



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## BOARD OF DIRECTORS REGULAR MEETING

May 15, 2013

A meeting of the Bay Area Air Quality Management District Board of Directors will be held immediately following Board of Directors Budget Hearing in the 7<sup>th</sup> Floor Board Room at the Air District Headquarters, 939 Ellis Street, San Francisco, California.

### Questions About an Agenda Item

The name, telephone number and e-mail of the appropriate staff Person to contact for additional information or to resolve concerns is listed for each agenda item.

### Meeting Procedures

The public meeting of the Air District Board of Directors begins at 9:45 a.m. The Board of Directors generally will consider items in the order listed on the agenda. However, any item may be considered in any order.

After action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

This meeting will be webcast. To see the webcast, please visit <http://www.baaqmd.gov/The-Air-District/Board-of-Directors/Agendas-and-Minutes.aspx> at the time of the meeting.

## Public Comment Procedures

Persons wishing to make public comment must fill out a Public Comment Card indicating their name and the number of the agenda item on which they wish to speak, or that they intend to address the Board on matters not on the Agenda for the meeting.

**Public Comment on Non-Agenda Matters, Pursuant to Government Code Section 54954.3** For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have three minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to commencement of the meeting. The remainder of the speakers wishing to address the Board on non-agenda matters will be heard at the end of the agenda, and each will be allowed three minutes to address the Board at that time.

Members of the Board may engage only in very brief dialogue regarding non-agenda matters, and may refer issues raised to District staff for handling. In addition, the Chairperson may refer issues raised to appropriate Board Committees to be placed on a future agenda for discussion.

**Public Comment on Agenda Items** After the initial public comment on non-agenda matters, the public may comment on each item on the agenda as the item is taken up. Public Comment Cards for items on the agenda must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to the Board taking up the particular item. Where an item was moved from the Consent Calendar to an Action item, no speaker who has already spoken on that item will be entitled to speak to that item again.

Up to ten (10) speakers may speak for three minutes on each item on the Agenda. If there are more than ten persons interested in speaking on an item on the agenda, the Chairperson or other Board Member presiding at the meeting may limit the public comment for all speakers to fewer than three minutes per speaker, or make other rules to ensure that all speakers have an equal opportunity to be heard. Speakers are permitted to yield their time to one other speaker; however no one speaker shall have more than six minutes. The Chairperson or other Board Member presiding at the meeting may, with the consent of persons representing both sides of an issue, allocate a block of time (not to exceed six minutes) to each side to present their issue.

# BOARD OF DIRECTORS REGULAR MEETING AGENDA

WEDNESDAY  
MAY 15, 2013

BOARD ROOM  
7TH FLOOR

IMMEDIATELY FOLLOWING  
9:45 A.M. BOARD OF DIRECTORS  
SPECIAL MEETING - BUDGET HEARING

## CALL TO ORDER

Opening Comments  
Roll Call  
Pledge of Allegiance

Chairperson, Ash Kalra  
Clerk of the Boards

## PUBLIC COMMENT ON NON-AGENDA MATTERS

### **Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3**

*For the first round of public comment on non-agenda matters at the beginning of the agenda, ten persons selected by a drawing by the Clerk of the Boards from among the Public Comment Cards indicating they wish to speak on matters not on the agenda for the meeting will have three minutes each to address the Board on matters not on the agenda. For this first round of public comments on non-agenda matters, all Public Comment Cards must be submitted in person to the Clerk of the Board at the location of the meeting and prior to commencement of the meeting.*

## CONSENT CALENDAR (ITEMS 1 – 4)

Staff/Phone (415) 749-

1. Minutes of the Board of Directors Meeting of May 1, 2013

Clerk of the Boards/5073

2. Board Communications Received from May 1, 2013 through May 14, 2013

J. Broadbent/5052

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*Copies of communications directed to the Board of Directors received by the Air District from May 1, 2013 through May 14, 2013, if any, will be at each Board Member's place.*

3. Air District Personnel on Out-of-State Business Travel

J. Broadbent/5052

[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*In accordance with Section 5.4 (b) of the Air District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that the attached memorandum lists Air District personnel who have traveled on out-of-state business in the preceding month.*

4. Notice of Violations Issued and Settlements in Excess of \$10,000 in April 2013  
**B. Bungler/4920**  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*In accordance with Resolution No. 2012-08, the Board of Directors will receive a list of all Notices of Violation issued, and all settlements for amounts in excess of \$10,000 during the month of April 2013.*

5. Quarterly Report of Executive Office and Division Activities  
**J. Broadbent/5052**  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*A summary of Board of Directors, Hearing Board and Advisory Council meeting activities for the second quarter is provided for information only. Also included is a summary of the Executive Office and Division Activities for the months of January 2013 – March 2013.*

### **COMMITTEE REPORTS AND RECOMMENDATIONS**

6. Report of the **Personnel Committee** Meeting of May 6, 2013  
**CHAIR: B. Wagenknecht**  
**J. Broadbent/5052**  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

7. Report of the **Legislative Committee** Meeting of May 6, 2013  
**CHAIR: T. Bates**  
**J. Broadbent/5052**  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*The Committee recommends Board of Directors' approval of the following positions on the following bills:*

- A. *Senate Bill (SB) 793 Lara: Watch*
- B. *SB 792 DeSaulnier: Oppose*
- C. *SB 605 Lara: Oppose*

8. Report of the **Climate Protection Committee** Meeting of May 9, 2013  
**CHAIR: J. Avalos**  
**J. Broadbent/5052**  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

### **PUBLIC HEARING(S)**

9. Public Hearing to Receive Testimony on Proposed Amendments to Air District Regulation 3: Fees and Regulation 5: Open Burning  
**J. Broadbent/5052**  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)

*The Board of Directors will receive testimony on proposed amendments to Air District Regulation 3: Fees and Regulation 5: Open Burning. The final public hearing and consideration of adoption of the proposed amendments is set for June 19, 2013.*

## **CLOSED SESSION**

### **10. EXISTING LITIGATION (Government Code Section 54956.9(a))**

*Pursuant to Government Code Section 54956.9(a), a need exists to meet in closed session with legal counsel to consider the following case(s):*

**California Building Industry Association v. Bay Area AQMD**, Alameda County Superior Court, Case No. RG-10548693; California Court of Appeal, First Appellate District, Case No. A135335.

### **11. PUBLIC EMPLOYEE PERFORMANCE EVALUATION - (Government Code Section 54957 and 54957.6)**

*Pursuant to Government Code Section 54957 and 54957.6, the Committee will meet in closed session to continue the performance evaluation of the Executive Officer.*

### **12. PUBLIC EMPLOYEE PERFORMANCE EVALUATION - (Government Code Section 54957 and 54957.6)**

*Pursuant to Government Code Section 54957 and 54957.6, the Committee will meet in closed session to continue the performance evaluation of the District Counsel.*

## **OPEN SESSION**

### **PUBLIC COMMENT ON NON-AGENDA MATTERS**

#### **Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3**

*Speakers who did not have the opportunity to address the Board in the first round of comments on non-agenda matters will be allowed three minutes each to address the Board on non-agenda matters.*

### **BOARD MEMBERS' COMMENTS**

*Any member of the Board, or its staff, on his or her own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)*

### **OTHER BUSINESS**

13. Report of the Executive Officer/APCO

14. Chairperson's Report

15. Time and Place of Next Meeting is Wednesday, June 5, 2013, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.

16. Adjournment

**CONTACT THE CLERK OF THE BOARDS  
939 ELLIS STREET SF, CA 94109**

**(415) 749-5073  
FAX: (415) 928-8560  
BAAQMD homepage:  
[www.baaqmd.gov](http://www.baaqmd.gov)**

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities. Notification to the Executive Office should be given at least 3 working days prior to the date of the meeting so that arrangements can be made accordingly.

Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the Air District's headquarters at 939 Ellis Street, San Francisco, CA 94109, at the time such writing is made available to all, or a majority of all, members of that body.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109  
FOR QUESTIONS PLEASE CALL (415) 749-4963**

**EXECUTIVE OFFICE:  
MONTHLY CALENDAR OF DISTRICT MEETINGS**

**MAY 2013**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Special Board of Directors Meeting - Budget Hearing</b> <i>(At the Call of the Chair)</i>	Wednesday	15	9:45 a.m.	Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	15	9:45 a.m.	Board Room
<b>Board of Directors Executive Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Monday	20	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Monday	20	10:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month) - CANCELLED</i>	Wednesday	22	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	23	9:30 a.m.	Board Room
<b>Board of Directors Public Outreach Committee</b> <i>(At the Call of the Chair)</i>	Wednesday	29	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

**JUNE 2013**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	5	9:45 a.m.	Board Room
<b>Board of Directors Legislative Committee</b> <i>(At the Call of the Chair)</i>	Thursday	6	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Advisory Council Regular Meeting</b> <i>(Meets on the 2<sup>nd</sup> Wednesday of each Month)</i>	Wednesday	12	9:00 a.m.	Board Room

June 2013 Calendar Continued on Next Page

## JUNE 2013

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Executive Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Monday	17	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Monday	17	10:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	19	9:45 a.m.	Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i>	Wednesday	26	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	27	9:30 a.m.	Board Room

## JULY 2013

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	3	9:45 a.m.	Board Room
<b>Advisory Council Regular Meeting</b> <i>(Meets on the 2<sup>nd</sup> Wednesday of each Month)</i>	Wednesday	10	9:00 a.m.	Board Room
<b>Board of Directors Executive Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Monday	15	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i>	Monday	15	10:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	17	9:45 a.m.	Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i>	Wednesday	24	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	25	9:30 a.m.	Board Room



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer

Date: May 7, 2013

Re: Minutes of the Board of Directors Regular Meeting of May 1, 2013

RECOMMENDED ACTION

Approve the attached draft minutes of the Board of Directors Regular Meeting of May 1, 2013.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Regular Meeting of May 1, 2013.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Sean Gallagher  
Reviewed by: Ana Sandoval

Attachment

Bay Area Air Quality Management District  
939 Ellis Street  
San Francisco, CA 94109  
(415) 749-5073

Board of Directors Regular Meeting  
Wednesday, May 1, 2013

## **DRAFT MINUTES**

### **CALL TO ORDER**

Chairperson Ash Kalra called the meeting to order at 9:54 a.m.

### **ROLL CALL**

Present: Chairperson Ash Kalra; Vice-Chairperson Nate Miley; Secretary Carole Groom; and Directors Susan Adams, John Avalos, Teresa Barrett, Tom Bates, Scott Haggerty, David Hudson, Carol Klatt, Liz Kniss, Jan Pepper, Eric Mar, Mark Ross, Tim Sbranti, Jim Spering, Brad Wagenknecht and Ken Yeager.

Absent: Directors John Gioia, Edwin Lee, Mary Piepho and Shirlee Zane.

### **PLEDGE OF ALLEGIANCE**

Chairperson Kalra led the Pledge of Allegiance.

**OPENING COMMENTS:** None.

**PUBLIC COMMENT ON NON-AGENDA MATTERS:** None.

### **COMMENDATIONS/PROCLAMATIONS/AWARDS**

Chairperson Kalra recognized outgoing Hearing Board Alternate Member Janet Weiss, M.D., in absentia, for her outstanding service and dedication to protecting air quality in the Bay Area.

Chairperson Kalra recognized outgoing Hearing Board Chairperson Thomas M. Dailey, M.D., and outgoing Hearing Board Vice-Chairperson Christian Colline, P.E., for their outstanding service and dedication to protecting air quality in the Bay Area.

Dr. Dailey addressed the Board in gratitude.

Mr. Colline addressed the Board in gratitude.

NOTED PRESENT: Directors Haggerty and Miley were noted present at 9:58 a.m.

**CONSENT CALENDAR (ITEMS 1 – 4)**

- 1. Minutes of the Board of Directors Regular Meeting of April 17, 2013;**
- 2. Board Communications Received from April 17, 2013, through April 30, 2013;**
- 3. Adoption of Accountant I/II Job Classification; and**
- 4. Adoption of Amendments to the Air District’s Administrative Code Division I: Operating Policies and Procedures for the Board of Directors – Section 5.4 Failure to Vote.**

Board Comments: None.

Public Comments: None.

Board Action: Director Hudson made a motion to approve Consent Calendar Items 1, 2, 3 and 4; Director Wagenknecht seconded; and the motion carried unanimously.

**COMMITTEE REPORTS AND RECOMMENDATIONS**

- 5. Report of the Budget and Finance Committee Meeting of April 24, 2013**  
Committee Chairperson Groom

The Budget and Finance Committee (BFC) met on Wednesday, April 24, 2013, and approved the minutes of March 27, 2013.

The BFC received the staff presentation of the Draft Amendments to Regulation 3, Fees, including an explanation of the background, current cost recovery policy, proposed changes to fee schedules, impact on small businesses, proposed online customer interface, incident response and open burning fees, public comments and the rule development schedule.

The BFC received and discussed the staff presentation of the Proposed Fiscal Year End (FYE) 2014 Budget. The BFC reviewed the status of the current FYE 2013, an overview of the revenue and expenditure forecast for FYE 2014, a summary of personnel costs and vacancy distribution, a review of strategic staffing principles and implementation, and trending in Air District reserve funds. The proposed budget is balanced without the use of reserves, includes filling of twelve vacant staff positions and increases the Other Post-Employment Benefits contribution to \$2.5 million. The BFC recommends Board adoption of the proposed FYE 2014 Budget.

The BFC received the staff presentation of the 3rd Quarter Financial Report, including an overview of general fund revenues and expenses, fund balances and vendor payments in excess of \$70,000 without Board review.

The next meeting of the BFC is Wednesday, June 26, 2013, at 9:30 a.m.

Public Comments: None.

NOTED PRESENT: Director Kniss was noted present at 10:03 a.m.

Board Comments: None.

Board Action:

Director Groom made a motion to approve the report and recommendation of the BFC; Director Wagenknecht seconded; and the motion carried unanimously.

**6. Report of the Mobile Source Committee Meeting of April 25, 2013**  
Committee Chairperson Haggerty (as delivered by Director Wagenknecht)

The Mobile Source Committee (MSC) met on Thursday, April 25, 2013, and approved the minutes of March 28, 2013.

The MSC reviewed projects with proposed grant awards over \$100,000 and recommends Board approval of two projects for the replacement of off-road diesel engines; one construction aggregate loader in Contra Costa County and one agricultural tractor in Sonoma County.

The MSC then reviewed the FYE 2014 Transportation Fund for Clean Air (TFCA) County Program Manager Expenditure Funds and recommends the Board:

1. Approve the allocation of FYE 2014 TFCA County Program Manager Funds listed on Table 1 of the staff report; and
2. Authorize the Executive Officer/Air Pollution Control Officer (APCO) to enter into funding agreements with the County Program Managers for the total funds to be programmed in FYE 2014, as listed on Table 1 of the staff report.

The MSC then reviewed a status update on the Lower-Emission School Bus Program (LESBP) and recommends the Board:

1. Allocate \$13.21 million in Mobile Source Incentive Funding (MSIF) to the LESBP; and
2. Authorize the Executive Officer/APCO to enter into funding agreements with applicants meeting the requirements of the Program for retrofit, replacement and compressed natural gas tank replacement projects.

The next meeting of the MSC is on Thursday, May 23, 2013, at 9:30 a.m.

Board Comments: None.

Public Comments: None.

Board Action:

Director Wagenknecht made a motion to approve the report and recommendations of the MSC and Director Kniss seconded.

Director Hudson asked about the question posed in MSC regarding the differences in interest earned between participating counties, which question was answered by Jean Roggenkamp, Deputy APCO.

The motion carried unanimously.

**PUBLIC HEARING**

**7. Public Hearing to Consider Adoption of proposed Regulation 12, Rule 13: Foundry and Forging Operations; Regulation 6, Rule 4: Metal Recycling and Shredding Operations; Amendments to Regulation 2, Rule 1: Permits, General Requirements and approval of a California Environmental Quality Act (CEQA) Negative Declaration**

Jack Broadbent, Executive Officer/APCO, introduced the topic and Victor Douglas, Principal Air Quality Specialist, who gave the staff presentation Proposed Rules 12-13: Foundry & Forging Operations 6-4: Metal Recycling & Shredding Operations 2-1: Permits, General Requirements, including overview, background, an explanation of the two rules approach, overviews of foundry and forge and metal recycling and shredding operations and emissions, recent facility improvements, a summary of the proposed rules, emissions reductions, costs, the rule development process and staff recommendations.

