) corrosion resistance, 3) a smooth substrate surface, or 4) resistance to penetration of subsequent coats, and on which a for the purpose of applying a subsequent coating Automotive Coating is applied. –Primers may be pigmented and include weld through primers Weld-through Primers, Primer Sealers, and Primer Surfacers.

- New primer subcategory definitions added for clarity
- Different types of primers used for specific applications
- Addresses different Phase I limits for each primer type

- (25) PRIMER SEALER means any Coating applied prior to the application of a topcoat for the purpose of color uniformity, or to promote the ability of an underlying Coating to resist penetration by the topcoat.
- (23)(26) PRIMER SURFACER means any Coating applied for the purpose of corrosion resistance or adhesion, and that promotes a uniform surface by filling in surface imperfections.



 Private Labeler definition added for clarity and applicability relating to General Quantity and Emissions Report (QER) Reporting requirements and timelines

(27) PRIVATE LABELER is the person, company, firm, or establishment (other than the toll manufacturer) identified on the label of a Regulated Product.

 New PW-MIR definition added to address and add clarification to proposed MIR limit for Reducers and Thinners MIR for all ingredients in a Reducer or Thinner. The PWMIR is the total product reactivity expressed to hundredths of a gram of ozone formed per gram of product (excluding container and packaging) and calculated according to the following equations:

Weighted MIR (Wtd-MIR) ingredient = MIR x Weight fraction ingredient, and,

 $\underline{PW-MIR} = (Wtd-MIR)_1 + (Wtd-MIR)_2 + ... + (WtdMIR)_n$ where,

MIR = ingredient MIR,;

1,2,3,...,n = each ingredient in the product up to the total n ingredients in the product.



- Ready-to-spray (RTS)
 definition added for clarity
 between color coatings used
 in mixing bank and small
 shops using premixed
 coatings supplied in half-pint
 or less containers
 - RTS Phase I limit higher
- Reducer or thinner definition added to address new requirements and prohibition for reducers and thinners
- Regulated Product definition added for clarification

- (29) READY-TO-SPRAY AUTOMOTIVE COATING means the Automotive Coating, mixed with all Automotive Coating Components, based on the manufacturers' stated mix ratio.
- (30) REDUCER OR THINNER means any solvents used for reducing the viscosity of Automotive Coatings, including, but not limited to, products on their packaging that prominently display the term "Paint Thinner," "Lacquer Thinner," "Thinner," or "Reducer" on their packaging.
- (31) REGULATED PRODUCT means any Automotive Coating, Automotive Coating Component, and any product with reference to automotive refinishing or Automotive Coating on the container or in product literature and with a recommendation for use in Motor Vehicle, Mobile Equipment, and Associated Parts and Components refinishing.

- South Coast AQMD Test
 Method definition added for clarity
- Tinted Mid-Coat definition added as new subcategory with separate Phase I limit
 - Replacing exempts solvents will result in higher interim VOC limit

in the manual of "Laboratory Methods of Analysis for Enforcement Samples" which can be found on the South Coast AQMD website.

(37) TINTED MID-COAT means a transparent color coating specifically labeled and formulated for use as part of a three-stage metallic or pearlescent coatings system to add depth and color-match a three-stage coating system.

Requirements – (d)

 Added language clarifying coatings must comply with both VOC content limits, and pCBtF and t-BAc prohibitions

(d) Requirements

(1) A person shall not apply any automotive coating Automotive Coating to a motor vehicle Motor Vehicle, mobile equipment Mobile Equipment, or associated parts or components Associated Parts or Components of a motor vehicle Motor Vehicle or mobile equipment Mobile Equipment that contains VOC in excess of the applicable limits specified in the Table 1 - Table of Standards-below. -Compliance with the applicable VOC content limits shall be based on VOC content, including any material added to the original automotive coating Automotive Coating supplied by the manufacturer, as applied, less water and exempt compounds Exempt Compounds. Automotive Coatings formulated to meet Phase I and Phase II VOC limits shall not contain more than 0.01 weight percent of either para-Chlorobenzotrifluoride (pCBtF) or *tert*-Butyl Acetate (t-BAc).

