FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT MEMORANDUM 04/08/2019

TO:

FRAQMD BOARD OF DIRECTORS

FROM:

Christopher D. Brown, AICP, APCO

SUBJECT:

Update on Criteria Pollutant and Toxics Emissions Reporting Regulation.

RECOMMENDATION:

None, informational item only.

BACKGROUND:

The California Air Resources Board adopted a regulation on December 14, 2018, to implement the requirements established in Assembly Bill 617 for the annual reporting of criteria air pollutant and toxic air contaminant emissions data from stationary source facilities under permit at a local air district.

At the CARB Board Hearing to adopt the regulation, the CARB staff was directed to amend the applicability language for sources within AB 617 communities.

DISCUSSION:

The CARB staff proposed amendments to the Criteria Pollutant and Toxics Emissions Reporting (CTR) regulation. Comments on the amendments were due March 29, 2019. The District staff attended a public workshop on March 5, 2019, in Sacramento and submitted comments on the proposed amendments, which are attached. The District also mailed a notice regarding the amendments to every permitted source, also attached.

FISCAL IMPACT:

None, informational item only.



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541 Washington Avenue Yuba City, CA 95991 (530) 634-7659 FAX (530) 634-7660 www.fraqmd.org

Christopher D. Brown, AICP Air Pollution Control Officer

March 27, 2019

Dave Edwards Ph.D., Chief Greenhouse Gas and Toxics Emission Inventory Branch Air Quality Planning and Science Division California Air Resources Board 1001 I Street Sacramento, CA 95814

Re: Regulation for Criteria Air Pollutant and Toxic Air Contaminant Emissions Reporting

Dear Dr. Edwards,

The Feather River Air Quality Management District (District) appreciates the opportunity to provide comments on the proposed Regulation. Assembly Bill 617 directed the state board to establish, in consultation with air districts, a uniform system of annual reporting for certain categories of stationary sources. The bill defined these sources as facilities already required to report their greenhouse gas emissions, or those that emit 250 tons per year or more of any nonattainment pollutant, or the facility receives an elevated prioritization score pursuant to the AB 2588 Air Toxics Hot Spots Program.

The proposed applicability section 93401(a)(4) goes above and beyond AB 617 by:

- Lowering the threshold for criteria pollutants from 250 tons per year of a nonattainment pollutant to 4 tons per year regardless of attainment status, and
- Lowering the threshold for toxics air contaminants from an elevated priority as designated by the Hot Spots Program to (in most cases) a zero threshold.

We recommend that CARB adhere to the language of AB 617 and limit the reporting regulation to the stationary sources as defined in Health and Safety Code (HSC) 39607.1 (2) and to sources within areas that have been identified during the assessment of high cumulative exposure communities as provided in HSC 44391.2(b).

If the amendments to the regulation became effective as proposed, the District staff will be required to refocus our efforts away from grant programs, enforcement, planning, and identifying (and getting under permit) new sources, which will increase emissions in our community.

The FRAQMD recommends that the state board consider the proposed amendments under the normal 45 day rule making process to insure adequate public participation. The draft amendments to the regulation, specifically in the applicability section 93401(a)(4), are a substantial change and will increase the reporting frequency for around 80% or 500 of the facilities in our small, rural air district. Reducing the threshold to 4 tons per day of criteria pollutants will require seasonal sources like rice dryers, aggregate plants, and walnut hullers to submit enhanced emissions reports. The activity levels in Appendix A would bring in backup diesel generators used only a couple hours a year for maintenance and testing, most retail gas stations, and auto body paint shops. Many in the regulated community are unaware of these changes, and many of the newly applicable sources are small businesses.

The Air Toxics "Hot Spots" Information and Assessment Act was established in 1987 to report the types and quantities of toxics substances, ascertain health risks, to notify residents of significant risks, and to reduce significant risks. It is unclear why the reporting regulation amendments seek to erase all of the risk based data to replace it with mass emissions. The change from Risk Based to Mass Emissions is a significant policy change by the Air Resources Board, the implications of which have not been fully discussed publicly. The District strongly recommends against proceeding down this path, which is in many ways a step backwards from an extremely successful Hot Spots Program.

The regulation fails to address mobile emissions, which in many communities are the greatest source of greenhouse gases, criteria pollutants, and risk from toxic air contaminants. AB 617 identified mobile sources as a contributing source of elevated exposure to air pollution in impacted communities in HSC 44391.2(b)(2). By failing to include mobile sources, the regulation will not result in providing the public with a transparent portrayal of emissions in their community.

Thank you for your consideration.

Christopher D. Brown, AICP #018108

Air Pollution Control Officer

IMPORTANT INFORMATION ABOUT THE CALIFORNIA AIR RESOURCES BOARD'S CRITERIA AND TOXICS REPORTING REGULATION

This advisory provides FRAQMD business owners and operators information about potential state regulations currently being developed by the California Air Resources Board that may have a significant impact on businesses within the district.

During its December 2018 meeting, CARB adopted the "<u>Regulation for the Reporting of Criteria Air Pollutants and Toxic Air Contaminants</u>", which requires affected businesses located in pollution impacted communities to annually report to the air districts and CARB their emissions from all permitted activities. Simultaneously, CARB directed its staff to consider further refinements to the regulation's applicability. CARB staff responded to that direction, and on March 5, 2019 released proposed regulatory text which is available at:

https://ww2.arb.ca.gov/our-work/programs/criteria-and-toxics-reporting

In the revised regulation, CARB staff have greatly expanded the scope of applicability and is now proposing that nearly <u>all</u> permitted sources in the state will be subject to these enhanced emissions reporting requirements. Compliance with this new reporting mandate is expected to bring significant cost increases to all businesses in California, with small businesses likely to be the most affected. Further, CARB staff is proposing to amend the regulation under an abbreviated "15-day" rulemaking process that both reduces the public's opportunity to provide comments in time for them to be considered before regulatory changes take effect and does not require another public hearing before the Board.

CARB's proposed changes are not sponsored by the FRAQMD. Should you wish to learn more about CARB's regulation, please visit CARB's website listed above. If you have questions or wish to submit comments on the proposed regulation, please contact CARB staff at ctr-report@arb.ca.gov or Patrick Gaffney at 916-322-7303.