NOTED PRESENT: Director Mar was noted present at 10:12 a.m.

Director Hudson asked, regarding staff report page 47, case study 5, about water as a dust control option at foundries, which question was answered by Mr. Douglas.

Mr. Douglas concluded the presentation.

**Board Comments:**

Director Miley asked about the decision regarding the use and definition of economic feasibility, which question was answered by Mr. Douglas.

NOTED PRESENT: Director Sbranti was noted present at 10:35 a.m.

Director Miley asked about the plan approval process, the inclusion of an appeal provision and for details on stakeholder vetting, which questions were answered by Mr. Broadbent.

**Public Comments:**

Ignacio De La Fuente, GMP Union, addressed the Board in opposition out of a concern for the health of industry in the Bay Area and continued jobs creation.

James Simonelli, California Metals Coalition, addressed the Board in opposition due to the ambiguous definition of “minimization”, the lack of opportunity to analyze the amendment to Regulation 2, Rule 1, and the fractional contribution of the affected industry to the total air quality of the Bay Area.

David Hiestand, U.S. Pipe, addressed the Board in opposition because the rule is inconsistent with workshop discussions.

John Ortiz, Pacific Steel Casting, addressed the Board in opposition out of a concern for continued jobs creation.

Will Funderburk, California Metals Coalition, addressed the Board in opposition due to the flawed definition of “minimization” and the questionable characterizations of the contribution of fugitive emissions to air quality.

Gilbert Rojo, U.S. Pipe/Local 39, addressed the Board in opposition out of a concern for continued jobs creation.

Diana Wood addressed the Board in support for the sake of improved air quality.

Robert Manley, U.S. Pipe, addressed the Board in opposition because of the imperfect solution it presents.

Charles McTyre, West Coast Protective League, addressed the Board in opposition out of concern for continued jobs creation.

Janice Shroeder, West Berkeley Alliance for Clear Air and Safe Jobs, addressed the Board to request the matter be tabled to address vague provisions.

Christopher Kroll, West Berkeley Alliance for Clear Air and Safe Jobs, addressed the Board to request that revisions be made before adoption or that an amendment be included to order further review of effectiveness after implementation.

Edward Kancetor, CASS, Inc., addressed the Board in opposition because of existing regulation and to urge for the inclusion of industry incentives.

Michael Olvera, AB & I, addressed the Board in opposition because the industry has made improvements without additional regulation and fugitive emissions are a fractional contribution to total air quality.

Kevin McCullough, AB & I, addressed the Board in opposition out of concern for continued jobs creation and the lack of real collaboration on this proposal despite the commendable efforts made.

David Polvi, Pacific Steel Casting, addressed the Board in opposition because of the company’s commitment to the environment and public health regardless of additional regulations.

Dave Robinson, AB & I, addressed the Board in opposition due to the lack of scientific foundation for the proposals.

Michael Keinath, Environ, addressed the Board in opposition because of the ambiguities within the proposed rules and the flawed definition of “minimization.”

Ulysses Juan, Pacific Steel Casting, addressed the Board in opposition out of a concern for continued jobs creation.

Francisco Marguez, Pacific Steel Casting, addressed the Board in opposition out of a concern for continued jobs creation.

Ashley Pellouchoud, Environmental Law and Justice Clinic on behalf of West Berkeley Alliance for Clear Air and Safe Jobs, addressed the Board to request the matter be tabled to address the lack of enforcement mechanisms, the inconsistencies that will result between facilities and the lack of quantification required under the rules.

Kurt Winter, AB & I, addressed the Board in opposition because of the environmental stewardship exhibited by the industry without the proposed rules, the flawed language within the rules, and out of a concern for continued jobs creation.

Jose Martinez, AB & I, addressed the Board in opposition out of a concern for continued jobs creation and no perceived health issues among workers in the industry.

Russell Wiley, AB & I, addressed the Board in opposition out of a concern for continued jobs creation and the lack of need in terms of public health.

Alfredo Gonzales, U.S. Pipe and Foundry Company, addressed the Board in opposition out of a concern for continued jobs creation.

Javier Nunez, AB & I, addressed the Board in opposition out of a concern for continued jobs creation.

Teresa Radonich, U.S. Pipe and Foundry Company, addressed the Board to request that all interested parties be considered equally.

Denny Larson, Global Community Monitor, addressed the Board in opposition because of the lack of enforcement mechanisms and questions about final review of emissions minimization plans (EMP).

Diana Almanza, Communities for a Better Environment, addressed the Board in opposition because of the inadequacy of public health protection provisions.

Nehanda Imara, Communities for a Better Environment, addressed the Board in opposition because of the inadequate protection of public health provided.

Scott Blake addressed the Board in opposition because of the inadequate protection of public health provided.

Andy Katz, Breathe California, addressed the Board regarding the inadequacy of public involvement opportunities in the rule-making process despite the conceptually acceptable rules proposed.

Ray Rodriguez, Gass, Inc., addressed the Board in opposition because of the need for meaningful regulations.

Kelli Wheeler, Gass, Inc., addressed the Board in opposition out of a concern for continued jobs creation in light of the commendable environmental record of this industry.

Dioni Araza addressed the Board in opposition out of a concern for continued jobs creation and the burdensome regulations already in place relative to this industry.

Mark Quilici, California Casting, Inc., addressed the Board in opposition out of a concern for continued jobs creation, the burdensome regulations already in place relative to this industry and to advocate for the inclusion of incentivizing provisions.

Mr. Broadbent addressed those concerns stated by the public; withdrew the staff recommendation regarding the amendment of Regulation 2, Rule 1, for return at a future date after further review; and committed to investigating the concept of incentivizing.

Chairperson Kalra asked about the staff and public review process for the future projects, which questions were answered by Jean Roggenkamp, Deputy APCO.

Director Miley asked if the EMP process would include the option to appeal to the Air District Hearing Board, which question was answered by Brian Bunger, District Counsel.

Director Ross said all those involved appreciate certainty and asked if allowing facilities an opportunity to submit voluntary proposals tailored to their operations would be workable in this situation, which question was answered by Mr. Broadbent and Ms. Roggenkamp.

Board Action: Director Hudson made a motion, seconded by Director Kniss, to approve the Negative Declaration pursuant to CEQA for the proposed rule and amendments; and the motion carried unanimously.

Board Comments:

Director Pepper asked about the number of affected facilities, suggested questions about implementation may be a bigger concern within the affected industry, stated her support for incentivizing and for individual plans customized to each facility, and suggested an improved public review process may be advisable.

Director Groom asked, regarding slide #33, Costs, whether a better estimate exists than the range provided, what the development of EMPs will entail for facilities and for clarification on the review process and those who will be involved should the proposal be adopted today, which questions were answered by Messrs. Douglas and Broadbent.

Director Adams likened EMPs to home energy savings plans, suggested the addition of “fluff” and “CARE communities” to the definitions, said the ambiguous definition of “minimization” is troublesome, expressed her support for grant funding similar to that provided for diesel trucks, said the enforcement component is unclear, and expressed her support for tracking data for later review of the effectiveness of the rule.

Director Bates asked how facilities will be held accountable, which question was answered by Mr. Bunger.

Director Bates commended the flexibility of the rule, expressed his sympathy for those concerns expressed during Public Comment and noted that the rule is merely the foundation for a long-running conversation with industry.

Board Action: Director Bates made a motion, seconded by Director Miley, to:



1. Adopt Proposed Regulation 12: Miscellaneous Standards of Performance, Rule 13: Foundry and Forging Operations and Regulation 6: Particulate Matter, Rule 4: Metal Recycling and Shredding Operations, with a minor amendment to the definition of “minimization”.
2. Direct staff to investigate and report back on possible methods to incentivize industry changes contemplated in the proposed regulations; and
3. Direct staff to report back to the appropriate Committee and the Board in one year on the effectiveness of the regulations.

Director Avalos expressed his concern about the health impacts of the rule on employees at each of the facilities and asked about the work to be done in this area, which question was answered by Mr. Bunger. Director Avalos requested that a quantified review of the health impact on facility employees be included in the District’s one-year review.

Directors Ross and Bates asked about plans for public involvement in the review of EMP, which questions were answered by Ms. Roggenkamp and Mr. Broadbent.

The motion carried with Director Sbranti opposed.

**PUBLIC COMMENT ON NON-AGENDA MATTERS:** None.

**BOARD MEMBERS’ COMMENTS:** None.

**OTHER BUSINESS**

**8. Report of the Executive Officer/APCO:**

Mr. Broadbent announced that today marks the beginning of the Air District’s summertime Spare the Air season.

**9. Chairperson’s Report:**

Chairperson Kalra reported that he and Mr. Broadbent testified at the recent California Air Resources Board meeting regarding the State’s cap-and-trade system and the Chevron refinery incident.

**10. Time and Place of Next Meeting:** Wednesday, May 15, 2013, Bay Area Air Quality Management District Office, 939 Ellis Street, San Francisco, California 94109 at 9:45 a.m.

**11. Adjournment:** The Board meeting adjourned at 12:23 p.m.

Sean Gallagher  
Clerk of the Boards

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer

Date: May 8, 2013

Re: Board Communications Received from May 1, 2013 through May 14, 2013

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from May 1, 2013 through May 14, 2013, if any, will be at each Board Member's place at the May 15, 2013 Board meeting.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Maricela Martinez  
Reviewed by: Ana Sandoval

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chair Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: May 7, 2013

Re: Air District Personnel on Out-of-State Business Travel

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In accordance with Section 5.4 (b) of the District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified that Air District personnel have traveled on out-of-state business.

The report covers the out-of-state business travel for the period of April 1-30, 2013. Out-of-state travel is reported in the month following travel completion.

DISCUSSION

The following personnel have traveled on out-of-state business:

Jack P. Broadbent, Executive Officer/APCO, participated in Governor Brown's delegation to Shanghai and Guandong, China, April 11 – April 17, 2013.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Ana Sandoval

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: May 8, 2013

Re: Notices of Violation Issued and Settlements in Excess of \$10,000 in April 2013

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

In accordance with Resolution No. 2012-08, attached to this Memorandum is a listing of all Notices of Violation issued, and all settlements for amounts in excess of \$10,000 during the calendar month prior to this report.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The amounts of civil penalties collected are included in the Air District's general fund budget.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Brian C. Bunger

Attachments

**NOTICES OF VIOLATION ISSUED**

The following Notice(s) of Violation were issued in April 2013:

<b>Alameda</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comments</b>
Global Plating, Inc	A1749	Fremont	A49097 A	4/8/13	2-1-307	C#24179-8. Late reporting
Tesla Motors Inc	A1438	Fremont	A51249 A	4/22/13	2-1-307	limit exceeded-PC#25346-1(Dev#3702)

<b>Contra Costa</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comments</b>
C & H Sugar Company, Inc	B1911	Crockett	A52369 A	4/8/13	6-1-301	visible emissions > Ringelmann#1 / 3-min.
California Lithographers	A9722	Concord	A53078 A	4/12/13	2-1-307	Using non-complying solvent
California Lithographers	A9722	Concord	A53078 B	4/12/13	8-20-307	Using non-complying solvent
California Lithographers	A9722	Concord	A53079 A	4/12/13	2-1-307	Using non-complying solvent
California Lithographers	A9722	Concord	A53079 B	4/12/13	8-20-307	Using non-complying solvent
California Lithographers	A9722	Concord	A53080 A	4/12/13	2-1-307	Using non-complying solvent
California Lithographers	A9722	Concord	A53080 B	4/12/13	8-20-307	Using non-complying solvent

Chevron Products Company	A0010	Richmond	A52953 A	4/15/13	8-5-404	15 tank inspections reported late. deviation#3388
Contra Costa Newspapers	A5916	Concord	A53081 A	4/25/13	2-1-307	Exceeded Thruput limit
County Quarry Products, Inc	A3153	Martinez	A50425 A	4/9/13	6-301	excessive dust from paddlewheel
Galvin Engineering	V8870	Clayton	A53077 A	4/12/13	6-1-301	6 ¼ minutes of excessive dust
Kinder Morgan Liquids Terminals, LLC	B3002	Richmond	A52954 A	4/30/13	9-7-307	9-7-307.3 per source test recommendation on NTV-1213
Main Street Chevron	V8627	Walnut Creek	A52591 A	4/18/13	2-1-302	NPS#112050 no permit since 1-1-2013
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A52370 A	4/22/13	2-6-307	Excess ID-06G97; NOx > 20 ppm / 3-hours
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A52371 A	4/22/13	2-6-307	Excess ID-06H05; CO > 32 ppm / 24-hour (calendar day)
Plains Products Terminals LLC	A7034	Martinez	A53052 A	4/16/13	2-6-307	no deviation report 12/10/12-12/23/12
Plains Products Terminals LLC	A7034	Martinez	A53053 A	4/16/13	8-5-320.3	bad ladder seal - no compliant degass
Plains Products Terminals LLC	A7034	Martinez	A53053 B	4/16/13	8-5-328	bad ladder seal - no compliant degass
Plains Products Terminals LLC	A7034	Martinez	A53054 A	4/16/13	8-5-320	bad ladder seals on S79,82,83
Shell Martinez Refinery	A0011	Martinez	A52630 A	4/4/13	2-6-307	Late 10 day reporting

Shell Martinez Refinery	A0011	Martinez	A52630 B	4/4/13	8-5-306	Leaking >500ppm prv
Shell Martinez Refinery	A0011	Martinez	A52631 A	4/12/13	10	no H2S sample during flaring pursuant compliance and enforcement agreement
Shell Martinez Refinery	A0011	Martinez	A52632 A	4/12/13	2-6-307	no H2S sample during flaring pursuant compliance and enforcement agreement
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A52491 A	4/16/13	8-5-305	Liquid product on roof
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A52491 B	4/16/13	8-5-320	Failed seals
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A52492 A	4/16/13	8-5-322.1	5" tear in 2nd seal
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A52493 A	4/23/13	8-18-304	8-18-304.1Leaking connector Tag 62913.01
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A52493 B	4/23/13	2-6-307	Late reporting of Deviation
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A52494 A	4/23/13	2-6-307	Failed RAT #617 40lb fuel gas
Tesoro Refining & Marketing Company LLC	B2758	Martinez	A52494 B	4/23/13	1-522	Failed RAT #617 40lb fuel gas

<b>San Mateo</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comments</b>
Ameresco Half Moon Bay LLC	B7040	Half Moon Bay	A52289 A	4/10/13	2-1-307	Permit Condition #25465, SCR not operating

Ameresco Half Moon Bay LLC	B7040	Half Moon Bay	A52289 B	4/10/13	2-6-426	2-6-426.2 3 annual compliance certifications not submitted
Sn Mateo Union Hgh Sch	G1922	San Mateo	A47543 A	4/25/13	2-1-301	Two 12.5 MM BTU/hr Cleaver Brooks Boilers
Sn Mateo Union Hgh Sch	G1922	San Mateo	A47543 B	4/25/13	2-1-302	Two 12.5 MM BTU/hr Cleaver Brooks Boilers
Ultimate Finishes	V8417	South San Francisco	A52290 A	4/25/13	2-1-301	No AC, wood coater
Ultimate Finishes	V8417	South San Francisco	A52290 B	4/25/13	2-1-302	No AC, wood coater

<b>Santa Clara</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comments</b>
Thompson & Harvey	V8359	Morgan Hill	A52226 A	4/11/13	8-33-305	CT#202697, failure to meet year round decay rate

<b>Solano</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comments</b>
Pacific Bell	A7519	Fairfield	A52979 A	4/11/13	2-1-307	exceeded 50 hour/yr limit per P/C #22850.1
Valero Refining Company - California	B2626	Benicia	A52719 A	4/9/13	8-5-404	Failure to submit tank seal inspection Report within 60 days
Valero Refining Company - California	B2626	Benicia	A52720 A	4/30/13	12-11-502	Failure to collect flare gas samples on time



<b>District Wide</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comments</b>
Petro Lock, Inc	V8348	Lancaster	A52225 A	4/11/13	8-33-305	CT#205012, failure to meet year round decay rate

### **SETTLEMENTS FOR \$10,000 OR MORE REACHED**

There was 1 (one) settlement(s) for \$10,000 or more completed in April 2013.