Consideration for the Future Effective Dates

"Reformulation-to-Shelf" Considerations/Background

Staff understands that PAR 1151 includes long timelines for Phase II VOC limits

Based on coating manufacturer feedback and past coatings rule developments, staff also understands that coating reformulations take time, especially when prohibiting key exempt solvents

"Reformulation-to-Shelf" Considerations/Background

- Based on discussions with coating manufacturers, staff accounted for the additional time associated with product reformulation and development
- The following factors were considered in the proposed Table 1, Phase II Effective Dates:
 - Research and Development (R&D)
 - Reformulation without pCBtF and t-BAc
 - Compliant with Phase II VOC content limits
 - Color Matching
 - up to 30,000 different colors
 - Requires OEM approval
 - OEM Certification and Approvals
 - Performance standards, including hardness, weatherability, gloss level, and more

- Manufacturing and Logistics
 - Adequate inventory to support industry
- Product Documents
 - Technical Data Sheets (TDS)
 - Safety Data Sheets (SDS)
 - Wall color charts
- End User Training
 - New products may have different performance and characteristics

Requirements (d) (cont.)

- Updated Table 1 VOC Content Limits to include Phase I, Phase II, and future effective dates for each category
- Added three new coating categories and bifurcated primer sealer and surfacer
- Based on recent feedback, staff proposing to revise the Table 1 to address recent concerns

Table 1- TABLE OF STANDARDS Table of Standards

Regulatory VOC Content Limits for Automotive Coatings and Effective Dates

	Coating Categories	Current Limits ⁽¹⁾		Phase I [Date of Rule Adoption]		Phase II		
		g/L	lb/gal	g/L	lb/gal	g/L	lb/gal	Effective Date
	Adhesion Promoter	<u>540</u>	4.5	840	7.0	<u>720</u>	6.0	1/1/2028
	Clear Coating	<u>250</u>	2.1	<u>520</u>	4.3	<u>250</u>	2.1	1/1/2030
\Rightarrow	Matte-Clear Coating	<u>250</u>	2.1	<u>550</u>	4.6			
	Color Coating	<u>420</u>	3.5			<u>250</u>	2.1	1/1/2032
	Metallic Color Coating	420	3.5			250	2.1	1/1/2032
	Pretreatment Wash Primer	<u>660</u>	5.5	<u>780</u>	6.5			
	Primer Sealer	250	2.1	550	4.84.6	150	1.25	1/1/2028
	Primer Surfacer	<u>250</u>	2.1	<u>580</u>	<u>4.64.8</u>	<u>150</u>	1.25	1/1/2028
	Single-Stage Coating	340	2.8	600	5.0	<u>340</u>	2.8	1/1/2028
	Temporary Protective Coating	<u>60</u>	0.5					
	Tinted Mid-Coat	<u>420</u>	3.5	<u>750</u>	6.3	<u>250</u>	2.1	1/1/2032
	Truck Bed Liner Coating	<u>310</u>	2.6					
	Underbody Coating	<u>430</u>	3.6					
	Uniform Finishing Coating	<u>540</u>	4.5					
	Any Other Coating Type	<u>250</u>	<u>2.1</u>					

¹ The specified limits remain in effect unless revised limits are listed in subsequent columns in the Table of Standards.



⁴² See Paragraph (d)(3) for Color Coatings and Metallic Color Coatings supplied in half-pint or smaller containers.

