



Air Pollution Control Board

San Diego County Air Pollution Control District

GOVERNING BODY

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First District

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Second District

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Third District

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Fourth District

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Fifth District

AGENDA ITEM

DATE: May 11, 2016

AP01

TO: Air Pollution Control Board

SUBJECT: NOTICED PUBLIC HEARING - ADOPTION OF AMENDMENTS TO RULE 11 – EXEMPTION FROM RULE 10 PERMIT REQUIREMENTS, AND AMENDMENTS TO RULE 66.1 – MISCELLANEOUS SURFACE COATING OPERATIONS AND OTHER PROCESSES EMITTING VOLATILE ORGANIC COMPOUNDS (DISTRICTS: ALL)

Overview

This is a request for the Air Pollution Control Board to adopt proposed amendments to Rule 11 - Exemptions from Rule 10 Permit Requirements. Rule 11 provides permit exemptions for equipment, operations, and processes that are negligible sources of air pollutant emissions. The proposed amendments will add a number of new permit exemptions, update the criteria for certain other exemptions, and improve clarity.

If the proposed amendments are adopted, approximately 49 existing permits may be retired by the permit holders due to new permit exemptions for a variety of equipment and processes. These new exemptions were added based upon updated manufacturer information, which showed negligible emissions from the subject equipment. In addition, an estimated 10 previously exempt diesel engines will be required to obtain permits due to the adoption of new state regulations. Affected facilities will have up to one year to submit new permit applications.

This is also a request for the Board to adopt corresponding amendments proposed for Rule 66.1 – Miscellaneous Surface Coating Operations and Other Processes Emitting Volatile Organic Compounds. Specifically, a proposed new exemption has been added for solvent cleaning operations (for the clean-up of products, equipment, and general work areas) using 550 gallons or less of solvent per year facility wide.

The proposed amendments to Rule 11 and Rule 66.1 were developed in collaboration with the U.S. Environmental Protection Agency and the California Air Resources Board, and with input from local facilities and the public. No significant concerns were raised and all known issues have been addressed. If the proposed amendments are adopted, staff will conduct additional outreach, including distribution of an advisory notice to further inform potentially affected sources. Additionally, the amended rules will be submitted to the U.S. Environmental Protection Agency through the California Air Resources Board for approval as part of the San Diego County portion of the State Implementation Plan for attaining and maintaining air quality

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standards.

Recommendation(s)

AIR POLLUTION CONTROL OFFICER

1. Find that the adoption of the proposed amendments to Rule 11 and Rule 66.1 is categorically exempt from the provisions of the California Environmental Quality Act pursuant to California Code of Regulations, Title 14, Section 15061(b)(3), since it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
2. Adopt the Resolution entitled RESOLUTION ADOPTING AMENDMENTS TO RULE 11 - EXEMPTIONS FROM RULE 10 PERMIT REQUIREMENTS, OF REGULATION II, AND AMENDMENTS TO RULE 66.1 - MISCELLANEOUS SURFACE COATING OPERATIONS AND OTHER PROCESSES EMITTING VOLATILE ORGANIC COMPOUNDS, OF REGULATION IV OF THE RULES AND REGULATIONS OF THE SAN DIEGO COUNTY AIR POLLUTION CONTROL DISTRICT.

Fiscal Impact

There is no fiscal impact associated with these recommendations. There will be no change in net General Fund cost and no additional staff years are required.

Business Impact Statement

Adopting the proposed amendments to Rule 11 and Rule 66.1 will not adversely impact the business community. The proposed amendments will add a number of new permit exemptions, update the criteria for certain other exemptions, and improve clarity. Businesses with previously exempt equipment now requiring permits will have up to one year to submit permit applications.

Advisory Board Statement

The Air Pollution Control District Advisory Committee voted unanimously in support of the Air Pollution Control District's proposed amendments to Rule 11 and Rule 66.1 at their meetings on October 14, 2015, and February 10, 2016, respectively.

Background

Air Pollution Control District (District) Rule 10 (Permits Required), requires all persons to obtain a written Permit to Operate before constructing or operating equipment that may emit air contaminants. Rule 11 (Exemptions from Rule 10 Permit Requirements) provides a list of equipment, operations, and processes that have negligible emissions, or that are preempted from permit requirements by state or federal law and thus are not subject to Rule 10 requirements. Over the years, Rule 11 has undergone several updates and was last amended on November 9, 2011 (APCB #1).