On April 2, 2013, the Air District reached a settlement with Shell Oil Products for \$281,000, regarding the allegations contained in the following 29 Notices of Violation:

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A50332A	8/20/09	8/10/09	8-18-402.1	No component ID(37)open line(5).Deviation 2280.
A50332B	8/20/09	8/10/09	10	40CFR60SubGGG.Internal Fugem Audit Q2 2009. Include Reg 10.
A50336A	12/21/09	11/30/09	8-18-402.1	Internal LDAR audit Q3 2009. No ID(17) open ended(14). Deviation#2365.
A50336B	12/21/09	11/30/09	10	40CFR 60 Sub GGG. Internal LDAR audit 3rd Qtr 2009. Deviation 2365.
A50337A	1/7/10	12/14/09	8-5-307	8-5-307.3. PRD leak >500ppm deviation 2375.
A50338A	2/18/10	11/27/10	9-1-307	SRU excess 05Q64 > 250 ppm SO2 clck/hr. Deviation 2364.
A50339A	2/18/10	2/1/10	8-18-402.1	Internal LDAR Audit 4th qtr 2009.
A50339B	2/18/10	2/1/10	10	40 CFR 60 Sub GGG. No ID(10) open ends (6). Deviation 2418.
A50340A	5/4/10	2/19/10	9-1-307	>250ppm SO2 avrg clk hr E05S22
A50341A	6/3/10	4/20/10	10	40CFR60subGGG Internal LDAR audit 1st qtr 2010
A50342A	7/9/10	6/2/10	8-5-322.3	10' secondary seal > ½ " (riveted tank)
A50344A	7/20/10	7/13/10	8-5-322.3	5' secondary seal > ½" (riveted tank)

A50345A	8/12/10	4/5/10	2-6-307	Condition 12911 part3- Flue gas to atmosphere
A50346A	8/12/10	7/11/10	2-6-307	Condition 12911 part3- Flue gas to atmosphere
A50347A	9/2/10	7/28/10	10	40CFR60subGGG Internal LDAR audit 2nd qtr 2010
A50348A	9/2/10	8/12/10	2-6-307	PC #4288 part9, Fugitive check after 20% load
A50348B	9/2/10	8/12/10	8-44-305	8-44-305.3 PC #4288 part9, Fugitive check after 20% load
A50349A	11/8/10	10/13/10	10	Reg.10:40CFR60subGGG Internal LDAR audit 3rd qtr 2010 8 open-ended lines (only) D#2672
A50350A	11/17/10	9/9/10	9-10-305	Failed source test 036-11
A51308A	12/7/10	8/20/10	9-2-301	760ppb/3min & >30ppb/1hr H2S link 05V52
A51309A	12/7/10	10/4/10	9-2-301	760ppb/3min H2S 05W37
A51310A	12/14/10	10/7/10	2-6-307	Cond 12271 P24b SO2 mass>458
A51318A	1/25/12	1/5/12	10	10subGGG Internal LDAR voluntary audit 4th qtr 2011
A51320A	4/19/12	4/16/12	10	40CFRsubGGG LDAR self audit 1st quarter 2012. 16 open ended lines
A51323A	8/3/12	7/24/12	10	40CFR60subGGG Internal LDAR voluntary audit 2nd qtr. 2012 3 open ended lines
A51323B	8/3/12	7/24/12	8-18-402.1	79 untagged components
A51576A	12/22/10	10/22/10	9-1-307	SO2 >250ppm/clk hr (E05W03)
A51577A	1/21/11	8/30/10	2-6-307	Failed ST OS-3446 T5 permit cond
A51578A	1/21/11	11/3/10	2-6-307	Failed ST OS-3549 T5 permit cond
A51578B	1/21/11	11/3/10	9-10-305	Failed ST OS-3549 T5 permit cond
A51579A	2/3/11	1/13/11	10	40CFR60subGGG Internal LDAR Audit 4th qtr 2010 3 open-ended lines only
A51580A	2/3/11	11/7/10	9-9-301.2	>5ppm/3hr avg NOx (05W76)
A51580B	2/3/11	11/7/10	2-6-307	>5ppm/3hr avg NOx (05W76)

A51583A	5/5/11	4/12/11	10	40CFR60subGGG Internal LDAR self audit 1st qtr 2011
A51584A	7/13/11	7/11/11	10	Internal LDAR voluntary audit 2nd qtr 2011
A51589A	10/20/11	10/5/11	10	40CFR60subGGG Internal LDAR voluntary audit 3rdqtr2011

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: May 8, 2013

Re: Quarterly Report of the Executive Office and Division Activities for the Months of  
January 2013 – March 2013

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**ADMINISTRATION AND HUMAN RESOURCES – J. COLBURN, DIRECTOR**

Finance staff completed the FYE 2012 Audit with no significant findings. The proposed FYE 2014 Budget was submitted to the Board and referred to Budget & Finance committee for review. Legal notices were published for the public hearings associated materials and instructions were distributed for the FYE 2014 Air District budget. Beginning the process of the vendor selection to provide JDE maintenance and upgrade services.

The Board of Directors at its February 6<sup>th</sup> meeting approved a plan to acquire ownership interest through a Lease Purchase Agreement by authorizing staff to secure the issuance of Certificates of Participation to be purchased by the Bay Area Toll Authority or MTC. The Board of Directors also received a presentation from and provided direction to the Air District's broker, relative to the disposition of 939 Ellis Street. Staff continues to meet and work with the Bay Area Housing Authority, and the Metropolitan Transportation Commission to finalize the design develop drawings for the building, identify co-location efficiencies, and IT infrastructure migration efforts.

The Human Resources (HR) Office coordinated 10 recruitment exams including exams for Director of Engineering, Facilities Services Supervisor, Air Quality Engineer, Air Quality Instrument Specialist, Administrative Analyst, Air Quality Chemist, Secretary, Hearing Board Members, Air Quality Internships and Temporary Office Assistant. In addition, the HR Office conducted training sessions, including: Customer Service Training, an American's with Disabilities Workshop, Supervisory Skills Training and wellness seminars. The HR Office continues to administer payroll, benefits, safety, and labor/employee relations. There are currently 310 regular employees, 13 temporary employees and 55 vacant positions. There were no new employees and 7 employee separations from January to March 2012.

**COMPLIANCE AND ENFORCEMENT – W. KINO, DIRECTOR****Enforcement Program**

Staff documented 108 air pollution violations that resulted in Notices of Violation to address noncompliance with applicable federal, state, and Air District regulations. Staff also investigated 563 general air pollution complaints, which provided the public a mechanism to voice their concerns about air pollution issues that may be in noncompliance.

Staff completed a comprehensive review of the Connector and Inspection Program (CIP) at Valero Refinery and identified significant non-compliance. As a result of this finding, staff rescinded the terms of the annual connection program effective since 2002. A subsequent meeting was held with Valero Refinery representatives to discuss compliance with Regulation 8-18. Valero is planning to submit a new CIP plan to meet Regulation 8-18 for District review and approval.

The District issued 10 Winter Spare the Air Alerts (WSTA) (on January 1, 2, 8, 16, 17, 18, 19, 23, 26 and February 2), resulting in 175 first time Notices of Violation and 3 second Notices of Violation issued on WSTA days.

On March 7, 2013, staff provided testimony in an order of abatement hearing against Kelly Engineer (All American Oil, Hayward), a gasoline dispensing facility that had failed to maintain a permit to operate since July 2010. The Stipulated Conditional Order of Abatement agreed to by the parties required the station owner to pay all outstanding permit fees, including next year's permit fees, by June 2013.

**Compliance Assurance Program**

Staff attended the quarterly California Air Pollution Control Officers Association (CAPCOA) Vapor Recovery Subcommittee meeting in Sacramento on January 16<sup>th</sup> and 17<sup>th</sup>. Staff received updates on upcoming Executive Order (EO) applications, as well as, California Air Resources Board's (CARB's) planned future of Enhanced Vapor Recovery (EVR) rulemaking workshop. Equipment manufacturers (OPW and VST) provided overviews of new vapor recovery equipment under EO application review.

The Air District approved an amendment request for the Ford Road Family Housing Asbestos Dust Mitigation Plan (ADMP) in San Jose, which revised project boundaries and changed asbestos air monitoring locations.

On February 6, 2013, staff met with members of the John Stewart Company and its subcontractors and discussed naturally occurring asbestos (NOA) requirements for Phase I project completion and upcoming Phase II development at the Hunters View Redevelopment Project in San Francisco. John Stewart Company representatives shared their plans for an amendment request for its current asbestos dust mitigation plan (ADMP), which would alter track out provisions and air monitoring requirements for Phase I development. Phase I completion was expected June 2013. Phase II operations were expected to begin late 2013 with construction and grading operations expected by 2014. Staff continues to conduct daily inspections at Hunters View and no violations were documented during this quarter.

Staff continued preparations for the upcoming April 1, 2013 Standing Loss Control (SLC) deadline for gasoline dispensing facilities (GDFs) equipped with above ground storage tanks (ASTs). The SLC deadline requires GDF operators to upgrade their non-certified protected and single walled tanks by painting them with solar reflective coatings and installing a certified pressure/vacuum valve to minimize diurnal breathing losses of gasoline vapors. On January 15, 2013 staff from the Air District, South Coast, San Joaquin and San Diego met with California Air Resources Board (CARB) representatives to tour several AST sites in the San Joaquin Valley to observe various types of ASTs and understand the complexities associated with implementation of new AST enhanced vapor recovery (EVR) requirements including SLC. The group collaborated and expanded a list of questions requiring input from CARB. On March 7<sup>th</sup>, GDF inspection staff along with most of the above agencies including US EPA toured an AST manufacturer, Oldcastle Precast in Pleasanton to view how an AST was made and share regulatory information. Staff will enforce the deadline.

### **Compliance Assistance and Operations Program**

Staff received and evaluated over 2300 plans, petitions, and notifications required by the asbestos, coatings, open burn, tank and flare regulations.

Pursuant to the Air District's Compliance Assistance Program, advisories were sent to: owner/operators of gasoline dispensing facilities (GDF) with aboveground storage tanks to remind them of the upcoming April 1, 2013 Standing Loss Control (SLC) deadline (Regulation 8-7); to GDF testing contractors and owners and operators regarding requirements for notification/submission of GDF source tests (Regulation 8-7); to owners and operators of permitted diesel-powered portable equipment and engines regarding 2013 fleet emission and reporting requirements (CARB Air Toxic Control Measure); to restaurant owners and operators regarding requirements for under-fired charbroilers (Regulation 6-2); to solid waste disposal facilities regarding operating practices and annual reporting requirements for solid waste disposal facilities (Regulation 8-34); and to vacuum truck operators regarding new emission limits and reporting requirements that go into effect April 1, 2013.

Pursuant to the Air District's Mobile Source Compliance Plan, staff participated in the Monthly Trucker Work Group at the Port of Oakland.

Pursuant to the District's Wood Smoke Program, staff mailed out 677 informational packets to residences that received complaints regarding wood burning. During the first quarter of 2013, the District received 129,272 calls to the 1-877-4NO-BURN line, and 1,843 complaints regarding wood burning.

On February 22, 2013, staff received an inquiry from a Senior Counsel for the U.S. Senate Committee on the Environment and Public Works regarding air quality monitoring and the Bay View Hunters Point neighborhood. The request was forwarded to District Counsel.

The spring marsh management burn season started on March 1, 2013; staff approved 15 Marsh Management Smoke Management Plans (SMPs) for burn projects in Solano County. Staff approved 1 Prescribed Burn Smoke Management Plan for a burn project in

Santa Clara County. Staff completed the data verification and posting of refinery flare monitoring data through January 2013.

(See Attachment for Activities by County)

**ENGINEERING DIVISION – J. KARAS, DIRECTOR**

**Permit Activity Statistics**

The following table is a summary of the permits handled during the 1<sup>st</sup> quarter:

<b>Permit Activity</b>			
New applications received	228	New facilities added	78
Authorities to Construct issued	128	Permit Exemptions (entire applications deemed exempt)	15
Permits to Operate issued	303	Annual update packages completed	1524
Registrations (new)	102		

**Title V Permit Statistics:** Staff issued the following Major Facility Review (Title V) permits: 1 initial, 4 renewals, 1 administrative amendment and 6 minor revisions.

**Fee Rule Development**

On February 28, 2013, a public workshop and simultaneous webcast was held to discuss an initial proposal to amend Regulation 3, Fees. Six members of the public attended the workshop. Staff is currently working with interested parties on clarifying language for the proposed Incident Response Fee. Fire officials, the Marin County Farm Bureau and the Sonoma County Farm Bureau are opposed to the new open burn fee. Staff is working with the stakeholders. The next steps are an initial public hearing to consider testimony on the proposed amendments on May 15, 2013 and a second public hearing to consider adoption of the proposed fee amendments on June 19, 2013.

**Statutory Reports**

The following reports were issued and posted on the District website:

- 2012 Federal Emission Reduction Credit Equivalency Demonstration
- 2012 Annual Interchangeable Emission Reduction Credit Report

**Permit Evaluation Program**

**Chevron Refinery (Richmond):** Staff finished reviewing engineering work orders related to repairs at the No. 4 Crude Unit, following the fire on August 6, 2012. Chevron is planning to start-up the repaired equipment after the City of Richmond Fire Marshall inspections are complete and the California Occupational Safety & Health Administration (Cal-OSHA) Order Prohibiting Use is lifted.

**BoDean Asphalt Company (Santa Rosa):** On January 31, staff issued an Authority to Construct three new hot mix asphalt silos and associated equipment at the existing BoDean facility in Santa Rosa. The permit includes the addition of an abatement system for existing equipment, and odor and dust mitigation plans.

**Phillips 66 Refinery (Rodeo):** On March 14, staff issued a permit to operate a marine terminal project at the refinery. The proposed project would allow an increase of crude oil deliveries by ships as the supply of California crude by pipeline is expected to decrease.

**Green EnviroTech (Gilroy), Alternative Energy Project:** On February 27, staff received a permit application for a waste to energy project that converts tires and agricultural plastic sheeting into fuel products similar to crude oil and liquefied petroleum gas (LPG).

### **Toxics Program**

**Health Risk Screen Analysis (HRSAs):** 48 HRSAs were completed during the reporting period.

### **Engineering Projects**

**Training Program:** Staff is developing permit training that will also be provided to the regulated community. One module will concentrate on the permit rule changes that were adopted by the Board in December.

**Production System:** Dry Cleaners have been live in the Production System since November 2012. Staff has been reviewing all documents, updated data and permit renewal invoices for accuracy. Staff continues to monitor the gas stations permitted in the new system. New functionality and features are being designed and tested as they become available.

### **AB 32 GHG Cap-and-Trade Adaptive Management Plan Implementation**

On March 5, an Adaptive Management kickoff meeting was held in Sacramento. Adaptive Management is a requirement to monitor and respond to any unforeseen impacts from California Assembly Bill 32 (Global Warming Solutions Act) including Cap & Trade. The District is the lead. Six air districts participated in the kick-off with the California Air Resources Board (ARB). A California Air Pollution Control Officers Association (CAPCOA) Engineering Managers subcommittee was formed and a Joint Task Force with ARB was created to identify data/reporting needs. On March 26, the first subcommittee meeting was held in the South Coast. It was attended by 10 air districts and the ARB. Staff continues to work with the task force to develop the process for implementation.



**College Intern Program**

Three (3) college interns are currently participating in this program. The interns will gain practical work experience while learning about District operations, air quality and career building skills. In addition to permit work, they toured of an air monitoring station and visited a foundry.

**LEGAL DIVISION – B. BUNGER, DISTRICT COUNSEL**

The District Counsel’s Office received 265 violations reflected in Notices of Violation (NOVs) for processing.

Mutual Settlement Program staff initiated settlement discussions regarding civil penalties for 267 violations reflected in NOVs. In addition, 7 Final 30 Day Letters were sent regarding civil penalties for 6 violation(s). Finally, settlement negotiations resulted in collection of \$89,675 in civil penalties for 97 violations reflected in NOVs. Mutual Settlement Program staff also closed 76 NOVs with no penalty for violators who passed the Wood Smoke Awareness Course in connection with wood smoke NOVs.