Proposed Changes from the Preliminary Draft PAR 1151

Proposed Changes in Preliminary Draft PAR 1151

Preliminary draft rule language proposed some changes to address manufacturer concerns

Lowered Phase II VOC limits for primer sealers and primer surfacers (250 g/L to 150 g/L) effective 2028, to allow a longer timeframe for color coatings to be reformulated to 250 g/L (moved effective date from 2028 to 2032)

Lowered Phase II VOC limits for all color coatings to 250 g/L, initial proposals included higher VOC limits for metallic

Proposal was to address foregone VOC emission reductions by including early VOC reductions in the primer categories to offset longer effective limit for color coatings

Staff Considerations and Proposal Updates for Primers

Staff held several follow-up meetings with manufacturers to discuss concerns

Proposed 150 g/L for primer sealer and primer surfacer may not be feasible without the use of pCBtF

Considering 250 g/L Phase II limit that was initially proposed

Pretreatment wash primer category can be reformulated to meet a lower Phase II limit

- Staff initially determined a VOC reduction from 780 g/L to 720 g/L was not cost-effective
- VOC reduction the current 660 g/L limit is cost-effective with a VOC reduction of 0.13 tpd
- VOC reductions will offset increases in other categories

Staff Considerations and Proposal Updates for Color Coatings

Staff understands the challenges of reformulation and color match

- Products meeting the Phase II VOC limits are currently available
- 2032 is milestone year for South Coast AQMD to demonstrate attainment with 8hour Ozone standard
 - VOC reductions are needed prior to 2032

Staff is proposing to include an effective date of January 1, 2030

• Allows some additional time from initial proposal of January 1, 2028

Staff Considerations and Proposal for Potential New Specialty Category

Staff is considering if epoxy primers need a carve out and higher Phase II VOC limit of 340 g/L for restoration applications

Potential Preliminary "Epoxy Primer" Definition

EPOXY PRIMER means any Primer, formulated with an epoxy resin and a hardener, labeled and formulated for vehicle restoration, which is the process of restoring a vehicle's appearance back to its original condition, applied directly to metal surfaces for adhesion, resistance to moisture and corrosion, and where the primary function is to bond to the base material and seal for subsequent work.

Summary of the Proposed Changes to the Table of Standards

01

Sooner effective date for the color and metallic coating future effective dates

02

Raise the Phase II VOC limit from 150 to 250 g/L for primer surfacers and primer sealers 03

Lower the Phase II VOC limit for pretreatment wash primers from 780 g/L to 660 g/L 04

Consider a new category for Epoxy Primers

Staff's Considerations to Table 1

Table 1- Table of Standards
Regulatory VOC Content Limits for Automotive Coatings and Effective Dates

Coating Categories	Current Limits ⁽¹⁾		Phase I [Date of Rule Adoption]		Phase II			
	g/L	lb/gal	g/L	lb/gal	g/L	lb/gal	Effective Date	
Adhesion Promoter	540	4.5	840	7.0	720	6.0	1/1/2028	
Gloss Clear Coating	250	2.1	520	4.3	250	2.1	1/1/2030	
Matte-Clear Coating	250	2.1	550	4.6				
Color Coating	420	3.5			250	2.1	1/1/2030	
Metallic Color Coating	420	3.5			250	2.1	1/1/2030	
Pretreatment Wash Primer	660	5.5	780	6.5	660	5.5	1/1/2028	
Epoxy Primer	250	2.1	550	4.8	340	2.8	1/1/2028	
Primer Sealer	250	2.1	550	4.8	250	2.1	1/1/2028	
Primer Surfacer	250	2.1	580	4.6	250	2.1	1/1/2028	
Single-Stage Coating	340	2.8	600	5.0	340	2.8	1/1/2028	
Temporary Protective Coating	60	0.5						
Tinted Mid-Coat	420	3.5	750	6.3	250	2.1	1/1/2030	
Truck Bed Liner Coating	310	2.6						
Underbody Coating	430	3.6						
Uniform Finishing Coating	540	4.5						
Any Other Coating Type 1 The specified limits remai	250	2.1						

¹ The specified limits remain in effect unless revised limits are listed in subsequent columns in the Table of Standards.



See Paragraph (d)(3) for Color Coatings and Metallic Color Coatings supplied in half-pint or smaller containers.

Considering a

New Provision

Requirements (d) (cont.)

