



COUNTY OF SAN DIEGO
AIR POLLUTION CONTROL DISTRICT

BOARD OF SUPERVISORS

GREG COX
First District

DIANNE JACOB
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Fourth District

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Fifth District

DATE: February 25, 2009

TO: San Diego County Air Pollution Control Board

SUBJECT: REPEAL EXISTING SUBPART GG OF REGULATION X AND ADOPT BY REFERENCE FEDERAL NEW SOURCE PERFORMANCE STANDARDS SUBPARTS GG AND KKKK FOR STATIONARY COMBUSTION TURBINES (District: All)

SUMMARY:

Overview

New Source Performance Standards are periodically issued by the U.S. Environmental Protection Agency and apply throughout the country to specified new, modified, and reconstructed stationary sources of air pollution such as power plants. The U.S. Environmental Protection Agency may delegate authority for administering and enforcing a standard to state or local air agencies.

The Air Pollution Control District's Regulation X contains federal New Source Performance Standards that governs stationary sources of air pollution and that were locally adopted and for which delegation was received from the U.S. Environmental Protection Agency. Periodic amendments to Regulation X are necessary to incorporate new or amended federal New Source Performance Standards by reference. Amendments are now proposed to repeal an outdated federal version of Subpart GG (Stationary Gas Turbines) and to adopt the current federal version of Subparts GG and KKKK (Stationary Combustion Turbines).

The Air Pollution Control District proposes seeking delegation from the U.S. Environmental Protection Agency to locally administer and enforce Subparts GG and KKKK following their local adoption by reference. Delegated authority provides a single, local point of reference for air pollution control requirements relating to a New Source Performance Standard and assists local businesses in streamlining their communication.

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Recommendation(s)

CHIEF ADMINISTRATIVE OFFICER

1. Find that it can be seen with certainty that there is no possibility that the adoption of the proposed amendments to Regulation X may have a significant effect on the environment, and the adoption of those proposed amendments is exempt from the provisions of the California Environmental Quality Act pursuant to California Code of Regulations, Title 14, Section 15061(b)(3).
2. Adopt the resolution titled Resolution Repealing Existing Regulation X Subpart GG and Adopting By Reference Federal New Source Performance Standard Subparts GG and KKKK to Regulation X of the Rules and Regulations of the San Diego County Air Pollution Control District.
3. Direct the Air Pollution Control Officer to request delegation from the U.S. Environmental Protection Agency to locally implement and enforce federal Subparts GG and KKKK.

Fiscal Impact

The recommended actions will have no fiscal impact on the Air Pollution Control District. Once delegated authority is received from the U.S. Environmental Protection Agency, the amendments will be implemented and enforced locally using existing staffing and funding identified in the Air Pollution Control District's Operational Plan.

Business Impact Statement

Federal delegation of authority to locally implement and enforce a New Source Performance Standard is preferred by affected businesses. Businesses can continue to work with the Air Pollution Control District to resolve any compliance issues that may arise rather than dealing directly with the federal agency, thereby streamlining communication.

The recent federal amendments to Subpart GG may result in additional monitoring requirements for eight of the 27 turbine facilities in the county that have not already installed a continuous emission monitoring system or that do not perform continuous monitoring of parameters indicative of their units' emissions. The additional monitoring requirements of amended Subpart GG are anticipated to require relatively simple modifications performed at a minimal cost to these facilities.

Subpart KKKK is applicable to five existing and six proposed turbines in San Diego

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County. However, Subpart KKKK results in no change in requirements for these facilities, because it applies to new combustion turbines that must install best available control technology pursuant to the District's New Source Review rules, developed pursuant to more stringent State requirements.

Advisory Board Statement

At its meeting on November 12, 2008, with a quorum present, the Air Pollution Control District Advisory Committee expressed support of the Air Pollution Control District's recommendations.

BACKGROUND:

Federal New Source Performance Standards (NSPSs) are regulations that establish minimum air pollution control standards for specific industries. They are issued by the U.S. Environmental Protection Agency (EPA) as Subparts of Title 40, Chapter 1, Part 60, of the Code of Federal Regulations and apply uniformly throughout the country. EPA can enforce an NSPS, but often delegates primary implementation and enforcement authority to state and local air pollution control agencies.

Subparts GG and KKKK each apply to specific combustion turbines and establish emission limits for nitrogen oxides (NO_x) and sulfur dioxides (SO₂). Subpart KKKK applies to turbines built after February 18, 2005, while Subpart GG applies to turbines built prior to that date and after October 3, 1977. Subpart KKKK reflects advancements in emission control technologies and turbine design whereas the emission standards in Subpart GG, applicable to existing older turbines, have remained relatively unchanged since first promulgated in 1979. Most other requirements of the two regulations are the same, including reporting, record keeping, and test methods.

Subpart GG was last adopted, by reference, on October 17, 2001 (APCB #3), and delegation was received from EPA on January 3, 2008. EPA recently modified the federal regulation to add additional alternative testing and monitoring procedures, and to harmonize the provisions of Subpart GG with the continuous monitoring requirements of the federal acid rain program. Consequently, the current Regulation X version of Subpart GG is now outdated. The Air Pollution Control District (District) proposes to repeal the older version from Regulation X and adopt, by reference, the updated version of Subpart GG.