Counsel in the District Counsel’s Office initiated settlement discussions regarding civil penalties for 13 violations reflected in NOVs. Settlement negotiations by counsel resulted in collection of \$212,600 in civil penalties for 56 violations reflected in NOVs.

**(See Attachment for Penalties by County)**

**COMMUNICATIONS AND OUTREACH – L. FASANO**

***Press Releases***

The Air District issued 15 press releases during this period.

1/1/13	<a href="#"><u>Winter Spare the Air Alert in effect for Wednesday, January 2</u></a>
1/2/13	<a href="#"><u>Air District asks public not to burn wood on Thursday, January 3</u></a>
1/7/13	<a href="#"><u>Winter Spare the Air Alert in effect for Tuesday, January 8</u></a>
1/15/13	<a href="#"><u>Winter Spare the Air Alert in effect for Wednesday, January 16</u></a>
1/16/13	<a href="#"><u>Air District awards \$330,000 for wayside power project in San Jose</u></a>
1/16/13	<a href="#"><u>Another Winter Spare the Air Alert called for Thursday, January 17</u></a>
1/17/13	<a href="#"><u>Third consecutive Winter Spare the Air Alert called for Friday, January 18</u></a>
1/18/13	<a href="#"><u>Fourth consecutive Winter Spare the Air Alert called for Saturday, January 19</u></a>
1/22/13	<a href="#"><u>Winter Spare the Air Alert called for Wednesday, January 23</u></a>
1/24/13	<a href="#"><u>Winter Spare the Air Alert called for Friday, January 25</u></a>
1/30/13	<a href="#"><u>Bay Area Air District partners with NASA to study air pollution over region Thursday and Friday</u></a>
2/1/13	<a href="#"><u>Winter Spare the Air Alert called for Saturday, February 2</u></a>
2/1/13	<a href="#"><u>Permissive burn period opens for marsh management fires</u></a>
3/6/13	<a href="#"><u>Winter Spare the Air season comes to a close</u></a>
3/14/13	<a href="#"><u>Air District announces pilot regional bike-share project</u></a>

***Media Inquiries***

Staff responded to numerous media inquiries during the first quarter, including:

- Chevron Settlement– (SF Chronicle)
- Voluntary no-burn day– (*KGO, Marin Independent Journal, KCBS*)
- Shell sulfur dioxide release– (*SF Chronicle*)
- SB 1339 – (*KGO, UC Berkeley paper* )
- Winter Spare the Air – (*KTVU, ABC, KPIX , Univision , KCBS, Los Altos Patch, Northern California Patch, KCBS, KQED Radio, KGO, KLIV, Contra Costa Times, Marin Independent Journal, San Francisco Chronicle, Napa Valley Register, Bay City News, San Jose Mercury, Bay City News, KNTV, KTSF, Santa Rosa Press Democrat, Benicia Herald, Patch.com,*)
- WSTA and recent weather patterns – (*SF Chronicle*)
- Demolition regulations – (*Potrero Hill News*)
- Russell City – (*Daily Review*)
- Big rig accident in Vallejo – (*KCBS*)
- Permits for biofuel gas station in West Oakland – (*Oakland Tribune*)
- Regional bike share program– (*KCBS Radio, Streetsblog San Francisco, Golden Gate Xpress, Wall Street Journal, KPIX*)
- Lehigh Cement – (*Peninsula Press, Town Crier*)
- Marine Vessel Grants – (*AM Radio Show*)
- NASA Air program – (*KGO, Bay City News*)
- Plug-in Electric Vehicles– (*Los Altos Town Crier*)
- Woodsmoke ridealong– (*KTVU*)
- Traffic study and air pollution – (*KTVU*)
- Chevron facility maps – (*Nation Magazine*)
- TCE emissions in Mountain View– (*Bay Citizen*)
- Broadway Shuttle – (*Oakland North*)

- Chinatown Air Quality – (*Newsport.org*)
- Nitrogen impacts on soil – (*Newsport.org*)
- Data Request – (*San Francisco Chronicle*)
- Proposed Crematory in Oakland – (*Richmond Confidential*)
- Richmond Community Meeting – (*San Francisco Chronicle*)
- Chevron regulatory approvals – (*KTVU*)
- Shell – (*San Francisco Chronicle*)
- Purported “physical altercation” at BAAQMD workshop – (*KNTV*)
- Oakland Army Base Re-development – (*KALW*)
- Air Quality – (*Inside EPA, Academy of Art cable program*)

**Media Highlights**

The Air District was mentioned in approximately 1155 print/online stories and 1525 video clips in the last quarter. Below are media coverage highlights.

1/2/13	<a href="#">Marina Green bicycle trail improvements underway</a>	Marina Times
1/7/13	<a href="#">Frigid weather on the way</a>	SFgate.com
1/8/13	<a href="#">Camino Alto Burning to Start Next Week</a>	Mill Valley Patch
1/22/13	<a href="#">Fewer ‘Spare the Air’ alerts so far this winter</a>	Napa Valley Register
1/26/13	<a href="#">OP-ED: Spare the Air: A matter of life and breath</a>	Daily Journal
1/31/13	<a href="#">NASA Ames/ Bay Area Air District to Study Local Air Pollution</a>	SpaceRef.com
2/1/13	<a href="#">Spare the Air alert issued for Saturday</a>	Palo Alto Online
2/14/13	<a href="#">Op-Ed: Wood Burning Is the New Secondhand Smoke</a>	Larkspur-Corte Madera Patch
3/5/13	<a href="#">As Bike-Share Pilot Lurches Along, Supe Wiener Calls for Full-Scale Launch</a>	SF.StreetsBlog.org
3/7/13	<a href="#">How much smoke pollution did we create during Bay Area burn season?</a>	San Jose Mercury News
3/9/13	<a href="#">Citywise: Oakland loses some funding for Broadway Shuttle, but expects service to survive</a>	OaklandTribune.com
4/5/13	<a href="#">‘Spare the Air’ Is Actually Working</a>	SF Bay.ca
4/8/13	<a href="#">Chevron Fire Investigators: Overhaul Needed to Prevent Future Incidents</a>	Kqed.org
4/10/13	<a href="#">City of Milpitas says complaints about odors on the rise</a>	Milpitas Post

4/11/12	<a href="#">Bike-Share Program Gets Ready to Roll</a>	Wall Street Journal
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### **Public Inquiries**

Staff responded to approximately 1155 calls and 322 e-mails from the public.

Phone calls	1155
Emails	322 ( <a href="mailto:sparetheair@baaqmd.gov">sparetheair@baaqmd.gov</a> , <a href="mailto:feedback@baaqmd.gov">feedback@baaqmd.gov</a> )

### **Winter Spare the Air**

The Air District issued ten Winter Spare the Air Alerts. Media coverage for the alerts was extensive, generating many media stories and a high free publicity value. The first two alerts alone generated a publicity value of \$750,000.

Staff educated newly elected government leaders about the Wood Burning rule by mailing copies of the Winter Spare the Air Local Government Outreach plan.

Staff conducted door-to-door outreach in Gilroy, Pacifica, Petaluma, Sebastopol and Castro Valley. These cities were selected due to the high number of wood smoke complaints received in previous years.

The Winter Spare the Air Season began on November 1 and concluded on February 28.

### **SB 1339**

Staff worked with the Planning Division and MTC to prepare the communications strategy for SB1339. Staff presented an update on developments from the communications working group, which include a new program fact sheet, website and key messages. Shortly, the team will begin efforts to solicit feedback from stakeholders via a targeted survey, focus groups and through other methods this spring.

This legislation requires employers of 50 or more employees in the Air District's jurisdiction to offer commuter benefits to their employees once the Air District and MTC boards have approved a rule.

### **Website**

Staff worked with ISS to coordinate the next phase of the website assessment, rebuild and redesign. The website assessment was completed and will now be expanded to include the online information system's data and transactional resources components.

Staff worked with ISS to migrate Air District websites to RackSpace, an offsite hosting service.

Staff worked to redevelop Gate 1, the Air District's real-time air quality data site, and migrate it into SiteCore, our content management system to improve functionality.

### **Air Currents**

The February edition of Air Currents was distributed on January 31. This edition featured articles on the Air District's Title V Permit Amendments, PM Planning efforts, grant programs and more.

### **Op-Ed**

In response to two letters to the editor that appeared recently, one in the San Mateo Daily Journal on Jan. 19 and another in the Napa Valley Register on Jan. 22, staff wrote and pitched two Opinion/Editorial pieces that were published in the respective publications. The articles can be viewed by visiting:

[San Mateo Daily Journal: OP-ED: Spare the Air: A matter of life and breath](#)

[Napa Valley Register: Air district emphasizes need for restrictions](#)

### **Summer Spare the Air**

Staff worked with contractors to develop advertisements for the 2013 Summer Spare the Air season. This season will feature a full campaign re-launch with new advertising and related media and social media outreach plans. Advertising production began in April and will conclude in May.

### **2012 Annual Report**

Staff issued a Request for Quotes for graphic design services for the 2012 Annual Report and selected a contractor. Staff is currently working with the contractor on the 2012 Annual Report, which will have both a print and online component. It will be published in late Spring and feature the Air District's 2012 achievements.

### **The Monitor**

The February/March issue of the League of Women Voters Bay Area Monitor newsletter contained articles about the Clean Cities Grant and the TitleV/New Source Review permitting amendments written in consultation with Air District staff. The April/May issue of the League of Women Voters Bay Area Monitor newsletter contained articles covering the NASA air quality study and a recap of the Winter Spare the Air program.

The Bay Area Monitor is available [online](#) and has a circulation of about 4,000 Bay Area residents.

### **Spare the Air Employer Program**

Staff will be distributing the April/May issue of the Spare the Air Employer Program newsletter, The Breeze, to members of the Employer Program. This edition of the newsletter focuses on biking to work, including articles about best practices for bike commuting programs, bike sharing in the Bay Area, Bike to Work Day 2013 and more.

### **Bike to Work Day Social Media Campaign**

In preparation for this year's Bike to Work Day, staff is working with contractors to develop a social media campaign that will launch in early May, encouraging residents to share photos that show themselves or others biking to work. Select images will be featured on Spare the Air social media (Facebook, Google+ and Pinterest) and participants will be awarded Spare the Air giveaway items.

## **COMMUNITY OUTREACH**

**Recent Meetings, Community Events, Workshops** – Air District staff participated in and assisted with the following meetings:

- **January 8 – San Francisco Resource Team, Nektar Offices, San Francisco**

The team decided to focus a new project on developing best practices for green business travel, particularly targeting visitors from SFO using BART. The members brainstormed ideas on showcasing best practices and set the date for the next meeting.

- **January 10-11 – Tamalpais High School, Mill Valley**

Air District staff gave air quality presentations to 5 Tamalpais High School classes in Mill Valley. The presentations included information on the leading sources of air pollution regionally and in Marin County as well as information on car exhaust and ozone; wood burning and particulate matter; greenhouse gases and the potential impacts of climate change in Marin County. Approximately 150 students attended presentations and participated in post-presentation discussions.

- **January 15 – Spare the Air Youth Meeting, Oakland**

The committee finalized the website program database, discussed the pilot program evaluation report and prepared for the upcoming Spare the Air Youth TAC meeting. The Spare the Air Youth TAC meeting is scheduled for Wednesday, January 30.

- **January 15 – Spare the Air Youth Summit Planning Committee Meeting, Oakland**

The committee met to begin planning the first Spare the Air Youth Transportation Summit. The summit will focus on youth transportation issues and is tentatively scheduled for November 2, 2013 at MTC. The planning committee discussed the purpose of the summit and brainstormed ideas for the layout of the summit. The next meeting of the summit planning committee meeting is Tuesday, February 19.

- **January 15 – Tri-Valley Resource Team, Pleasanton**

The Tri-Valley Team discussed their upcoming recruitment mixer and divided into subgroups to determine how they wished to move forward with each of their projects, Idle-Free schools and the Extreme Makeover: Commute Edition. Subcommittees brainstormed new ideas for each project and scheduled conference calls to further discuss how to improve upon the projects moving forward. Approximately 15 individuals attended the meeting.

- **January 16 – Contra Costa Resource Team, Concord**

The team took time to commemorate the life of Mary Lou Laubsher, a community activist and member of the Contra Costa Spare the Air Resource Team, who recently passed away. Additionally, the team discussed progress on the Idle Free schools project in Contra Costa and discussed options and dates to continue expanding on the Transit to Trails project by hosting more workshops and excursions. Approximately 16 individuals attended the meeting.

- **January 16 – East Oakland Truck Route Working Group, Oakland**

Staff met with other members of the working group to review the East Oakland Truck survey.

- **January 17 – Sonoma County Winegrowers Dollars and Sense Trade Show, Santa Rosa**

Air District staff hosted a booth at the annual Dollars and Sense Trade. Staff spoke with Sonoma County grape growers about Carl Moyer grants for off-road diesel equipment, open burning and Winter Spare the Air Alerts. An announcement about Carl Moyer grants was made during the main trade show session with all trade show participants in attendance. Approximately 500 grape growers attended.

- **January 17 – Sacred Heart Science Fair, Saratoga**

Staff presented information on the Air District's Spare the Air and Spare the Air Youth programs at Sacred Heart's Science Fair in Saratoga. Staff also was on-site to provide informational booth materials to attendees. Approximately 150 kids and 20 parents visited the booth.

- **January 19 – North Richmond Municipal Advisory Council, Richmond**

Air District staff gave a Winter Spare the Air update to members of the North Richmond Municipal Advisory Council and members of the public in attendance at the regular monthly meeting of the Council. Approximately 21 community members attended.

- **January 18 – Marin Firesafe, Marin**

Air District staff met with Marin Firesafe staff to discuss wood burning reduction efforts in Marin County and to establish greater organizational contact and collaboration

- **January 18 - Concord Rotary Club, Concord**

Staff provided a presentation to the Concord Rotary Club in Concord. The

presentation included an overview of the Air District and the Winter Spare the Air program. Approximately 70 people attended the meeting.

- **January 19 – North Richmond Municipal Advisory Council, Richmond**

Air District staff gave a Winter Spare the Air update to members of the North Richmond Municipal Advisory Council and members of the public in attendance at the regular monthly meeting of the Council. Approximately 21 community members attended.

- **January 23 - Building Community in Your Neighborhood Workshop, Redwood City**

Staff attended a workshop in Redwood City on community building. The workshop included exercises on meeting outreach, preparation and facilitation skills. Approximately 20 people attended the workshop.

- **January 28 - San Jose Green Vision Resource Team, San Jose**

Staff attended the San Jose Green Vision Resource Team Meeting in San Jose. Staff provided a presentation on the Air District and the Winter Spare the Air campaign for new team members. The team moved forward on their waste reduction project and finalized the launch date of the project. Approximately 15 team members attended the meeting.

- **January 28 – Chinese Student Delegation Tour, Air District Offices**

Air District staff presented information on air quality improvement efforts in the Bay Area and US over the past 40 years and provided a tour of the lab to a delegation of 12 students and teachers from Beijing, China. The delegation tour was facilitated by Clean Air Now, a non-profit educational that promotes air quality and science education.

- **January 29 - Spare the Air Youth TAC Meeting, Oakland**

Staff attended the Spare the Air Youth TAC meeting in Oakland. The meeting included a summary of the Cycle I grants, an overview of the Climate Initiatives Creative Grants and a discussion of Cycle 2 grant funding. Approximately 35 people attended the meeting.

- **January 30 – PG&E Hunters Point Project Advisory Committee, San Francisco**

Air District staff attended the monthly meeting of the Hunters Point Project Advisory Committee where 2013 site remediation plans for the former Hunters Point Power Plant were discussed. Approximately 15 community members participated.



- **February 4, 5, 7, 11 – Open burn Workshop, San Francisco, Gilroy, and webcast**

Air District staff held workshops about draft amendments to Regulation 3: Fees and Regulation 5: Open Burning in San Francisco (Feb. 4); Gilroy (Feb.5); Concord (Feb. 7) and Petaluma (Feb. 11). Approximately 26 people have participated.