- Added a table with proposed PW-MIR limit for Reducers and Thinners and an effective date to address the lack of a strong pathway to lower VOC content limits
 - Staff is considering including an alternative PW-MIR limit for Adhesion Promoters

Table 2- Table of Standards Product-Weighted MIR VOC Content Limit for Reducers and Thinners and Effective Dates

	PW-MIR VOC limit (g O ₃ /g VOC)	Effective Date		
Reducers and Thinners	<u>1.0</u>	<u>1/1/20282030</u>		

Staff considering aligning reducer and thinner MIR effective date with clear coat Phase II effective date of January 1, 2030

Staff looking for feedback on PW-MIR VOC Limit for reducers and thinners

Requirements (d) (cont.)

- Added alternative VOC limit of 720 g/L for color coatings or metallics supplied in half-pint or smaller containers, provided they do not contain pCBtF or t-BAc
 - Most larger autobody shops have already transitioned to water-based products
 - Alternative limit intended to address smaller autobody shops still using solvent-based color coatings
 - Provides additional time for them to transition to waterbased alternatives

(3) Alternative VOC limits for Color Coatings and Metallic Color Coatings
In lieu of complying with the Phase I Color Coating VOC limit and until
the Phase II Color Coating VOC limit effective date, a person may elect to
apply a Color Coating or Metallic Color Coating supplied in half-pint or
smaller containers, provided the Regulatory VOC content is no more than
720 g/L and the Color Coating does not contain more than 0.01 percent by
weight of either pCBtF or t-BAc or a combination of the two.

Requirement (d) (cont.)

 Added language clarifying timeframe during which products formulated to meet current or Phase I VOC content limits can be sold, supplied, offered for sale and used

(4) Sell-Through and Use-Through Provision

Any Automotive Coating that is manufactured prior to the effective date of the applicable limit specified in Table 1, and that has a VOC content above that limit (but not above the limit in effect on the date of manufacture), may be sold, supplied, or offered for sale for up to 18 months after the specified effective date and used up to 24 months after the specified effective date.

Requirement (d) (cont.)

 Added language clarifying timeframe during which reducers or thinners manufactured prior to January 1, 2030, can be sold, supplied, offered for sale and used

(5) Sell-Through and Use-Through Provision for Reducers or Thinners
Any Reducer or Thinner that is manufactured prior to the effective date of the PW-MIR limit specified in Table 2, may be sold, supplied, or offered for sale for up to 18 months after the effective date and used up to 24 months after the effective date.

Alternative Compliance Options (e)

- Moved to its own subdivision
- No change

(e) Alternative Compliance Options

Emission Control System

A person may comply with the provisions of paragraph (d)(1), by using an approved Emission Control System, consisting of collection and control devices, provided such Emission Control System is approved pursuant to Rule 203 – Permit to Operate, in writing, by the Executive Officer for reducing VOC emissions. The Executive Officer shall approve such Emission Control System only if the VOC emissions resulting from the use of non-compliant Automotive Coatings will be reduced to a level equivalent to or lower than that would have been achieved by compliance with the terms of paragraph (d)(1). The required efficiency of an Emission Control System at which an equivalent or greater level of VOC emission reduction will be achieved shall be calculated by the following equation:

(2) Alternative Emission Control Plan

A person may comply with the provisions of paragraph (d)(1) by means of an Alternative Emissions Control Plan, pursuant to Rule 108 – Alternative Emissions Control Plans.

Prohibition of Possession, Specification, Sale or Use (f)

 Added language prohibiting the use, supply, sale or offer for sale of a regulated product into South Coast AQMD that contains pCBtF and t-BAc

(8) Exempt Compounds

No person shall use, supply, sell, or offer for sale a Regulated Product into or within the South Coast AQMD that contains more than 0.01 percent by weight of the following chemicals:

- (A) Group II Exempt Compounds;
- (B) pCBtF and t-BAc for Regulated Products subject to the applicable
 Phase I or Phase II VOC limits; or
- C) pCBtF and t-BAc pursuant to the applicable effective dates in Table 3.

