
Expedited BARCT Implementation
Schedule

2018

NFT

DECEMBER 3

Tehama County APCD

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AB 617 BARCT Implementation Schedule

Summary

Assembly Bill 617 (AB 617) was signed into law by the governor on July 26th, 2017. AB 617's goal is to improve air quality in communities most impacted by air pollution. AB 617 amends the health and safety code requiring all air districts designated as nonattainment for one or more air pollutants to adopt by January 1, 2019 an expedited schedule for implementation of Best Available Retrofit Control Technology (BARCT) by the earliest feasible date, but no later than December 31, 2023. Expedited BARCT implementation applies to industrial facilities subject to the California Greenhouse Gas cap-and-trade requirements. Facility's sources that have implemented BARCT on or after 2007 are not subject to the expedited schedule. Districts are to give the highest priority to those permitted units that have not modified emissions-related permit conditions for the greatest period of time.

Goals

The goal of BARCT implementation is to reduce criteria pollutant emissions from sources that currently participate in the cap-and-trade system or are subject to the California Air Resources Board (CARB) Mandatory Greenhouse Gas Reporting Regulation. While the intent of the cap-and-trade system is to reduce greenhouse gas emissions, criteria pollutants as well as toxic air contaminants (TACs) have been shown to be associated with certain greenhouse emission sources.

Background

The Tehama County Air Pollution Control District (District) does not have any sources identified as participants in the cap-and-trade system. However, the District has five facilities identified as potentially subject to BARCT based on their being subject to CARB's Mandatory Greenhouse Gas Reporting Regulation.

Regulatory Context

AB 617 requires the following:

- CARB must develop a uniform statewide system of annual reporting of emissions of criteria air pollutants and TACs for use by certain categories of stationary sources. The bill requires those stationary sources to report their emissions annually.
- By October 1, 2018, CARB must prepare a monitoring plan for monitoring criteria pollutants and TACs as well as the need for any additional community monitoring systems.

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- CARB must select, based on the monitoring plan, the highest priority locations for deployment of community monitoring systems. An air district containing a selected location shall deploy a community monitoring system by July 1, 2019. Fence line monitoring at stationary sources may also be required in these communities by the air districts. CARB must annually update the monitoring plan. The data collected by the monitoring systems must be published on CARB's website.
 - By October 1, 2018, and at least every five years after, CARB must develop a statewide strategy to reduce emissions of TACs and criteria pollutants in communities affected by a high cumulative exposure burden. CARB must offer grants to those communities for technical assistance and to support community participation. Air districts containing a selected location, within one year of CARB's selection, must adopt a community emissions reduction program.
 - Air districts that are in nonattainment for one or more air pollutants must adopt an expedited schedule for the implementation of BARCT for each industrial source that, as of January 1, 2017, was subject to a specified market-based compliance mechanism, and give highest priority to those permitted units that have not modified emissions-related permit conditions for the greatest period of time.
 - CARB must establish and maintain a statewide clearinghouse that identifies the best available control technology, best available retrofit control technology for criteria air pollutants, and related technologies for the control of TACs.
 - The maximum generally applicable criminal and civil penalties for violations of air pollution laws from non-vehicular sources has increased to \$5,000, which will now annually adjust based on the California Consumer Price Index.

CARB and air districts may be reimbursed for some costs mandated by the bill.

Preliminary BARCT Evaluation and Identification of Potential Rule Development Projects

The District conducted preliminary BARCT evaluations of facilities subject to AB 32 cap-and-trade program to determine which sources may be subject to rule development. The Districts process is as follows:

- Identify pollutants of concern
- Screen out sources not subject to the expedited BARCT schedule
- Perform BARCT evaluation
- Prioritize BARCT evaluations

Nonattainment Pollutants

The Tehama County APCD, is in attainment with both the National Ambient Air Quality Standards and State Ambient Air Quality Standards for: Nitrogen Dioxide (NO_x), Sulfur Dioxide

(SOx), Lead (Pb). The District is designated as non-attainment for Ozone for the California Ambient Air Quality Standards. The District is designated as unclassified for PM2.5 for the State and Federal Ambient Air Quality Standards.

BARCT review will be conducted for:

- Nitrogen Oxides (NOx)
- Reactive Organic Gases (ROGs)

NOx and ROGs are included as they are precursors to Ozone formation.