- **February 13 – North Richmond Municipal Advisory Council, Richmond**

Air District staff gave an update on Air District regulatory workshop schedules to members of the North Richmond Municipal Advisory Council and at the regular monthly meeting of the Council. Approximately 21 community members attended.

- **February 13 – San Mateo County Resource Team Meeting, Burlingame**

Staff attended the San Mateo County Resource Team meeting on February 13 at Virgin America's headquarters in Burlingame. The team brainstormed ideas on a San Mateo County Resource Team and Silicon Valley Leadership Group partnership and discussed the Silicon Valley Leadership Group's upcoming Wellness Conference. Fifteen team members attended the meeting.

- **February 19 – Spare the Air Youth Transportation Summit Planning Meeting, Oakland**

The committee met and crafted a draft agenda for the transportation youth summit on Saturday, November 2, 2013 from 10am - 4pm at MTC. The planning committee discussed youth feedback received from the summit survey, finalized the layout of the summit and began brainstorming session topics to be discussed at the summit. The next meeting of the summit planning committee meeting is Tuesday, March 26.

- **February 26 – Spare the Air Youth Committee Meeting, Oakland**

The committee met to discuss the call for projects for phase II grants, the Spare the Air Youth budget, the youth transportation summit and submitting proposals for the BECC conference.

- **February 26 – Bel Air Elementary School Science Fair, Solano**

Staff presented information to students about air pollution. Approximately 400 students attended.

- **February 26 – Communities for a Better Environment Meeting on Diesel Trucks, Oakland**

Staff met with members to discuss quality of life issues for port truck drivers and local residents. Additionally, they identified pollution sources of concern to residents and how to address them in the future. 10 people attended.

- **February 27 – Open Burn Workshop, Solano**

Staff attended the Regulation 5: Open Burning Workshop in Solano on February 27. Staff facilitated workshop logistics, provided Air District information and was on-hand to answer any questions. 10 members of the public attended the meeting.

- **February 28 – Tri-Valley Resource Team, conference call**

The resource team discussed the logistics for the upcoming Tri-Valley recruiting mixer. The resource team would like to encourage other local business members to participate. Approximately 10 members participated..

- **February 28 – IR Fee Workshop and webcast, Air District offices**

Staff attended the IR Fee workshop and webcast in the Air District boardroom on February 28. The workshop was webcasted and staff was on-hand to answer any questions. 10 people attended the workshop and 6 people submitted comments via the webcast.

- **February 28 – Southern Alameda Spare the Air Resource Team, conference call**

The resource team will flesh out plans for the upcoming shuttle event. 10 members of the team are expected to call in.

- **February 28 – UC Berkeley Family Housing, Berkeley/Albany**

Air District staff addressed community concerns about Pacific Steel Casting. Approximately 25 residents attended.

- **February 28 – Tri-Valley Spare the Air Resource Team meeting, Conference Call**

Resource team members discussed a mixer event that was held on March 7.

- **March 4 – Southern Alameda Spare the Air Resource Team meeting, Union City**

Ten members met to discuss the upcoming launch of the shuttle.

- **March 5 – San Francisco State University, San Francisco**

Air District staff gave a presentation on regional efforts to control air pollution and to foster climate change policy. Approximately 30 students attended.

- **March 13 – North Richmond Municipal Advisory Council, North Richmond**

Air District staff gave an overview on a draft pending rule on refinery emissions tracking and an update on fee proposals currently being considered. Approximately 25 community members attended.

- **March 28 – San Jose Green Vision Resource Team, San Jose**

The San Jose Green Vision Resource Team met in San Jose on March 28. The team discussed their two projects: the Home Energy Savings Workshop and the Catalog Choice Waste Reduction campaign. Approximately 15 team members attended the meeting.

<b>PLANNING DIVISION – H. HILKEN, DIRECTOR</b>
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### **Exposure Assessment and Emissions Inventory Program**

Staff participated in a meeting of the Cumulative Impacts/Precautionary Approach workgroup meeting at Cal/EPA to discuss the second draft of the Office of Environmental Health Hazard Assessment's (OEHHA) CalEnviroScreen tool. Cal/EPA intends to use CalEnviroScreen to identify impacted areas statewide for distribution of some of the cap-and-trade auction revenue. Staff worked with the District's Health and Science Officer to provide comments to OEHHA. Staff hosted a meeting of the Community Air Risk Evaluation (CARE) Task Force to provide an update on the District's proposed revised methodology for identifying impacted communities in the Bay Area.

Staff completed and submitted a set of extended abstracts for presentations to be delivered at the Air and Waste Management Association 2013 Annual Conference and Exhibition. Staff participated in a meeting with representatives from the US EPA Region 9, California Air Resources Board, Port of Oakland, Alameda County Health Department, City of Oakland and consultants, and West Oakland community members to discuss mitigations and monitoring during construction and operation of the former Oakland Army Base and other air quality related concerns. Staff participated in a meeting with the City of Hayward and their consultant to discuss development of a city-wide Community Risk Reduction Plan as part of the City's General Plan update. Staff attended a conference at Cal/EPA sponsored by the Coordinating Research Council on Mobile Source Air Toxics where researchers from around the country presented results from near –road monitoring and modeling studies. Staff met with Dr. Eric Fujita from the Desert Research Institute to discuss options for community monitoring around large industrial facilities.

Staff developed updated tables of greenhouse gases (GHGs) in 2010 from Bay Area stationary source facilities and posted this information to the District's web site to assist Bay Area cities and counties in developing Greenhouse Gas Reduction Strategies.

### **Air Quality Planning Program**

Staff reviewed and provided feedback on climate action plans (CAPs) for the following local governments: Contra Costa County, City of Berkeley, City of Concord, City of Milpitas, City of Colma, and City of El Cerrito. Staff continues developing District stationary source GHG data to support local community GHG inventories. Staff participated on a steering committee for the 2013 California Climate Action Planning Conference (CCAPC), a district sponsored event co-hosted by Cal Poly San Luis Obispo and the Governor's Office of Planning & Research. Staff provided several presentations at the conference, including the keynote address and sessions on GHG inventorying, climate policy, and linking public health to climate change. Staff continues working with CAPCOA and other air districts on the development of a CAPCOA GHG Exchange program.

Staff continued to collaborate with MTC and ABAG staff on development of the Bay Area Sustainable Communities Strategy (SCS) and participated in regular work group meetings. Staff continued working with regional agency partners to assist with the environmental analysis for the SCS DEIR, including: updating the Transportation Priority Project (TPP) Local Pollutant Analysis with updated stationary source and highway information; developing mitigations and best practices; preparing maps to illustrate impact areas for inclusion in the DEIR analysis; drafting the Air Quality Technical Appendix; and coordinating with MTC on obtaining emission modeling data for the RTP transportation investments.

Staff continues to develop a new regional commute benefits program pursuant to SB 1339, including: meetings with staff from MTC and local governments; researching other employer trip reduction program in the state; continuing work with MTC staff to develop an outreach strategy; and developing an employer database and registration system. Staff continued implementation of the District's CEQA Guidelines through meetings with staff from local jurisdictions; presentations to various organizations; tracking the use of the CEQA Guidelines by lead agencies; and responding to numerous inquiries from local government staff and consultants. Staff presented to staff from the City of Berkeley and the California Department of Toxic Substance Control regarding the District's CEQA Guidelines. Staff presented on CEQA at a Transportation Summit in San Jose hosted by Transform and Greenbelt Alliance. Staff continued participating on technical advisory committees for the development of station area plans in the City of Larkspur and the City of Sunnyvale. Staff reviewed, commented, and submitted technical and outreach information for CAPCOA's draft 2012 State of the Air Report.

### **Research and Modeling Program**

Staff participated in a NASA aircraft-based air quality measurement field campaign that obtained aerometric data in central California, including the Bay Area. The data will be used to calibrate satellite based particulate matter (PM) measurements for estimating routine ground level PM concentrations. Staff continued to work on estimating emissions of, population exposure to, and public health impacts of ultrafine particulate matter (UFP)

in the Bay Area, including consultations with staff from the Office of Environmental Health and Hazard Assessment. Staff continued work on meteorological modeling that will be used for particulate matter, air toxics and ozone modeling in the Bay Area. Staff continued to participate in a working group with ARB and neighboring districts to discuss emission inventories to be used in upcoming ozone SIP modeling in central California. Staff continued making progress in the analysis of VOC data collected at three Bay Area air monitoring stations. Staff continued making progress on automating the input preparation of routine AERMOD modeling applications for use in the permitting process. Staff participated in the Central California Air Quality Studies Technical and Policy Committees' conference calls.

### **Rule Development Program**

Staff prepared and posted materials for a public hearing on two new rules, proposed Regulation 12, Rule 13: Foundries and Forging Operations and Regulation 6, Rule 4: Metal Recycling and Shredding Operations and proposed amendments to Regulation 2, Rule 1: Permits, General Requirements for May 1, 2013. Staff presented information to the Stationary Source Committee on these proposals, and met with community representatives at UC Berkeley Family Housing and with industry representatives regarding the proposed rules. Staff is developing potential amendments to Regulation 6, Rule 1: Particulate Matter, General Requirements including a new rule for fugitive particulate matter and has met with numerous representatives of Bay Area cities and counties regarding potential regulatory requirements. Staff met several times with is representatives of Phillips 66 coke calcining facility on potential control measures to reduce sulfur dioxide emissions. Staff met with Breathe California representatives regarding their January 22, 2013 study on further potential controls at the Lehigh Southwest cement manufacturing facility in Cupertino, California.

## **STRATEGIC INCENTIVES – D. BREEN, DIRECTOR**

Following is a summary of the Strategic Incentives Division achievements for the first quarter of 2013.

### **Carl Moyer Program (CMP)**

- *Administration:*
  - Staff participated in Calstart webinar, “California Legislative Update,” 1/22.
  - Staff participated in the CAPCOA grants committee conference call, 1/23.
  - Staff was interviewed by KNBR regarding marine project funding opportunities, 1/27.
  - Staff participated in call with ARB and Air District related to the closure of Cleaire and the impact on retrofits already purchased and installed, 1/29.
  - Staff submitted a comment letter in response to a proposal by Hornblower Cruises and Events that requested regulatory flexibility for their fleet based on the emissions generated by a CMP funded project on the vessel California Hornblower, 2/11.
  - Staff participated in the EPA West Coast Collaborative call regarding trucking sector updates, 2/6.
  - Staff selected 47 projects for audit inspection of the CMP funded equipment.

- Staff sent out low-use letters to grantees that have reported operation of their CMP funded equipment below 70% of the contracted usage value (over at least a three year period), 2/4.
- Staff attended the California Maritime Leadership Symposium in Sacramento, 2/20.
- Staff provided training to staff from Sonsray Machinery, LLC (San Leandro) for participation in the CMP off-road equipment replacement program as an approved equipment vendor, 2/26.
- Staff participated in the CAPCOA grants committee monthly conference call, 2/27.
- Staff participated in the ARB conference call to discuss several regulations and regulation amendments related to on-road heavy-duty vehicles, 3/11.
- In support of CMP/AB923 reauthorization efforts, staff collected testimonials and photos from CMP grantees about their experience with the program and the impact it has had on their business/operations.
- Staff participated in the Calstart webcast on Strategies and Opportunities for Utilizing Natural Gas in Large Engines, 3/13.
- Staff participated in the ARB webcast to discuss the proposed tractor regulation, 3/15.
- Staff participated in a Cascade Sierra Solutions webcast regarding compliance with ARB regulations for on-road trucks, 3/19.
- *Year 15:*
  - Staff submitted the Air District Board's Resolution for participation in CMP Year 15, 2/14.
- *Shore/wayside-power:*
  - The Peninsula Corridor Joint Powers Board approved participation in a CMP project to install wayside power at the San Jose Diridon station which will allow trains visiting the station to connect to electrical power instead of operating their diesel engines, 1/3.
  - Air District executed an agreement for the installation of a locomotive wayside power system at the San Jose Diridon Station, 3/8.

### **Goods Movement Program (GMP)**

- *Administration:*
  - Staff submitted quarterly reports to ARB, 1/23.
  - Staff participated in the monthly local agency call with ARB staff and local air district staff, 3/20.
- *Year 3 Program:*
  - Approximately 280 projects were completed by December 31, 2012, and letters have been issued for 294 projects inquiring if the project was completed by the December 31, 2012, deadline.
  - Staff processed 359 truck projects for payment with grants totaling \$ 9,875,000, and is working on the administrative close-out for this program.
- *Year 4 Program:*

- Staff met with consultants from the Trinity Technology Group to discuss changes to the online grants application system in preparation for Year 4 of the I-Bond program, 2/8.
- Staff submitted the Air District’s registration to ARB in advance of the March 15th Year 4 application deadline, 2/19.
- Staff participated in a local agency call with ARB staff and staff from other air districts to discuss final guideline and administrative changes for the program, 2/20.
- Staff held a pre-application community meeting to discuss the Air District’s application to ARB for participation in the Year 4 funding cycle, 3/11.
- Staff submitted an application to ARB for participation in Year 4 requesting \$55 million in funding with a focus on locomotive projects and on-road truck replacement projects, 3/13.
- *DERA:*
  - Staff submitted quarterly DERA reports to EPA, 1/30.
- *MY 2005/06 Drayage Truck Replacement:*
  - Twenty projects were contracted for the 05/06 Port Truck Replacement Program.
- *Shore power:*
  - Staff met with ARB staff and staff from the SCAQMD to discuss load bank testing for shore power projects and the procedures for progress payments for these projects, 2/7.
  - Staff participated in a conference call on load test procedures with ARB staff, SCAQMD staff, and staff from the California ports that received GMP funds for shore power projects, 2/21.
  - An amended agreement was executed with ARB for the Year 2 shore-power program, 3/11.
  - Staff submitted a request to ARB for disbursement of \$17,475,729 in project funds, and \$145,631 in administrative funds, 3/11.

### **Transportation Fund for Clean Air (TFCA)**

- *Regional Fund:*
  - The Board awarded nearly \$4.3 M to 12 shuttle/feeder bus projects and 2 regional ridesharing projects
- *Bicycle Share Pilot Project:*
  - A contract with the system operator, Alta Bicycle Share, was executed on 2/6.
  - Staff met with the Steering Committee to discuss remaining issues with Alta’s proposal and draft contract documents, 1/9, 1/16 and 1/23.
  - Staff presented on the Regional Bike Share Pilot Project at the Capitol Corridor Peer Bicycle Group in Oakland, 1/18.
  - Staff met with the Steering Committee and Alta Bicycle Share to discuss Alta’s proposal and negotiate on the draft contract documents, 1/18 and 1/24.
  - Staff met with the VTA to discuss implementation of the bike share project, 1/29.
  - Staff met with the Steering Committee to discuss implementation issues, 1/31 and 2/6.
- *Electric Vehicle Planning and Deployment Project:*
  - Staff completed Phase I of the Bay Area and Monterey Bay Area PEV Readiness Plan and submitted it to SCAQMD for submittal to the DOE on 1/02.