Prohibition of Possession, Specification, Sale or Use (f)

- Added a table to specify the prohibition effective date, sellthrough and usethrough end dates for products containing pCBtF and/or t-Bac
 - Changed from the initial proposal of a prohibition effective date January 1, 2025

Table 3: pCBtF and t-BAc Prohibition Timeline

<u>Prohibition</u>	Sell-through	Use-through	
Effective Date	End Date	End Date	
May 1, 2025	May 1, 2026	July 1, 2027	

Recordkeeping Requirements (g)

Clause (e)(3)(A)(iv)
moved to
Paragraph (g)(3) for
consistency

- (3) Recordkeeping Requirements for Coatings complying with paragraph (f)(3)

 Any person that supplies, sells, offers for sale, markets, blends, packages, repackages or distributes Automotive Coatings that exceed the VOC limits in paragraph (d)(1) by complying with paragraph (f)(3) shall keep the following records for at least five years and make them available to the Executive Officer upon request:
 - (A) Automotive Coating and Automotive Coating Component name and manufacturer;
 - (B) Application method as recommended;

Recordkeeping Requirements (g)

(cont.)

- (C) Automotive Coating category and mix ratio specific to the Automotive Coating;
- (D) Actual VOC and regulatory VOC content of the Automotive

 Coating and Automotive Coating Component:
- (E) Documentation such as manufacturer specification sheets, material safety data sheets, technical data sheets, or any other air quality data sheets that demonstrate that the material is intended for use as an Automotive Coating or Automotive Coating Component;
- (F) Current manufacturer specification sheets, material safety data sheets, technical data sheets, or air quality data sheets, that list the actual VOC and regulatory VOC content, for each Ready-to-Spray Automotive Coating and Automotive Coating Components;
- (G) Purchase records identifying the Automotive Coating category,
 name, and the total volume of all Automotive Coatings and
 Automotive Coating Components; and
- (H) For sale to an end-user:
 - (i) The name and address of the person receiving the Automotive Coating;
 - (ii) An acknowledgement warranting that the sale to an end-user will comply with paragraph (f)(3); and
 - (iii) If the Coating is for use outside the South Coast AQMD, acknowledgement by the purchaser that this statement is correct.

Administrative and Reporting Requirements for Automotive Coating Manufacturers (h)

- Added labeling requirement to display date of manufacture or a code indicating the date of manufacture on automotive coatings and components
 - Needed to enforce sell through and use through provisions
 - Many manufacturers already include date codes

(C) On and after [12 months from Date of Rule Adoption], any Automotive Coatings and Automotive Coating Components shall display the date of manufacture of the Automotive Coating or a code indicating the date of manufacture. The manufacturers shall file an explanation of each code with the Executive Officer.

New Effective
Date

Administrative and Reporting Requirements for Automotive Coating Manufacturers (h) (cont.)

 Added labeling requirement for reducers or thinners to display the product-weighted maximum incremental reactivity (PW-MIR)

(B)(3) Labeling Requirements for Solvent Manufacturers

The manufacturer of solvents, including reducers and thinners, subject to this rule shall include on all containers:

- (A) <u>+T</u>he <u>actual Actual VOC</u> for solvents, as supplied (in grams of VOC per liter of material); and
- (B) On and after [12 months from Date of Rule Adoption] January 1, 2030, any Reducers or Thinners shall display the PW-MIR.

Staff proposing to align reducer and thinner MIR labeling effective date with clear coat Phase II effective date of January 1, 2030

Administrative and Reporting Requirements for Automotive Coating Manufacturers (h) (cont.)