Affected Facilities and Sources

A list of facilities was provided by CARB on June 18, 2018 based on 2016 emissions inventories. The list identified facilities that were subject to the cap-and-trade program on January 1, 2017. The list did not identify which sources have already implemented BARCT due to permit revisions or new permits issued since 2007.

The list provided to the District identified five facilities subject to the expedited BARCT implementation schedule (Table 1). Of the five facilities there are seven emission sources and two emission source categories, which are four Internal Combustion Engines, two Glycol Dehydrators and one Production Heater.

Upon review of the seven sources, two have had their permits revised since 2007. During the revision process, the sources were subject to new source review (District Rule 2:3A). During the new source review of these two sources, it was determined that implementing BACT would not be required as neither source would exceed the Districts 25 pound per day of emissions threshold. Because these sources underwent the Districts new source review process, had their permits revised and because any further controls would not be cost effective, the District has determined that these sources have implemented and achieved BARCT. Therefore, the proposed schedule will not apply to these two sources per HSC section 40920.6 (c)(3). The remaining facilities are identified in Table 2. The five sources are permitted under District Rule 4:34 Internal Combustion Engines and/or District Rule 4:31 Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters Oxides of Nitrogen Control Measure.

Table 1

CEIDARS ID	CEIDARS Facility Name	County	Air Basin	District
154	California Resource Production Corporation	Tehama	Sacramento Valley	Tehama County APCD
109	California Resource Production Corporation	Tehama	Sacramento Valley	Tehama County APCD
104	California Resource Production Corporation	Tehama	Sacramento Valley	Tehama County APCD
105	California Resource Production Corporation	Tehama	Sacramento Valley	Tehama County APCD
107	California Resource Production Corporation	Tehama	Sacramento Valley	Tehama County APCD

Table 2

CEIDARS ID	CEIDARS Facility Name	Source Category(ies)	TPY NOx	TPY VOC
105	California Resource Production Corporation	Production Heater, Internal Combustion Engine	0.034	.001
107	California Resource Production Corporation	Glycol Dehydrator	0.034	.001
109	California Resource Production Corporation	Internal Combustion Engine	1.53	0.17
154	California Resource Production Corporation	Glycol Dehydrator	0.034	.001
Total			1.632	.173

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For Internal Combustion Engines subject to AB 617; the District last reviewed District rule 4:34 in 2009. Staff will evaluate the technological and economic feasibility of current technology to reduce emissions further. The District will complete this process during calendar year 2021, including the adoption of a Internal Combustion Engine rule if necessary, with an expedited implementation schedule with a final compliance date not later than December 31, 2023.

For Production Heaters and Glycol Dehydrators subject to AB 617: The District has last reviewed District Rule 4:31 in 2002 which is applicable to production heaters and glycol dehydrators subject to AB 617. Staff will evaluate the technological and economic feasibility of current technology to reduce emissions further. The emission limits on the permits for these sources meet the Districts current BACT standards. A BARCT determination for this category is less likely to result in more stringent emission limits, and is unlikely to provide benefits to public health and air quality attainment. The District will complete this evaluation process during calendar year 2021, including the adoption of a Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters Oxides of Nitrogen Control Measure rule if necessary, with an expedited implementation schedule and final compliance date not later than December 31, 2023.

Natural gas production equipment at California Resource Production Corporation facilities within the District include: natural gas dehydrators, condensate tanks, injection wells, and other associated equipment. This equipment is subject to the requirements of the state regulation for Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities, which became effective October 1, 2017 and is considered BARCT for Leak Detection and Repair (LDAR) requirements. Therefore, BARCT has been implemented and no additional rulemaking is required for volatile organic compound emissions from this equipment.

Public Meeting (H&SC §40920.6(d))

This expedited implementation schedule, and the results of various control options and cost-effectiveness analyses, will be discussed at public meetings.

Local Public Health and Clean Air Benefits (H&SC §40920.6(d)(1))

None of the AB 617 BARCT sources represent a risk to local public health; each is in compliance with all current air quality-related health requirements, including all of criteria, hazardous and toxic air contaminants.

Cost Effectiveness (H&SC §40920.6(d)(2))

The District evaluates every rule proposal for cost effectiveness, and will do so for any rule that may be amended and/or adopted for AB 617.

Air Quality and Attainment Benefits (H&SC §40920.6(d)(3))

As each of the five AB 617 BARCT sources meet the Districts current BACT Standards, AB 617 BARCT implementation within the District may result in local air quality benefits but no attainment benefit.

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