- Staff participated in a DOE Clean Cities webinar on calculating petroleum use and greenhouse gas emissions of vehicles, 1/7.
- Staff held a conference call with ICF to discuss scope under the CEC grant and approaches to each plan segment, 1/9.
- Staff co-chaired and participated in a California PEV Collaborative workgroup to address barriers to charging at multi-family dwelling units, 1/10, 1/18, 3/15 and workplaces, 2/20.
- Staff held a teleconference meeting with the three Bay Area Clean Cities Coalitions to discuss outreach strategy for the CEC Plan, 1/10, 2/6, 3/14 and 3/19.
- Staff submitted monthly progress reports to the CEC on the PEV Readiness Plan, 1/10, 2/7, 3/7, and 3/11.
- Staff submitted a quarterly progress report on the PEV Readiness Plan for the DOE grant to SCAQMD, 1/22.
- Staff presented and discussed the scope for Part 2 of the PEV Readiness Plan with the EV Strategic Council – Planning and Technical Advisory Committee, 1/28.
- Staff participated in a webinar hosted by CALSTART on workplace charging, 1/29.
- Staff participated in meetings and workshops with staff from the CEC, PEV Collaborative, other regional agencies, and the Governor’s Office of Planning and Research to coordinate statewide efforts on PEV readiness, 1/30, 2/27, and 3/28.
- Staff participated in a workshop to develop a Request for Information on financing strategies for plug-in electric vehicles (PEVs), hosted by the Governor’s Office, State Treasurer Bill Lockyer, and the California Plug-In Electric Vehicle Collaborative, 2/1.
- Staff presented “Advancing PEV Infrastructure Deployment through Strategic Initiatives and Regional Alignment” at the 2nd annual EV & Infrastructure Summit in Toronto, 2/5.
- Staff participated in a conference call with the California PEV Collaborative coordinators to evaluate proposals and recommend contractors to develop guidelines and case studies for EVSE installation in multi-family dwelling units and workplaces, 2/15.
- Staff met with Energy Solutions Staff to discuss incentive funding opportunities, 2/26.
- The Executive Officer presented an update on the status of deployment of PEVs and charging stations in the Bay Area and staff presented a status update from the Multi Unit Dwelling Work Group at the PEV Collaborative member’s meeting in Torrance, 3/13.
- Staff participated in a conference call with representatives from Nissan to discuss the available funding for EV infrastructure, 3/11.
- The Executive Officer and staff attended and presented an update on the PEV readiness plan at the EV Strategic Council Meeting held at the SF Mayor’s Office, 3/21.
- Staff executed contract with Monterey Bay Unified APCD to develop a PEV readiness plan for the Monterey Bay Area, 3/26.
- Staff met with Honda representative to discuss their alternative fuels and advanced technology vehicles and strategies for mass adoption, 3/29.
- *County Program Manager (CMP):*
  - Staff completed review and approval of the County Program Manager Fund projects for FYE 2013.



- All nine County Program Managers submitted their FYE 2014 Expenditure Plan Applications by the 3/4/13 deadline.
- Staff sent bi-annual reporting materials to the nine County Program Managers that require the County Program Managers to update all TFCA-funded projects, including updates on project progress and fund usage for all open projects, and final reports for all recently closed projects.

### **Lower-Emission School Bus Program (LESBP)**

- *Solicitation for grant applications for three project types:*
  - Bus replacement: call for applications for the replacement of 1993 or older school buses was open from 1/28/13 – 3/15/13.
  - Bus retrofit: call for applications for the retrofit of 1987 and newer school buses closed on 3/15/13 (had opened on 5/24/12)
  - CNG tank replacement: call for applications for the replacement of CNG tanks on buses between 14 and 16 years old closed on 3/15/13 (had opened on 5/24/12)
- *Applications received: total of 51 applications requesting \$23.2 M as follows:*
  - Bus replacement: 32 applications for 125 public school buses for nearly \$19.3 million
  - Bus retrofit: 10 applications for 131 school buses for nearly \$2.65 million
  - CNG tank replacement: 9 applications for 67 public school buses for just over \$1.3 million
- *Contracts executed*
  - CNG tank replacement: 8 contracts for \$1.3 M were executed to replace CNG tanks on 66 buses

### **Grant Development**

- *Grant Development:*
  - Staff participated in the ARB Advanced Technology Demonstration Projects: Zero-Emission Off-Road Equipment Program grant solicitation workshop, 1/3.
  - Staff prepared a letter of support for the Linde LLC proposal to CEC for Alternative and Renewable Fuel and Vehicle Technology Program - Hydrogen Fuel Infrastructure grant, 1/7.
  - Staff participated in the ARB AQIP Funding Plan for Fiscal Year 2013-14 workshop, 1/23.
  - Staff prepared and submitted a proposal to the ARB, under their AQIP Program, for \$925,408, to demonstrate a precursor for a 'Near-Zero' emissions locomotive, 2/6.
  - Staff held a conference call with ARB regarding projects we recommend be eligible for funding in the next AQIP advanced technology program funding cycle, 3/14.
  - Staff met with Francisco DeVries, President of Renewable Funding, regarding commercial and residential PACE programs, 3/20.
  - Staff held a conference call with ABAG to discuss advancing a commercial PACE program in the Bay Area, 3/27.
  - Staff discussed an alternative technology project with representative from Nautical Torque and the possibility of future funding, 3/29.
- *AQIP GT Exhaust Tier 4 Locomotive Retrofit:*

- Staff submitted quarterly AQIP reports to ARB for the GT Exhaust demonstration project, 1/30.
- Staff held a conference call with GTE and ARB to report on the Tier 4 locomotive retrofit. GTE conducted final testing on emissions, 2/14.
- GT Exhaust submitted final report on project to Air District, 3/28.
- *AQIP NREC Tier 4 Locomotive Construction:*
  - Staff held a conference call with NREC and ARB to provide an update on progress made for the construction of the locomotive, 1/5.
  - Staff prepared and transmitted to ARB the Task 4 report on the production of the NREC Tier 4 locomotive (1/9) and received approval from ARB to move on to Task 5, testing of locomotive, 1/11.
  - Staff held a conference call with NREC and ARB to report on the construction of the Tier 4 locomotive, 1/10.
  - Staff submitted quarterly AQIP reports to ARB for the NREC demonstration project, 1/30.
  - Staff held a conference call with NREC and ARB to report on the project, 3/14.
  - Air District submitted to ARB the Task 5 report on testing locomotive, 3/14.
  - Air District submitted to ARB the Task 6 report on painting of the locomotive and received approval from ARB to move on to Task 7, Final Inspection of the locomotive, 3/18.
- *AQIP Wind + Wing Wind-Assisted Ferry:*
  - Staff held a conference call with ARB and Wind + Wing Technologies to discuss the release of the vessel for the AQIP wind-assisted ferry demonstration by the Office of Naval Research (ONR) on 1/4, and staff prepared a white paper submitted to ARB for transmittal to ONR, 1/10.
  - Staff submitted quarterly AQIP reports to ARB for the Wind +Wing demonstration project, 1/30.
  - Staff held conference call with ARB and Wind + Wing to discuss amending the contracts to use a more advanced fixed wing sailing vessel instead of the Navy's X-2 vessel, 3/22.
- *Implementation Initiatives to Advance Alternative Fuel Markets:*
  - Staff held a conference call with SCAQMD, California Plug-in Electric Vehicle Collaborative and the Governor's Office to discuss the DOE Alternative Fuels Project task for a Governor's CEO Roundtable, 1/25.
  - Staff held kick-off meeting with DOE and NREL for California Fleets and Workplace Alternative Fuels Project, 2/20.
  - Staff held conference call with SCAQMD regarding Air District's subcontract with Calstart, 3/19.
  - Staff held conference call with California Plug-in Electric Vehicle Collaborative (PEVC) regarding the Scope of Work for their efforts under the program, 3/21.
  - Staff held a conference call with the California Center for Sustainable Energy (CCSE) and members of the Clean Cities Coalition (CCC) to provide an update on the DOE Alternative Fuels project, 3/28.
- *Lawn Mower Exchange Program:*
  - Staff sent Black & Decker contract for lawn mower exchange program for 2,400 lawn mowers, 2/13.
- *Vehicle Buy Back Program:*

- Posted on the Air District's website the Vehicle Buy Back Program RFPs for dismantlers and direct mail contractors with a deadline of 4/12 for submittals, 3/25.

**TECHNICAL DIVISION – E. STEVENSON, DIRECTOR****Air Quality**

There was one exceedance of the national  $35 \mu\text{g}/\text{m}^3$   $\text{PM}_{2.5}$  standard during the 1<sup>st</sup> quarter of 2013. It was the only exceedance during the winter season of 2012-13 and it rained lightly during the afternoon and early evening. The day before the exceedance (January 22<sup>nd</sup>),  $\text{PM}_{2.5}$  levels were in the  $25\text{-}30 \mu\text{g}/\text{m}^3$  range until early evening when winds transported  $50\text{-}60 \mu\text{g}/\text{m}^3$  air into the Bay Area from the southeast ahead of an approaching weather system. On January 23<sup>rd</sup>, the combination of pre-existing particulate and additional transport caused five air monitoring sites to exceed the national standard despite a Winter Spare the Air Alert (WSTA) in effect for that day. San Pablo recorded the highest concentration with  $39 \mu\text{g}/\text{m}^3$ .

Ten WSTAs were issued during the 1<sup>st</sup> quarter. There were nine issued in January and one in February. There were many WSTAs in January because it was extremely dry with less than one-inch of rain in the Bay Area. There was also frequent morning frost, high pressure, and light winds. In past winters, this general weather pattern would yield many more days exceeding the national standard, yet there was only one exceedance. Additionally, the entire January through March period was extremely dry. San Francisco received only 2.3 inches of rain for the quarter, the driest in 164 years.

**Air Monitoring**

27 air monitoring sites were operational from January through March 2013, with all equipment operating on routine, EPA-mandated schedules. Ozone monitors at six satellite stations were shut down during the low ozone season on December 1<sup>st</sup>, 2012, as allowed under a waiver granted by the EPA, and resumed operation starting April 1<sup>st</sup>, 2013.

In late March, a 28<sup>th</sup> District monitoring site was added in Redwood City at the request of EPA Region IX. This new special purpose monitoring site will operate for one year to assess ambient lead concentrations from piston aircraft activity to the north of the San Carlos Airport. Analysis of lead concentration data from all three airport lead special study sites required by EPA in 2012 at San Carlos, Palo Alto and Reid Hillview Airports indicate that all sites exceed the  $0.075 \mu\text{g}/\text{m}^3$  lead trigger (one half of the revised NAAQS for lead) requiring that these sites be permanently operated by the District. The District is required by regulation to operate each site until a three year rolling average for lead concentration in ambient air is below  $0.075 \mu\text{g}/\text{m}^3$ .

In late March, a 10 month acrylonitrile measurement study at the District's San Pablo monitoring site being conducted by CARB, was concluded. The results of the study will be shared with the District. Also in late March, an agreement was negotiated between CARB, BAAQMD and the Richmond Fire department allowing CARB to place refinery incident monitoring equipment at the District's Richmond 7<sup>th</sup> street Hydrogen Sulfide ( $\text{H}_2\text{S}$ ) and Sulfur Dioxide ( $\text{SO}_2$ ) monitoring site, as part of a 3 month pilot project. The

equipment consists of a live webcam oriented to view the Chevron refinery, a portable continuous PM instrument and a portable meteorology instrument package.

A third annual wintertime study that began on December 10th in cooperation with the Planning Division to evaluate PM<sub>2.5</sub> composition at three monitoring locations in Napa, Concord and San Francisco was completed on January 10<sup>th</sup>.

In mid-January, Air Monitoring negotiated an agreement with the Forest Knolls post master in the San Geronimo Valley in Marin County allowing the District to operate a black carbon monitor at the US Post Office. Data from this location, which is impacted by a higher incidence of residential wood burning, can be compared to other locations in the Bay Area to provide information about the differences in compositional make up of PM<sub>2.5</sub> in the region and to evaluate if wood smoke reduction methods are producing the desired results regionally and in heavily impacted areas. The site is expected to be in continuous operation for three years.

The second phase of a UC Berkeley School of Public Health study using passive NO<sub>2</sub>/NO<sub>x</sub> samplers was completed in March. The study objectives are part of a larger statewide study and include evaluating NO<sub>2</sub>/NO<sub>x</sub> concentration reductions along goods movement corridors (truck routes) in areas that have implemented control strategies. Samplers were deployed at four District monitoring sites located in San Pablo, Oakland West, Oakland International and Livermore.

The Air Monitoring Section continued participation in the District's Rule Development efforts for the new Reg.12-15 Refinery Emissions Tracking Rule.

### **Performance Evaluation**

- The Performance Evaluation (PE) Group conducted regular, EPA-mandated, performance audits at 15 District air monitoring stations; 49 parameters were tested.
- Ground Level Monitoring (GLM) audits of H<sub>2</sub>S and Sulfur Dioxide SO<sub>2</sub> monitors were conducted on the GLM monitors in the vicinity of Chevron, Tesoro, and Valero Refineries. All 19 GLM monitors tested met the District's performance criteria.
- An ODAMN (Operations Data Action Monitoring Notification) was issued for a TSP (Total Suspended Particle) sampler that did not pass internal audit acceptance criteria limits. The data collected during the affected period were removed from the District's database and will not be included in the national AQS (Air Quality System) database.
- Meteorological sensors removed from the field were repaired, adjusted and calibrated during the quarter. New parts were modified to better withstand the elements.
- The PE Group calibrated ozone equipment (analyzers and generators) for Dr. John Balmes and Hofer Wong of the Human Exposure Lab, University of California, San Francisco; a division of Occupational and Environmental Medicine, located at

S.F. General Hospital. This is a service that the PE Group has provided UCSF on an ongoing basis for several years.

- The mobile surveillance van was tested and the instruments were calibrated in anticipation of an unscheduled, emergency testing event.
- The Through the Probe (TTP) van work continued during the quarter and the initial testing of the system was successful. This van is ready for use and will be put into service for TTP audits.

### **Laboratory**

In addition to routine ongoing analyses, two sulfur dioxide absorbing powder samples from the Phillips66 Carbon Plant, Rodeo were analyzed for sodium, carbonate and sulfate.

Twenty fuel oil samples from sea going vessels at the Port of Oakland were analyzed for percent sulfur.

Also, the lab has begun to analyze low volume PM<sub>10</sub> filters from the new Redwood City Twin Dolphin station for lead by XRF.

### **Source Test**

Ongoing Source Test Section activities during the 1<sup>st</sup> quarter of 2013 included:

- Performance of Continuous Emissions Monitoring (CEM) Field Accuracy Tests on monitors installed at large source emission points.
- Performance of source tests to determine emissions of precursor organic compounds, filterable particulate matter and toxic air contaminants.
- Performance of tests to assess the compliance status of gasoline cargo tanks, gasoline dispensing facilities, gasoline terminal loading and vapor recovery systems.
- Evaluation of independent contractor conducted source tests to determine report acceptability and source compliance.
- Review of the ConocoPhillips Rodeo Refinery's open path monitor monthly reports for January, February, and March.
- The Source Test Section continued participation in the District's Rule Development efforts for Metal Melting, Calcining, Backup Generators, and revisions to Regulation 6; as well as the new Reg.12-15 Refinery Emissions Tracking Rule.
- Seventeen Regulation 9, Rule10 Carbon Monoxide (CO) source tests were conducted by the CEM group.
- Two new Air Quality Engineers are currently being trained in the Section, one for particulate testing, the other for VOC testing.