Added General
 Quantity and Emission
 Reporting (QER)
 requirements for
 automotive coating
 manufacturers

- (4) General Quantity and Emission Report (QER)
 - The manufacturer or private labeler of Regulated Products shall submit to the South Coast AQMD a QER for Regulated Product sales into or within the South Coast AQMD according to the schedule in Table 3. The QER for a manufacturer or private labeler of Regulated Products shall include the following information:
 - (A) Product manufacturer (as listed on the label);
 - (B) Product name and code;
 - (C) Applicable Rule 1151 category;
 - (D) Actual VOC and Regulatory VOC content;
 - (E) Whether the product is waterborne or solvent-based;
 - (F) Total annual volume sold into or within the South Coast AQMD, including products sold through distribution centers located within or outside the South Coast AQMD, reported in gallons for all container sizes;

Administrative and Reporting Requirements for Automotive Coating Manufacturers (h) (cont.)

 Quantity and Emission Reporting (QER) requirements (continued)

- (G) For any Regulated Product with VOC content higher than the applicable VOC content limits in paragraph (d)(1), indicate whether the product has been sold under any of the following provisions:
 - (i) Sell-through provision pursuant to subparagraph (f)(8)(C), Table 2;
 - (ii) Exempted pursuant to subdivision (k); or
 - (iii) Complying with subdivision (e).
- (H) For multi-component Automotive Coatings, each line item shall report the information required pursuant to subparagraph (h)(4)(A)-(G) for all the components mixed in the Ready-to-Spray Automotive Coatings, separated by a slash, and include the Actual VOC and Regulatory VOC content of the Ready-to-Spray Automotive Coatings.

Administrative and Reporting Requirements for Automotive Coating Manufacturers (h) (cont.)

Added a table specifying QER reporting deadlines

(5) QER Reporting Timeline

A manufacturer and Private Labeler of Regulated Products shall submit the QER required pursuant to paragraph (h)(4) according to the reporting timeline in Table 3:

Table 4 – QER Reporting Timeline

Reporting Deadlines	
Manufacturers & Private Labelers	Reported Years
September 1, 2030	2028, 2029
<u>September 1, 2035</u>	<u>2033, 2034</u>
September 1, 2040	2038, 2039

Clarification to Subdivision (h)

- Added clarification to General Quantity and Emission Report (QER) to Preliminary Draft Staff Report:
 - For coatings that falling under multiple categories, the coatings should be reported based on the category with the most restrictive VOC content limit
 - Any coating that contains water or uses water as a carrier shall be considered water-base or waterborne
 - Clarification needed for coatings that are not clearly defined as solvent or water based (e.g., 100 percent solids coatings, some energy curable coatings)
- Staff considering if the clarification should be included in the rule language



Exemptions (k)

 Added language to temporarily exempt automotive coating training centers from the pCBtF and t-BAc prohibition timeline for 10 years after rule adoption

- The requirements of paragraph (d)(1) shall not apply to automotive coatings Automotive Coatings applied for educational purposes at automotive coating Automotive Coating training centers, which that are owned and operated by automotive coating Automotive Coating manufacturers, provided that the VOC emissions emitted at athe automotive coating Automotive Coating training center from all automotive coatings Automotive Coatings not-meeting complying with the VOC limits of paragraph (d)(1) complying with paragraph (d)(1) do not exceed twelve (12) pounds per day shall be exempt from:
 - (A) The requirements of paragraph (d)(1); and
 - (B) The prohibition of pCBtF and t-BAc in paragraph (f)(8) until [ten years from Date of Rule Adoption].

New Provision

Exemptions (k) (cont.)

- Added language clarifying timeframe during which products formulated to meet Phase I VOC content limits can be sold, supplied, and offered for sale without the required labeling
 - Allows for a faster transition out of pCBtF containing coatings

(5) The labeling requirements of paragraph (h)(2) shall not apply to coatings formulated to meet the Phase I VOC content limits until [six months from Date of Rule Adoption].

