

Air Quality Update

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AMENDMENT'S TO CARB'S GREENHOUSE GAS MANDATORY REPORTING REGULATION

On July 15th, 2011, the California Air Resources Board (CARB) held a public workshop to discuss further amendments to the Greenhouse Gas Mandatory Reporting Regulation (GHG MRR). The proposed amendments were posted on July 25th, 2011 and are available for comment through August 9th, 2011. These revisions further address outstanding issues from the December 16th, 2010 CARB Board Meeting where CARB approved the amendments to the GHG MRR. These proposed amendments will go to the CARB Board for their approval no later than the October 20th, 2011 Board Meeting.

The December 16th, 2010 amendments to the GHG MRR decrease the entity reporting threshold from 25,000 metric tons (MT) of CO₂ to 10,000 MT of carbon dioxide equivalent (CO₂e) and adds fuel suppliers (suppliers of transportation fuels, suppliers of natural gas, natural gas liquids, and liquefied petroleum gas) and suppliers of carbon dioxide. The changes expand the categories required to report emissions to coincide with the U.S EPA GHG MRR and eliminate the reporting requirements for fugitive methane emissions from livestock waste, landfills, and agricultural irrigation pumps. To limit reporting of transportation fuels to those resulting in emissions in California, the regulation would require reporting by

fuel owners at terminal racks and refineries, along with importers of petroleum products and biofuels.

The amended regulation also includes requirements for emissions reporting by facilities in the oil and gas exploration and production sector. The amended GHG MRR no longer requires power plants and cogeneration facilities emitting between 2,500 and 10,000 metric tons of CO₂e to submit a report. Some industrial sectors, such as cement, glass production, nitric acid production, and refineries, would also report their process emissions, which occur from chemical or other non-combustion activities. The CO₂ emissions from biomass-derived fuels would be counted toward reporting thresholds, but separately identified during reporting to facilitate their exclusion (in most cases) from a cap and trade compliance obligation. The December 2010 amendments are scheduled to go in effect in 2012 for reporting 2011 GHG emissions.

The July 15th, 2011 proposed amendments to the GHG MRR delay the reporting requirements for facilities emitting between 10,000 and 25,000 MT of CO₂e to June 1st, 2013 for reporting 2012 GHG emissions. In addition, the reporting requirements for the petroleum and natural gas were modified to harmonize with the U.S. EPA GHG Reporting Rule for the Oil and Natural Gas Systems (Subpart W). There were also changes to include language to specify which source categories in the U.S EPA GHG MRR are excluded from reporting under CARB GHG MRR (i.e., electronics manufacturing, coal

mines, lead production, fluorinated gas production, etc.). Language was added to reporting requirements for biomass fuels and to specify the accuracy requirements for fuel measurements.

Air Quality Tip...

When you are providing information for air permitting, be cautious about the information you provide! That information will be used to develop the emissions and permit conditions. For instance, process throughputs, operational hours, outputs, fuel usage rates, etc. are likely to end up on the permit as limits. Generally, it is best to permit for maximum operational flexibility by providing well thought out operating parameters that still meet the regulatory requirement.

Upcoming Training Offered by UCI or Yorke Engineering:

- South Joaquin Valley Air Quality Permitting and Compliance Seminar: September 21st, 2011
<http://www.yorkeengr.com/classes.htm>
- UCI AB32 and US EPA GHG Reporting and Permitting: Fall 2011
<https://unex.uci.edu/courses>
(under Environmental Management)

Upcoming Due Dates:

- Title V – SAM; Every 6 months, 30 days after “reporting period”
- Title V – Compliance Cert.; annually, 30 days after reporting period
- SB-14 (DTSC report) 9/1
- Title V – Application for Permit Renewal due 180 days prior to permit expiration.

SAN JOAQUIN VALLEY APCD RULE CHANGES ADOPTED

For full details on rule adoptions go to: http://www.valleyair.org/rules/rules_recently_adopted.htm

- Rule 2201: New and Modified Stationary Source Review (amended) – This rule was amended to incorporate the federal New Source Review (NSR) provisions for Particulate Matter measuring less than 2.5 microns in diameter (PM_{2.5}) and revise the limited permitting exemption for agricultural sources of emissions. San Joaquin Valley Air Pollution Control District (SJVAPCD) is currently nonattainment for the PM_{2.5} standards. Therefore, it is required by the Clean Air Act to incorporate PM_{2.5} permitting requirements into their NSR rules. The major source threshold for PM_{2.5} is potential to emit of 100 or more tons per year. Since PM_{2.5} emissions constitute a portion of Particulate Matter measuring less than 10 microns in diameter (PM₁₀) emissions, the PM₁₀ Title V permitting exemption thresholds in Rule 2530 is used as a conservative measure to assure a federally enforceable limit on PM_{2.5} emissions. The PM_{2.5} portion varies depending on the source of the emissions. This summary only highlights some of the amendments of Rule 2201. A copy of the complete rule can be found at <http://www.valleyair.org/rules/currentrules/Rule22010411.pdf>
- Rule 2410: *Prevention of Significant Deterioration* - This proposed new rule will delegate the authority for implementation and enforcement of Prevention of Significant Deterioration (PSD) review from Environmental Protection Agency (EPA) to

SJVAPCD. Currently SJVAPCD is classified by EPA as an attainment area for Carbon Monoxide (CO), PM₁₀, Sulfur Dioxide (SO₂), and Nitrogen Dioxide (NO₂). EPA has been administering the PSD program for attainment pollutants under 40 Code of Federal Regulations (CFR) 52.21, while SJVAPCD administers the NSR program for non-attainment pollutants (e.g., ozone, PM_{2.5}). One of the options for the implementation of PSD delegation is by creating a separate PSD rule which references the PSD requirements in the CFR. The proposed rule will incorporate the federal PSD requirements by reference, but modifies or excludes certain portions. The date of District adoption of Rule 2410 will be used as the applicable 40 CFR 52.21 reference date.

Rule 4401: *Steam-Enhanced Crude Oil Production Wells* – Although US EPA determined that Rule 4401 satisfied Reasonably Available Control Technology (RACT) requirements for steam-enhanced crude oil production wells, EPA expressed concern with language in Section 6.2 regarding the process for approving alternative testing requirements and did not fully approve the rule based on this concern. The amendment addresses EPA's concern, and ends the 18-month sanction clock, by clarifying when testing is required. SJVAPCD stated that they will continue the rule

development process after this amendment to address other issues that were expressed by stakeholders during the rule amendment process.

SAN JOAQUIN VALLEY APCD PROPOSED RULE CHANGES

- For full details on proposed rule changes below go to: http://www.valleyair.org/Workshops/public_workshops_idx.htm
- Rule 4684: *Polyester Resin Operations* - The proposed amendments will lower the monomer content limits and increase the overall capture and control efficiency requirement for VOC control systems. The proposed amendments will affect commercial and industrial polyester resin operations. The rule defines polyester resin operations as methods used for the production or rework of products by mixing, pouring, hand layup, impregnating, injecting, forming, winding, spraying, and/or curing with fiberglass, fillers, or other reinforcement materials and associated cleanup. The proposed amendments to the monomer content limits for polyester resin operations will not include changes to fiberglass boat manufacturing limits, because these limits were previously addressed in the last rule amendments. The emission control system limit will be amended from 85% control efficiency to 90% control efficiency.

Yorke Engineering, LLC specializes in environmental and air quality consulting for stationary and mobile sources including dispersion modeling, health risk assessments, permitting, emission inventories, air quality compliance systems, etc. Yorke Engineering has over 200 customers including a wide variety of industrial facilities and government organizations throughout California.