<b>STATISTICS</b>
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**Administrative Services:****Accounting/Purchasing/Comm.**

General Checks Issued	1,451
Purchase Orders Issued	699
Checks/Credit Cards Processed	3,821
Contracts Completed	81
RFP's	0

**Executive Office:**

Meetings Attended	203
Board Meetings Held	5
Committee Meetings Held	13
Advisory Council Meetings Held	3
Hearing Board Meetings Held	4
Variances Received	3

**Information Systems**

New Installation Completed	7
PC Upgrades Completed	0
Service Calls Completed	653

**Human Resources**

Manager/Employee Consultation (Hrs.)	300
Management Projects (Hrs.)	400
Employee/Benefit Transaction	600
Training Sessions Conducted	6
Applications Processed	500
Exams Conducted	10
New Hires	0
Payroll Administration (Hrs.)	580
Safety Administration	150
Inquiries (voice/telephone/in-person)	4,000

**Strategic Facility /Vehicle**

Requests for Facility Services	160
Vehicle Request(s)/Maintenance	34

**Compliance Assistance and Operations Program**

Asbestos Plans Received	1,269
Coating and other Petitions Evaluated	8
Open Burn notifications Received	971
Prescribed Burn Plans Evaluated	16
Tank/Soil Removal Notifications Received	19
Compliance Assistance Inquiries Received	86
Green Business Reviews	16
Refinery Flare Notifications	52

**Compliance Assurance Program**

Industrial Inspections Conducted	1,624
Gas Station Inspections Conducted	283
Asbestos Inspections Conducted	685
Open Burning Inspections Conducted	69
PERP Inspections Conducted	35
Mobile Source Inspections	590
Grants Inspections Conducted	414

**Engineering Division:**

Annual Update Packages Completed	1,524
New Applications Received	228
Authorities to Construct Issued	128
Permits to Operate Issued	303
Exemptions	15
New Facilities Added	78
Registrations (new)	102

**Communications and Outreach:**

Presentations Made	5
Responses to Media Inquiries	60
Press Releases & Advisories	15
General Requests for Information	2,680
Events staffed with Air District Booth	2
Visitors (District Tour)	2

**STATISTICS (continued)**

**Compliance and Enforcement Division:**

**Enforcement Program**

Violations Resulting in Notices of Violation	108
Violations Resulting in Notice to Comply	39
New Hearing Board Cases Reviewed	6
Reportable Compliance Activity Investigated	68
General Complaints Investigated	563
Smoking Vehicle Complaints Received	1,722
Woodsmoke Complaints Received	1,979
Mobile Source Violations	38

**Technical Services:**

**1st Quarter 2013 Ambient Air Monitoring**

Days Exceeding Nat'l 24-hour PM <sub>2.5</sub> Std.....	1
Days Exceeding Nat'l 24-hour PM <sub>10</sub> Std.....	0
Days Exceeding State 24-hour PM <sub>10</sub> Std.....	1
Days Exceeding the Nat'l 8-hour Ozone Std.....	0
Days Exceeding the State 1-hour Ozone Std.....	0
Days Exceeding the State 8-hour Ozone Std.....	0

**Ozone Totals, Jan-Dec. 2013**

Days Exceeding State 1-hour Ozone Std.....	4
Days Exceeding Nat'l 8-hour Ozone Std.....	3
Days Exceeding State 8-hour Ozone Std.....	8

**Particulate Totals, Jan-Dec. 2013**

Days Exceeding Nat'l 24-hour PM <sub>2.5</sub> Std.....	3
Days Exceeding the Nat'l 24-hour PM <sub>10</sub> Std.....	0
Days Exceeding State 24-hour PM <sub>10</sub> Std.....	2

**PM<sub>2.5</sub> Winter Season Totals for 2012-2013**

Days Exceeding Nat'l 24-hour PM <sub>2.5</sub> Std.....	1
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**1st Quarter 2013 Agricultural Burn Days**

Jan.-Mar. Permissive Burn Days – North.....	63
Jan.-Mar. No-Burn Days – North.....	27
Jan.-Mar. Permissive Burn Days – South.....	62
Jan.-Mar. No-Burn Days – South.....	28
Jan.-Mar. Permissive Burn Days – Coastal.....	70
Jan.-Mar. No Burn Days – Coastal.....	20

**Laboratory**

Sample Analyzed.....	1,098
Laboratory Analyses.....	0

**Technical Library**

Titles Indexed/Cataloged	
Periodicals Received/Routed	

**Source Test**

Total Source Tests.....	81
Pending Source Tests.....	3
Violation Notices Recommended.....	12
Contractor Source Tests reviewed.....	2,511
Outside Test Observed.....	13
Violation Notices Recommended After Review....	6

**Continuous Emissions Monitoring (CEM)**

Indicated Excess Emission Report Eval.....	33
Monthly CEM Reports Reviewed.....	144
Indicated Exceeded from CEM.....	22

**Ground Level Monitoring (GLM)**

Oct.-Dec. Ground Level Monitoring SO <sub>2</sub> Excess Reports.....	0
Oct.-Dec. Ground Level Monitoring H <sub>2</sub> S Excess Reports.....	1

## These facilities have received one or more Notices of Violations

### Report period: January 1, 2013 – March 31, 2013

<b>Alameda County</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
2/11/2013	A3194	City of Alameda, Maint Serv Center	Alameda	Failure to Meet Permit Conditions
1/28/2013	V7135	H. & Anthony Williams	Alameda	Particulate Matter & Visible Emissions
1/2/2013	V6613	Clevenger Construction Inc.	Dublin	Asbestos Demolition, Renovation & Mfg.
2/27/2013	V6720	All American Oil	Hayward	No Permit to Operate
2/27/2013	V6721	All American Oil	Hayward	Gasoline Dispensing Facilities
2/22/2013	V7510	Arya Campbell & Erik Webber	Hayward	Particulate Matter & Visible Emissions
1/24/2013	V7056	Mark/Lora Lowman	Hayward	Particulate Matter & Visible Emissions
1/24/2013	V7057	Mary/Albert Cunha	Hayward	Particulate Matter & Visible Emissions
1/31/2013	V7189	Marilyn/Jerome Heuer	Newark	Particulate Matter & Visible Emissions
3/6/2013	A1559	Sanmina - SCI	Newark	Failure to Meet Permit Conditions
2/27/2013	A2743	CEMEX Construction Materials Pacific, LLC	Oakland	Failure to Meet Permit Conditions
2/26/2013	A0591	East Bay Municipal Utility District	Oakland	Non-compliance, Major Facility Review (Title V)
2/26/2013	A0030	Owens-Brockway Glass Container Inc	Oakland	Non-compliance, Major Facility Review (Title V); Particulate Matter & Visible Emissions; Continuous Emission Monitoring & Recordkeeping Procedures
1/14/2013	V6806	Resident	Oakland	Particulate Matter & Visible Emissions
1/28/2013	V7133	George & Terri Perry	San Leandro	Particulate Matter & Visible Emissions

<b>Contra Costa County</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
1/23/2013	V7008	Evelyn Porter	Antioch	Particulate Matter & Visible Emissions
2/26/2013	V7538	Hillcrest Fuel-Mart/Valero	Antioch	Gasoline Dispensing Facilities
1/23/2013	V7003	Byron Mini Mart	Byron	Gasoline Dispensing Facilities
1/25/2013	V7107	Edmond Aliaga	Concord	Particulate Matter & Visible Emissions
1/25/2013	V7108	John Etherington	Concord	Particulate Matter & Visible Emissions
1/31/2013	V7183	Katherine Clarino	Concord	Particulate Matter & Visible Emissions
1/25/2013	V7105	Richard Olsen	Concord	Particulate Matter & Visible Emissions
1/31/2013	V7185	Roane/Teresa Burgess	Concord	Particulate Matter & Visible Emissions
3/4/2013	C9593	Solano Valero	Concord	Gasoline Dispensing Facilities
1/31/2013	V7184	Willard/Cherese Hoskins	Concord	Particulate Matter & Visible Emissions
3/12/2013	V4345	Travis Baker	Darville	Asbestos Demolition, Renovation & Mfg.
1/22/2013	V6958	Arsen Mikhailusta	El Sobrante	Particulate Matter & Visible Emissions
1/31/2013	V7192	Kurt/Cindy/TE Pedracci	El Sobrante	Particulate Matter & Visible Emissions
1/28/2013	V7134	Michael Landon & Ha Kieu	El Sobrante	Particulate Matter & Visible Emissions
2/19/2013	V7420	Trilby Dupont	El Sobrante	Particulate Matter & Visible Emissions
2/22/2013	V7507	Resident	Lafayette	Particulate Matter & Visible Emissions
1/25/2013	V7109	Robert Roche	Lafayette	Particulate Matter & Visible Emissions
2/26/2013	V7542	FASTSTOP	Martinez	Gasoline Dispensing Facilities
2/26/2013	V7545	Martinez Carwash	Martinez	Gasoline Dispensing Facilities
3/12/2013	A7034	Plains Products Terminals LLC	Martinez	Non-compliance, Major Facility Review (Title V); Storage of Organic Liquids
2/22/2013	V7506	Resident	Martinez	Particulate Matter & Visible Emissions
2/11/2013	A0011	Shell Martinez Refinery	Martinez	Standards of Performance for New Stationary Sources; Public Nuisance; Non-compliance, Major Facility Review (Title V); Sulfur Dioxide
3/6/2013	B2758	Tesoro Refining & Marketing Company LLC	Martinez	Continuous Emission Monitoring & Recordkeeping Procedures; Non-compliance, Major Facility Review (Title V); Hydrogen Sulfide
2/26/2013	V6714	Virginia Hill Auto Center	Martinez	Gasoline Dispensing Facilities
1/25/2013	V7106	Roy Cuneo	Moraga	Particulate Matter & Visible Emissions
1/17/2013	V6913	Joann/Peter Landgraf	Oakley	Particulate Matter & Visible Emissions
2/19/2013	V7411	John & Jennifer Spencer	Orinda	Particulate Matter & Visible Emissions
1/31/2013	V7186	Robyn Selva & Matthew Blackburn	Orinda	Particulate Matter & Visible Emissions
3/12/2013	A0227	Criterion Catalysts Company LP	Pittsburg	No Permit to Operate; Non-compliance, Major Facility Review (Title V); NOx & CO from Stationary Internal Combustion Engines
2/11/2013	V7325	Golden Gate Service Station	Pittsburg	No Permit to Operate
2/11/2013	J2193	Arco Bulk Terminal	Richmond	Gasoline Bulk Terminals & Gasoline Delivery Vehicles
2/27/2013	A0072	Chevron Inc	Richmond	Gasoline Bulk Terminals & Gasoline Delivery Vehicles



**These facilities have received one or more Notices of Violations**  
**Report period: January 1, 2013 – March 31, 2013**  
**Continued**

<b>Contra Costa County</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
3/12/2013	A0010	Chevron Products Company	Richmond	Public Nuisance; Organic Compounds: Misc Operations; Non-compliance, Major Facility Review (Title V); Flare Monitoring at Petroleum Refineries
2/26/2013	V7544	Cutting Mini Market (ARCO)	Richmond	Gasoline Dispensing Facilities
1/24/2013	V7055	Delvin Olsen	Richmond	Particulate Matter & Visible Emissions
2/26/2013	A0745	Plains Products Terminals LLC	Richmond	Storage of Organic Liquids
1/24/2013	V7054	Resident	Richmond	Particulate Matter & Visible Emissions
2/13/2013	V7361	Resident	Richmond	Particulate Matter & Visible Emissions
2/26/2013	B7419	Air Liquide Large Industries US LP	Rodeo	Continuous Emission Monitoring & Recordkeeping Procedures; Non-compliance, Major Facility Review (Title V)
3/7/2013	A0016	Phillips 66 Company - San Francisco	Rodeo	Storage of Organic Liquids
2/26/2013	V7543	Xtra Oil Company	Walnut Creek	Gasoline Dispensing Facilities
<b>Marin County</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
1/24/2013	V7065	Resident	Bolinas	Particulate Matter & Visible Emissions
2/22/2013	V7498	Resident	Bolinas	Particulate Matter & Visible Emissions
1/16/2013	V6856	Chris Tranka	Fairfax	Particulate Matter & Visible Emissions
1/25/2013	V7082	Ed Reither	Fairfax	Particulate Matter & Visible Emissions
1/2/2013	V6615	North Bay Gas	Fairfax	No Permit to Operate
1/23/2013	V7013	Edward Hanson	Forest Knolls	Particulate Matter & Visible Emissions
1/16/2013	V6873	Resident	Forest Knolls	Particulate Matter & Visible Emissions
1/16/2013	V6876	Resident	Forest Knolls	Particulate Matter & Visible Emissions
2/13/2013	V7367	Resident	Forest Knolls	Particulate Matter & Visible Emissions
2/13/2013	V7368	Resident	Forest Knolls	Particulate Matter & Visible Emissions
3/20/2013	V7961	Ben Fletcher	Kentfield	Open Burning
1/16/2013	V6878	Resident	Lagunitas	Particulate Matter & Visible Emissions
2/11/2013	C0369	Grand Gas	Mill Valley	Gasoline Dispensing Facilities
2/22/2013	V7497	Resident	Mill Valley	Particulate Matter & Visible Emissions
1/24/2013	V7068	Resident	Muir Beach	Particulate Matter & Visible Emissions
2/13/2013	V7352	Douglas & Noel Degnan	Nicasio	Particulate Matter & Visible Emissions
2/13/2013	V7369	Lynette LaFranke	Nicasio	Particulate Matter & Visible Emissions
1/28/2013	V7131	David Hand	Novato	Particulate Matter & Visible Emissions
1/16/2013	V6879	Elena & Evencio Gonzalez	Novato	Particulate Matter & Visible Emissions
1/16/2013	V6880	Ivan Johnson	Novato	Particulate Matter & Visible Emissions
1/16/2013	V6881	Josiah Fizer	Novato	Particulate Matter & Visible Emissions
1/25/2013	V7079	Larry/Adrienne Friberg	Novato	Particulate Matter & Visible Emissions
1/10/2013	V6765	Molinelli Family 1989 Trust	Novato	Particulate Matter & Visible Emissions
1/24/2013	V7051	Resident	Novato	Particulate Matter & Visible Emissions
1/28/2013	V7132	Robert/Kimberli Powell	Novato	Particulate Matter & Visible Emissions
2/13/2013	V7370	Resident	Point Reyes Station	Particulate Matter & Visible Emissions
1/17/2013	V6915	Atiya Seagrave	San Geronimo	Particulate Matter & Visible Emissions
2/22/2013	V7494	Glenn & Isabel Craft	San Geronimo	Particulate Matter & Visible Emissions
1/23/2013	V7015	Resident	San Geronimo	Particulate Matter & Visible Emissions
1/16/2013	V6865	Resident	San Geronimo	Particulate Matter & Visible Emissions
1/16/2013	V6866	Resident	San Geronimo	Particulate Matter & Visible Emissions
1/16/2013	V6874	Resident	San Geronimo	Particulate Matter & Visible Emissions
1/23/2013	V7016	Janet Boddington	San Rafael	Particulate Matter & Visible Emissions
2/11/2013	V7309	Clipper Yacht Company, LLC	Sausalito	No Authority to Construct; No Permit to Operate
1/17/2013	V6904	Resident	Woodacre	Particulate Matter & Visible Emissions

**These facilities have received one or more Notices of Violations**  
**Report period: January 1, 2013 – March 31, 2013**  
**Continued**

<b>Napa County</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
1/17/2013	V6917	Carol Voth	Angwin	Particulate Matter & Visible Emissions
1/22/2013	V6986	Oscar Valverde	Angwin	Particulate Matter & Visible Emissions
1/17/2013	V6916	Resident	Angwin	Particulate Matter & Visible Emissions
1/17/2013	V6918	Resident	Angwin	Particulate Matter & Visible Emissions
1/22/2013	V6983	Resident	Angwin	Particulate Matter & Visible Emissions
2/13/2013	V7359	Resident	Angwin	Particulate Matter & Visible Emissions
2/13/2013	V7376	Gary & Donna Costa Trust	Calistoga	Particulate Matter & Visible Emissions
1/8/2013	V6688	Brian & Patsy Smith	Napa	Particulate Matter & Visible Emissions
3/27/2013	V8102	Brown Ranch	Napa	Open Burning
3/6/2013	V7698	Hyde Vineyards	Napa	Open Burning
1/8/2013	V6691	James/Judith Hensley	Napa	Particulate Matter & Visible Emissions
1/14/2013	V6810	Jay & Cynthia Bledsoe	Napa	Particulate Matter & Visible Emissions
1/24/2013	V7061	Karen Gallegos	Napa	Particulate Matter & Visible Emissions
1/8/2013	V6689	Leonel & Hilda Ortiz-Campos	Napa	Particulate Matter & Visible Emissions
1/8/2013	V6687	Lucio & Gloria Orozco	Napa	Particulate Matter & Visible Emissions
2/7/2013	V7286	Maria/Francisco Covarrubias	Napa	Particulate Matter & Visible Emissions
2/19/2013	V7409	Michael Pattullo	Napa	Particulate Matter & Visible Emissions
1/24/2013	V7060	Ramon & Julieta Lopez	Napa	Particulate Matter & Visible Emissions
1/23/2013	V7026	Resident	Napa	Particulate Matter & Visible Emissions
1/31/2013	V7190	Resident	Napa	Particulate Matter & Visible Emissions
1/24/2013	V7059	Ricardo & Maria Castillo	Napa	Particulate Matter & Visible Emissions
1/8/2013	V6693	Trevor Hall	Napa	Particulate Matter & Visible Emissions
3/20/2013	V7976	Phil Robbins	Saint Helena	Open Burning
<b>San Francisco County</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
2/27/2013	B5560	Four Seasons Hotel San Francisco	San Francisco	No Authority to Construct; No Permit to Operate
1/8/2013	V6708	Jackson Group Property Management	San Francisco	Asbestos Demolition, Renovation & Mfg.
3/19/2013	A0568	San Francisco South East Treatment Plant	San Francisco	Failure to Meet Permit Conditions
3/19/2013	A4116	San Francisco, City & County, PUC	San Francisco	Failure to Meet Permit Conditions
<b>San Mateo County</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
1/14/2013	V6809	Jim Vlahos	Belmont	Particulate Matter & Visible Emissions
3/28/2013	A6140	Recology Sunset Scavenger Company	Brisbane	Commercial Vehicle Idling Citation
3/19/2013	A5691	Sunquest Properties Inc	Brisbane	Solid Waste Disposal Sites; Failure to Meet Permit Conditions
1/14/2013	V6808	Gholamali Heris	Burlingame	Particulate Matter & Visible Emissions
1/14/2013	V6807	Lazaros/Natalie Mavridis	Burlingame	Particulate Matter & Visible Emissions
2/22/2013	V7499	Scott & Amy Hublou	Emerald Hills	Particulate Matter & Visible Emissions
1/25/2013	V7110	Bret & Stephanie Duncan	Half Moon Bay	Particulate Matter & Visible Emissions
2/11/2013	T9358	Costa Loma	Half Moon Bay	Storage of Organic Liquids
1/28/2013	V7130	Harrie & Kathy Yager	Half Moon Bay	Particulate Matter & Visible Emissions
2/13/2013	V7353	Raymond & C. Martini	Half Moon Bay	Particulate Matter & Visible Emissions
1/28/2013	V7125	Shirley Moorhouse	Half Moon Bay	Particulate Matter & Visible Emissions
1/25/2013	V7102	Dan & Christine Harrison	Menlo Park	Particulate Matter & Visible Emissions
3/26/2013	A3011	IPT SRI Cogeneration Inc	Menlo Park	Continuous Emission Monitoring & Recordkeeping Procedures
1/9/2013	V4312	Millbrae Gas and Food	Millbrae	Gasoline Dispensing Facilities