Emission Reductions

Phase Phase

Cost-Effectiveness and Emission Reduction

- Cost-effectiveness calculated for each coating category
- Rule requires each category to meet lower VOC limit in Phase II
- Categories not costeffective maintain Phase I limit
- Staff continuing to work with stakeholders on proposed Phase II Limits

	Automotive Coating Categories	Phase II Limit (g/L)	Cost-Effectiveness	Emission Reduction from Phase I Limit (tpd)
	Adhesion Promoter	720	\$30,000	0.02
	Gloss Clear Coating	250	\$39,000	2.8
	Matte-Clear Coating	550	\$600,000	0
	Color Coating	250	\$24,000	0.14
	Metallics Color Coating	250	\$18,000	0.13
	Pretreatment Wash Primer	660	\$7,000	0.13
	Epoxy Primer	340	\$11,000	0.02
	Primer Sealer	250	\$21,000	0.06
	Primer Surfacer	250	\$22,000	1.6
	Single-Stage Coatings	340	\$19,000	0.12
	Tinted-Midcoat	250	\$8,000	0.007
	Temporary Protective Coating	60		
	Truck Bed Liner Coating	310		
	Underbody Coating	430		
	Uniform Finishing Coat	540		
	Any Other Coating Type	250		
			Total	5.01

Overall Emission Summary

- Overall, rule will result in VOC reduction of 0.19 tpd
- Phase I Limits will temporarily increase
 VOC emissions 4.82 tpd from current limits
- Phase II Limits will decrease VOC emissions by 5.01 tpd from Phase I

Automotive Coating Categories	Current Limits Emissions (tpd)	Phase I Limits Emissions (tpd)	Phase II Limits Emission (tpd)	Difference from Current Limits (tpd)
Adhesion Promoter	0.04	0.12	0.10	+0.06
Gloss Clear Coating	1.09	3.92	1.09	0
Matte-Clear Coating	0.003	0.02	0.02	+0.017
Color Coating	0.33	0.33	0.19	-0.14
Metallics Color Coating	0.40	0.40	0.27	-0.13
Pretreatment Wash Primer	0.08	0.21	0.08	0
Primer Sealer	0.01	0.06	0.01	0
Primer Surfacer	0.23	1.8	0.23	0
Epoxy Primer	0.003	0.02	0.005	+0.002
Single-Stage Coatings	0.08	0.2	0.08	0
Temporary Protective Coating	0	0	0	0
Tinted-Midcoat	0.003	0.01	0.003	0
Truck Bed Liner Coating	0.13	0.13	0.13	0
Underbody Coating	0.004	0.004	0.004	0
Uniform Finishing Coat	0.07	0.07	0.07	0
Any Other Coating Type	0	0	0	0
Total Emissions (tpd)	2.47	7.29	2.28	
Emissions Difference (tpd)	0	+4.82	-5.01	-0.19

Socioeconomic Impact Assessment and California Environmental Quality Act (CEQA)

Socioeconomic Impact Assessment

Socioeconomic Impact Assessment

- Required for a proposed rule or rule amendment which "will significantly affect air quality or emissions limitations" [Health and Safety Code Section 40440.8]
- Will be prepared for PAR 1151 which will consider:
 - 1. Type of affected industries, including small businesses
 - 2. Range of probable costs to industry or small businesses
 - 3. Impact on employment and regional economy
- Will be made available at least 30 days prior to the Public Hearing on November 1, 2024 (subject to change)

California Environmental Quality Act (CEQA)

- PAR 1151 is a project subject to CEQA
- South Coast AQMD, as lead agency, is reviewing PAR 1151 to determine if it will result in any potential adverse environmental impacts
- Appropriate CEQA documentation will be prepared based on the analysis