Since then, the District has received comments from affected businesses related to a variety of

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equipment and operations that are negligible sources of air contaminants. In addition, changes in state law and the adoption of a new state Air Toxic Control Measure has affected permit requirements, necessitating changes to Rule 11.

Specifically, the proposed amendments will add several new exemptions from permit requirements for various equipment and operations including 3-D additive printing, ozone generators used in water purification applications, and low-emitting units with emissions of less than two pounds per day of each criteria pollutant. In addition, the proposed amendments will delete an exemption for engines that power construction cranes in long-term operations. These engines are now regulated by a state Air Toxic Control Measure, and requiring a permit will help ensure equipment owners/operators are informed of their specific requirements and will allow the District to evaluate and confirm ongoing compliance.

Related amendments to Rule 66.1, are also proposed to fully align that Rule's exemption thresholds with the permit exemption thresholds in proposed amended Rule 11. Specifically, a proposed new exemption has been added for solvent cleaning operations, including wipe cleaning, using 550 gallons or less of solvent per year, facility wide. Cleaning solvents used in total amounts at or below this threshold would be exempt from the volatile organic compound limits in Rule 66.1 and exempt from permit requirements pursuant to Rule 11.

District staff conducted two separate public workshops for Rule 11 and Rule 66.1 to discuss and receive comments on the proposed amendments, and further consulted with individual parties as necessary. No significant concerns were raised and all known issues have been addressed.

Socioeconomic Impact Assessment

State law requires the District to perform an assessment of the socioeconomic impacts when adopting, amending, or repealing a rule that will significantly affect air quality or emission limitations. Rule 11 is an administrative rule that specifies which sources are exempt from permit requirements; the Rule does not specify emission limits and the proposed rule amendments do not significantly affect air quality or emission limitations. Rule 66.1 limits volatile organic compound emissions from sources that are not already regulated under source-specific rules; however, the proposed amendments to Rule 66.1 only add an exemption which will not significantly affect air quality or emission limitations. Therefore, a socioeconomic impact assessment is not required and has not been prepared.

Environmental Statement

The California Environmental Quality Act (CEQA) requires environmental review of certain actions. District staff conducted a review of whether CEQA applies to the proposed amendments to Rule 11 and Rule 66.1. Rule 11 is an administrative rule that specifies which sources are exempt from permit requirements; the Rule does not specify emission limits and the proposed rule amendments do not significantly affect air quality or emission limitations. Rule 66.1 limits volatile organic compound emissions from sources that are not already regulated under source-specific rules; however, the proposed amendments to Rule 66.1 only add an exemption, which

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will not significantly affect air quality or emission limitations. As a result, District staff determined that adoption of the proposed amendments is exempt from the provisions of CEQA pursuant to California Code of Regulations, Title 14, Section 15061(b)(3), since it can be seen with certainty that there is no possibility that the activity in question may have a significant adverse effect on the environment.

Linkage to the County of San Diego Strategic Plan

Today’s proposed actions support the Sustainable Environments Initiative in the County of San Diego’s 2016–2021 Strategic Plan with an objective to provide and promote services that increase consumer and business confidence. The proposed amendments to Rule 11 and Rule 66.1 will help ensure that insignificant sources of air pollutant emissions are not subject to permits and associated requirements and thus will increase business confidence while preserving the environment.

Respectfully submitted,



SARAH E. AGHASSI
Deputy Chief Administrative Officer



ROBERT J. KARD
Air Pollution Control Officer

ATTACHMENT(S)

Attachment A – Resolution Adopting Amendments to Rule 11 – Exemptions from Rule 10 Permit Requirements, of Regulation II, and Amendments to Rule 66.1 – Miscellaneous Surface Coating Operations and Other Processes Emitting Volatile Organic Compounds, of Regulation IV of the Rules and Regulations of the San Diego County Air Pollution Control District

Attachment B – Workshop Reports

Attachment C – Rule 11 Change Copy

Attachment D – Rule 66.1 Change Copy

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AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: Yes No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED
 Yes No

PREVIOUS RELEVANT BOARD ACTIONS:

November 9, 2011 (1), Amendment of Rule 67.16 and Related Amendment to Rule 11
February 24, 2010 (1) – Adoption of Rule 66.1

BOARD POLICIES APPLICABLE:

N/A

BOARD POLICY STATEMENTS:

N/A

MANDATORY COMPLIANCE:

N/A

ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):

N/A

ORIGINATING DEPARTMENT: AIR POLLUTION CONTROL DISTRICT

OTHER CONCURRENCES(S): N/A

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