Subpart KKKK was promulgated by EPA on July 6, 2006, and is not currently included in the District's Regulation X. The District proposes to adopt it by reference for inclusion in Regulation X.

If Subparts GG and KKKK are adopted by reference the District will then petition EPA for delegation of implementation and enforcement authority. Routine approval by EPA is anticipated. Delegation will allow for more efficient local implementation of the Subparts, both for the affected facilities and the District.

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A public workshop was held on November 3, 2008. No significant issues were raised and there was no opposition to the proposed actions.

Compliance with Board Policy on Adopting New Rules

On February 2, 1993, the Board directed that, with the exception of a regulation requested by business or a regulation for which a socioeconomic impact assessment is not required, no new or revised regulation shall be implemented unless specifically required by federal or State law. The proposed adoption of federal Subparts GG and KKKK is consistent with this Board directive.

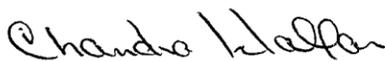
Environmental Statement

The California Environmental Quality Act (CEQA) requires an environmental review for certain actions. The District has conducted a preliminary review of whether CEQA applies to amending Regulation X of the District Rules and Regulations by updating federal Subpart GG and adding federal Subpart KKKK by reference. Because all affected sources are already subject to the federal regulations, it is certain there is no possibility that this action may have a significant adverse effect on the environment. Therefore, the adoption of amendments to Regulation X is exempt from the provisions of CEQA pursuant to California Code of Regulations, Title 14, Section 15061(b)(3).

Linkage to the County of San Diego's Strategic Plan

The County's five-year strategic plan includes an Environment Strategic Initiative with an objective to reduce environmental risk through regulation, intergovernmental collaboration, and the leveraging of public and private resources. Local adoption and enforcement of federal Subparts GG and KKKK on sources that may emit sizeable amounts of harmful emissions fulfills the objective to restore air quality, thus protecting public health and the environment.

Respectfully submitted,



CHANDRA L. WALLAR
Deputy Chief Administrative Officer



ROBERT KARD
Air Pollution Control Officer

ATTACHMENT(S)

Attachment A - Resolution Repealing Existing Regulation X Subpart GG and Adopting By Reference Federal New Source Performance Standard (NSPS) Subparts GG and KKKK to Regulation X of the Rules and Regulations of the San Diego County Air Pollution Control District.

SUBJECT: REPEAL EXISTING SUBPART GG OF REGULATION X AND ADOPT BY REFERENCE FEDERAL NEW SOURCE PERFORMANCE STANDARDS SUBPARTS GG AND KKKK FOR STATIONARY COMBUSTION TURBINES (District: All)

Attachment B - Change Copy of Regulation X

Attachment C - Federal New Source Performance Standard Subparts GG and KKKK

Attachment D - Workshop Report

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AGENDA ITEM INFORMATION SHEET

CONCURRENCE(S)

COUNTY COUNSEL REVIEW	<input checked="" type="checkbox"/> Yes	
Written disclosure per County Charter §1000.1 required?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
GROUP/AGENCY FINANCE DIRECTOR	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
CHIEF FINANCIAL OFFICER	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
Requires Four Votes	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
GROUP/AGENCY INFORMATION TECHNOLOGY DIRECTOR	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
COUNTY TECHNOLOGY OFFICE	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A
DEPARTMENT OF HUMAN RESOURCES	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> N/A

Other Concurrence(s): N/A

ORIGINATING DEPARTMENT: Air Pollution Control District, County of San Diego

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AUTHORIZED REPRESENTATIVE: _____

ROBERT J. KARD
Air Pollution Control Officer

SUBJECT: REPEAL EXISTING SUBPART GG OF REGULATION X AND ADOPT BY REFERENCE FEDERAL NEW SOURCE PERFORMANCE STANDARDS SUBPARTS GG AND KKKK FOR STATIONARY COMBUSTION TURBINES (District: All)

AGENDA ITEM INFORMATION SHEET

(continued)

PREVIOUS RELEVANT BOARD ACTIONS:

October 17, 2001 (APCB #3), Adoption of Amendments to Regulation X Repealing and Adopting by Reference the Following New Source Performance Standards (NSPS): Subpart D – NSPS for Fossil Fuel-Fired Steam Generators, Subpart Da – NSPS for Electric Utility Steam Generating Units, and Subpart GG – NSPS for Stationary Gas Turbines; July 25, 1995 (APCB #1), Approval of Adoption by Reference Procedure; February 2, 1993 (APCB #2), Delayed implementation of new or revised regulations unless requested by business, specifically ordered by federal or State law, or for which a socioeconomic impact assessment is not required; November 24, 1982 (APCB #1), Adoption of Subpart GG to Regulation X.

BOARD POLICIES APPLICABLE:

N/A

BOARD POLICY STATEMENTS:

N/A

CONTRACT AND/OR REQUISITION NUMBER(S):

N/A