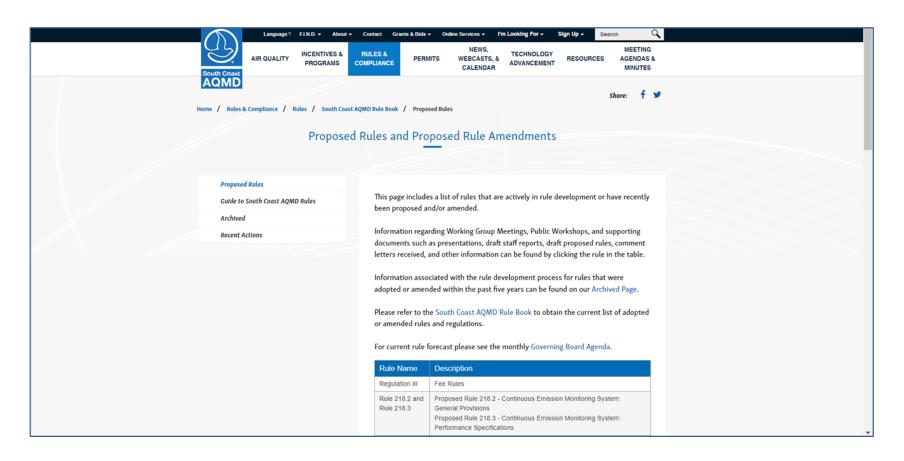
Next Steps

Next Steps



Working Group Materials

• Working group materials for each working group meeting will be made available: https://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/proposed-rules



Receiving PAR 1151 Updates

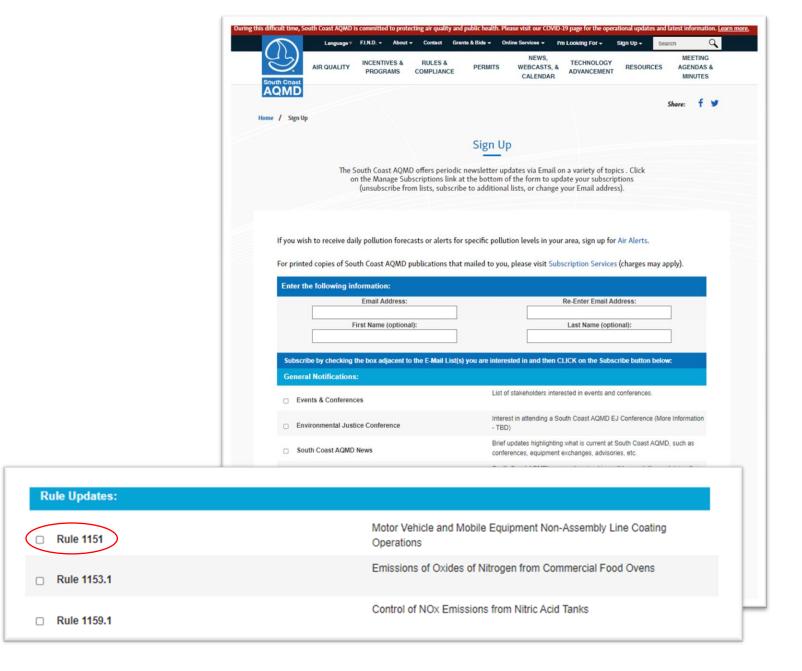
 To receive email updates, sign up at South Coast AQMD sign up page

http://www.agmd.gov/sign-up

Enter email address and name

Subscribe by scrolling down to "Rule Updates" and check the box for Rule 1151 and click on the subscribe button at bottom of page

Future meeting notices, links to documents, and any updates will be sent via email



Rule Staff Contacts



Chris Bradley Air Quality Specialist cbradley@aqmd.gov 909.396.2185

Heather Farr
Planning and Rules Manager
hfarr@aqmd.gov
909.396.3672

Sarady Ka
Program Supervisor
ska@aqmd.gov
909.396.2331

Michael Krause Assistant DEO mkrause@aqmd.gov 909.396.2706

Additional Staff Contacts



Barbara Radlein

Planning and Rules Manager bradlein@aqmd.gov 909.396.2716

Socioeconomic Analysis

Valerie Rivera

Assistant Air Quality Specialist vrivera@aqmd.gov

909.396.3007

Tony Tian, Ph.D

Program Supervisor

ttian@aqmd.gov

909.396.2323

CEQA

Farzaneh Khalaj

Air Quality Specialist

fkhalaj@aqmd.gov

909.396.3022

Kevin Ni

Program Supervisor

kni@aqmd.gov

909.396.2462