

The San Diego County Air Pollution Control District

AB 617: Community Air Protection Program:

Expedited Best Available Retrofit Control Technology (BARCT) Schedule

December 31, 2018

Assembly Bill 617 (C. Garcia, Chapter 136, Statutes of 2017), Nonvehicular Air Pollution: Criteria Air Pollutants and Toxic Air Contaminants (AB 617) was passed by the California State Legislature and signed by the Governor in September 2017.

One requirement of AB 617 is for the San Diego County Air Pollution Control District (District) to ensure that industrial sources subject to the state Cap-and-Trade program implement Best Available Retrofit Control Technology (BARCT) for non-attainment pollutants by adopting an expedited schedule for permitted units that do not meet BARCT to do so (California Health and Safety Code subsections 40920.6 (c) and (d)).

The San Diego County Air Basin is currently designated as non-attainment for the federal 8-hour ozone standard, the state 8-hour and 1-hour ozone standards, and the state PM10 and PM2.5 standards. Therefore, the BARCT requirements will apply to equipment that emits Oxides of Nitrogen (NO<sub>x</sub>, a precursor to both ozone and particulate matter), Volatile Organic Compounds (VOC, a precursor to ozone), and particulate matter.

The adopted schedule will give priority to the permitted units that have not modified emissions-related permit conditions for the greatest period of time, but still ensure that all units that must implement BARCT do so no later than December 31, 2023. Units that have implemented BARCT due to a permit revision or new permit issuance since 2007 are not subject to this requirement.

Based on information from the California Air Resources Board (CARB), through their pollution mapping tool, of the 17 sources subject to Cap-and-Trade in San Diego County, only two are considered industrial sources: CP Kelco and Solar Turbines – Kearny Mesa.

CP Kelco is located within the Portside Environmental Justice Neighborhood, which was selected by CARB as one of the AB 617 communities in 2018. They have 24 permit units that are potentially subject to the BARCT requirements, including boilers, mills & screens, solvent processing operations, storage tanks, and gas turbine cogen engines. Solar Turbines – Kearny Mesa is not located within an AB 617 selected community, and has 41 permit units, including a boiler, coating operations, emergency engines, thermal oxidizers, and turbine test cells.

Of the 65 permit units potentially subject to the BARCT requirements, six of them are not subject because they implemented Best Available Control Technology (BACT) through permit actions since 2007. BARCT, by virtue of being limited to controls or reductions that can feasibly be applied to existing units and contained within district rules, will serve as a floor for a BACT analysis. BACT looks at any potential controls, including those that could not be retrofit to existing sources (such as alternate basic equipment), and requires the most stringent control that is technologically feasible and cost-effective. Therefore, any permit unit that has employed BACT through a permit revision since 2007 has also employed BARCT and is not subject to this schedule.

An assessment was made for the other 59 units, to determine if it looked like they currently meet BARCT, or BACT, or not. Each operation was looked at to see how emissions are produced and how they are controlled or minimized. Then any additional controls that might be feasible were looked at to see if they had been found to be cost effective in recent BACT analyses. Based on this assessment, these 59 permit units currently meet BARCT.

As this assessment, however, is not a full BARCT evaluation, further analysis is required. The bulk of this further analysis will take place in concert with State Implementation Plan (SIP) planning efforts due to the federal Environmental Protection Agency's (EPA) proposed decision to reclassify the San Diego County Air Basis as a serious non-attainment area for the 8-hour ozone standard. Once this decision becomes final (expected spring 2019), the District will have one year to prepare a new attainment plan, indicating what rules will be amended and/or adopted and their implementation timeline. As part of this SIP effort the District will also perform a BARCT analysis of rules that limit NO<sub>x</sub> and/or VOC emissions that apply to CP Kelco and/or Solar Turbines – Kearny Mesa. Additionally, a separate BARCT analysis will be performed for rules that limit particulate matter and apply to these two sources. These BARCT evaluations will be completed in 2019. Any rule revisions needed will take place in 2020, with full implementation required no later than December 31, 2023.

The District held the required public meeting to discuss this schedule on October 10, 2018. Four persons attended the meeting and there were no comments submitted to the District.

While it is expected that the permit units subject to the AB 617 BARCT requirements currently meet BARCT, any rules found to need amending by the BARCT analysis occurring in 2019 will be amended in time to meet the December 31, 2023 deadline.