**These facilities have received one or more Notices of Violations**  
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<b>San Mateo County</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
1/17/2013	V6902	Alice Shirley	Pacifica	Particulate Matter & Visible Emissions
1/14/2013	V6826	Donald & Mary Blanchard	Pacifica	Particulate Matter & Visible Emissions
1/17/2013	V6914	Donald/Frances Nelson	Pacifica	Particulate Matter & Visible Emissions
1/14/2013	V6813	Gerald Kennedy	Pacifica	Particulate Matter & Visible Emissions
1/17/2013	V6899	John/Cindy Yee	Pacifica	Particulate Matter & Visible Emissions
1/22/2013	V6961	Kary Gladieux	Pacifica	Particulate Matter & Visible Emissions
1/14/2013	V6815	Michael Gene Torres	Pacifica	Particulate Matter & Visible Emissions
1/14/2013	V6814	Rachelle Muscat Living Trust	Pacifica	Particulate Matter & Visible Emissions
1/14/2013	V6821	Resident	Pacifica	Particulate Matter & Visible Emissions
1/22/2013	V6976	Resident	Pacifica	Particulate Matter & Visible Emissions
1/14/2013	V6819	Richard/Noireen Zanardi	Pacifica	Particulate Matter & Visible Emissions
1/22/2013	V6980	Steven & Tracy Schaefer	Pacifica	Particulate Matter & Visible Emissions
1/14/2013	V6824	Vickie Ramsey	Pacifica	Particulate Matter & Visible Emissions
1/22/2013	V6993	Steven & Christine Wolf	Palo Alto	Particulate Matter & Visible Emissions
3/12/2013	C9772	Fifth Avenue Enterprises dba Silver Gas	Redwood City	Gasoline Dispensing Facilities
3/11/2013	A0051	United Airlines, Inc	San Francisco	Parametric Monitoring & Recordkeeping Procedures; Non-compliance, Major Facility Review (Title V)
2/20/2013	A3366	Barrango Manufacturing	South San Francisco	No Permit to Operate
2/13/2013	V0383	Compass Transportation	South San Francisco	Commercial Vehicle Idling Citation
<b>Santa Clara County</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
1/23/2013	V7011	Kenneth & Sharron Reed	Campbell	Particulate Matter & Visible Emissions
1/22/2013	V6991	Moustakas Rahimi Living Trust	Campbell	Particulate Matter & Visible Emissions
1/22/2013	V6992	Paul Wheldon	Campbell	Particulate Matter & Visible Emissions
1/10/2013	V6768	Resident	Campbell	Particulate Matter & Visible Emissions
1/25/2013	V7099	Allen Johnson	Cupertino	Particulate Matter & Visible Emissions
1/25/2013	V7104	Louisa/Show-Kang Chang	Cupertino	Particulate Matter & Visible Emissions
1/28/2013	V6703	Paknahal & Mesbahi Motahareh	Cupertino	Particulate Matter & Visible Emissions
1/25/2013	V7103	Robert Boardman	Los Altos	Particulate Matter & Visible Emissions
1/25/2013	V7101	James Kooper	Los Gatos	Particulate Matter & Visible Emissions
1/25/2013	V7100	Resident	Los Gatos	Particulate Matter & Visible Emissions
2/26/2013	C9480	Gas & Shop	Morgan Hill	Failure to Meet Permit Conditions
1/25/2013	V7088	Andrew Ji & Jin Xi	Palo Alto	Particulate Matter & Visible Emissions
1/25/2013	V7091	Anne/Robert Talbott	Palo Alto	Particulate Matter & Visible Emissions
1/25/2013	V7087	Barbara Little	Palo Alto	Particulate Matter & Visible Emissions
1/25/2013	V7096	Carolyn Walker	Palo Alto	Particulate Matter & Visible Emissions
1/25/2013	V7083	Eugene Ciccarelli / Catherine Perman	Palo Alto	Particulate Matter & Visible Emissions
1/25/2013	V7098	Franklin & Joann Evevitch	Palo Alto	Particulate Matter & Visible Emissions
1/25/2013	V7097	Hugo & Lucy Traeger	Palo Alto	Particulate Matter & Visible Emissions
3/26/2013	E1108	Palo Alto Cafe	Palo Alto	Failure to Meet Permit Conditions
2/13/2013	V7377	Resident	Palo Alto	Particulate Matter & Visible Emissions
2/26/2013	V2294	Cal Phase Construction, Inc.	San Jose	Aeration of Contaminated Soil & Removal of Underground Storage Tanks
2/26/2013	V7528	Cupertino Chevron Carwash	San Jose	Failure to Meet Permit Conditions
1/31/2013	V7191	Deel Dauzat	San Jose	Particulate Matter & Visible Emissions
1/8/2013	B1696	Maxim Integrated Products, Incorporated	San Jose	Failure to Meet Permit Conditions
1/8/2013	V6698	Santana C.E. & P.D. 1995 Trust	San Jose	Particulate Matter & Visible Emissions
2/11/2013	B8725	Wheaten Ventures LLC	San Jose	Failure to Meet Permit Conditions
1/10/2013	V6766	Bettini Nancy Trust	Santa Clara	Particulate Matter & Visible Emissions
2/26/2013	A0733	City of Sunnyvale Water Pollution Control	Sunnyvale	No Authority to Construct; Non-compliance, Major Facility Review (Title V)

**These facilities have received one or more Notices of Violations  
Report period: January 1, 2013 – March 31, 2013**

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<b>Solano County</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
2/27/2013	B7062	Bay Area Coffee Inc	Benicia	Failure to Meet Permit Conditions
1/17/2013	V6907	Gary Ritchie	Benicia	Particulate Matter & Visible Emissions
1/23/2013	V7025	Janice Green	Benicia	Particulate Matter & Visible Emissions
1/23/2013	V7023	Luys Horn	Benicia	Particulate Matter & Visible Emissions
1/23/2013	V7024	Michael & Karen Garrett	Benicia	Particulate Matter & Visible Emissions
2/27/2013	A0901	Valero Benicia Asphalt Plant	Benicia	Non-compliance, Major Facility Review (Title V)
1/2/2013	B2611	Valero Refining Company	Benicia	Gasoline Bulk Terminals & Gasoline Delivery Vehicles
2/27/2013	B2626	Valero Refining Company - California	Benicia	Standards of Performance for New Stationary Sources; Continuous Emission Monitoring & Recordkeeping Procedures; Non-compliance, Major Facility Review (Title V); Equipment Leaks; Storage of Organic Liquids
2/11/2013	B6628	E&P Properties, Inc	Fairfield	No Permit to Operate
1/17/2013	V6910	Natasha Volodarsky	Fairfield	Particulate Matter & Visible Emissions
1/10/2013	V6762	Ray Kimball	Fairfield	Particulate Matter & Visible Emissions
1/10/2013	V6760	Resident	Fairfield	Particulate Matter & Visible Emissions
2/4/2013	V7224	W Texas LLC/Chevron Foodmart	Fairfield	No Authority to Construct
1/17/2013	V6906	Edward Bouvier, Sr.	Vallejo	Particulate Matter & Visible Emissions
<b>Sonoma County</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
2/19/2013	V7418	Resident	Graton	Particulate Matter & Visible Emissions
1/24/2013	V7063	Ross/Lisa Colley	Graton	Particulate Matter & Visible Emissions
3/20/2013	V7964	David Schulze	Kenwood	Open Burning
2/22/2013	V7492	Eleuteria Alvarado	Petaluma	Particulate Matter & Visible Emissions
1/22/2013	V6960	John Mead	Petaluma	Particulate Matter & Visible Emissions
1/22/2013	V6959	Resident	Petaluma	Particulate Matter & Visible Emissions
1/31/2013	V7188	Stephen/Linda Goldberg	Petaluma	Particulate Matter & Visible Emissions
2/7/2013	V7287	Carrie/Randy Watson	Rohnert Park	Particulate Matter & Visible Emissions
1/16/2013	V6855	Ernest Jr/Marilyn Au	Rohnert Park	Particulate Matter & Visible Emissions
1/23/2013	V7031	Calvin/Lalona McDonald	Santa Rosa	Particulate Matter & Visible Emissions
1/24/2013	V7062	Charles/Mary Carrington	Santa Rosa	Particulate Matter & Visible Emissions
1/23/2013	V7033	David & Beverly Linders	Santa Rosa	Particulate Matter & Visible Emissions
2/19/2013	V7421	Deborah Chandler	Santa Rosa	Particulate Matter & Visible Emissions
1/10/2013	V6758	Diana Joy Celeste	Santa Rosa	Particulate Matter & Visible Emissions
2/19/2013	V7417	Gerardo Tapia & Maria Virelas	Santa Rosa	Particulate Matter & Visible Emissions
1/23/2013	V7019	Jayna Osmundsen	Santa Rosa	Particulate Matter & Visible Emissions
2/19/2013	V7423	Kerry & Megan Bearg	Santa Rosa	Particulate Matter & Visible Emissions
1/14/2013	V6812	Resident	Santa Rosa	Particulate Matter & Visible Emissions
1/23/2013	V7022	Resident	Santa Rosa	Particulate Matter & Visible Emissions
1/24/2013	V7064	Resident	Santa Rosa	Particulate Matter & Visible Emissions
2/13/2013	V7378	Resident	Santa Rosa	Particulate Matter & Visible Emissions
2/13/2013	V7379	Resident	Santa Rosa	Particulate Matter & Visible Emissions
2/19/2013	V7415	Resident	Santa Rosa	Particulate Matter & Visible Emissions
2/22/2013	V7500	Resident	Santa Rosa	Particulate Matter & Visible Emissions
2/22/2013	V7501	Resident	Santa Rosa	Particulate Matter & Visible Emissions
1/23/2013	V7034	Ronald James/Marie Glenna Dehner	Santa Rosa	Particulate Matter & Visible Emissions
2/11/2013	D0745	San Francisco Petroleum	Santa Rosa	Failure to Meet Permit Conditions
1/2/2013	B4845	Santa Rosa/Carrera Plating	Santa Rosa	No Permit to Operate
1/8/2013	V6695	Tim Zanolini	Santa Rosa	Particulate Matter & Visible Emissions
2/19/2013	V7416	Timothy & Heidi Delatorre	Santa Rosa	Particulate Matter & Visible Emissions
1/23/2013	V7018	Travers Collins	Santa Rosa	Particulate Matter & Visible Emissions
1/23/2013	V7030	David Pond	Sebastopol	Particulate Matter & Visible Emissions
2/22/2013	V7504	Dorothy Olsen	Sebastopol	Particulate Matter & Visible Emissions
2/19/2013	V7419	Gerald Roybal & Audrey Ng	Sebastopol	Particulate Matter & Visible Emissions
2/13/2013	V7375	Patty Hill	Sebastopol	Particulate Matter & Visible Emissions
1/10/2013	V6753	Resident	Sebastopol	Particulate Matter & Visible Emissions
2/19/2013	V7424	Resident	Sebastopol	Particulate Matter & Visible Emissions
3/20/2013	V7425	Earl Horner Vineyard	Sonoma	Open Burning

**These facilities have received one or more Notices of Violations  
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<b>Sonoma County</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
1/16/2013	V6854	Ernest Ruggeri	Sonoma	Particulate Matter & Visible Emissions
1/17/2013	V6911	Resident	Sonoma	Particulate Matter & Visible Emissions
1/31/2013	V7187	Resident	Sonoma	Particulate Matter & Visible Emissions
2/13/2013	V7364	Resident	Sonoma	Particulate Matter & Visible Emissions
2/13/2013	V7365	Resident	Sonoma	Particulate Matter & Visible Emissions
3/27/2013	V8111	Alfredo Nunez	Windsor	Open Burning
1/24/2013	V7058	Daniel Lamberson	Windsor	Particulate Matter & Visible Emissions
1/22/2013	V6990	James/Desiree Ruanavaara	Windsor	Particulate Matter & Visible Emissions
1/23/2013	V7029	Karin/Leon Hughes	Windsor	Particulate Matter & Visible Emissions
1/22/2013	V6989	Norman/Barbara Ray	Windsor	Particulate Matter & Visible Emissions
2/19/2013	V7422	Resident	Windsor	Particulate Matter & Visible Emissions
1/23/2013	V7017	Richard/Pamela Lewis	Windsor	Particulate Matter & Visible Emissions
<b>Out of Area Counties</b>				
<b>Status Date</b>	<b>Site #</b>	<b>Site Name</b>	<b>City</b>	<b>Regulation Title</b>
2/20/2013	N1032	KAG West, LLC	West Sacramento	Gasoline Bulk Terminals & Gasoline Delivery Vehicles

**Closed Notice of Violations with Penalties by County  
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<b>Alameda</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
Alta Bates Summit Medical Center	A7780	Oakland	\$250	1
ARCO Facility #00374 - A&N Petroleum Inc	V6669	Oakland	\$1,000	1
Arya Campbell & Erik Webber	V7510	Hayward	Passed Wood Smoke Course	1
Bayview Shell #136019	V7644	San Leandro	\$900	3
Castro Valley Crematory Inc	A5148	Castro Valley	\$100	1
Convenience Retailers LLC	V6726	Fremont	\$500	1
Marilyn/Jerome Heuer	V7189	Newark	Passed Wood Smoke Course	1
Mark/Lora Lowman	V7056	Hayward	Passed Wood Smoke Course	1
Mary/Albert Cunha	V7057	Hayward	Passed Wood Smoke Course	1
Matson Navigation Co., Inc.	V4410	Oakland	\$6,500	1
Nella Oil Company	V6128	Oakland	\$750	1
Portola Valley Shell	V6730	Oakland	\$3,000	1
QIP Jr, Inc	A2937	Hayward	\$100	1
Raintree Carwash	V6124	San Leandro	\$350	1
Sohal Oil #2	V6857	San Leandro	\$1,500	2
Vanguard Auto Body	E1503	Fremont	\$600	2
<b>Total Violations Closed:</b>				<b>20</b>

**Closed Notice of Violations with Penalties by County  
January 1, 2013 – March 31, 2013  
(continued)**

<b>Contra Costa</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
Andy's Tee Shirts, Inc	A8401	Concord	\$500	3
Brecht Construction	U8746	Clayton	\$250	1
Byron Mini Mart	V7003	Byron	\$500	1
Charlie Wood	T8796	Concord	\$150	2
Chevron Products Company	A0010	Richmond	\$145,600	37
Clean Harbors Industrial Services, Inc	P7253	Martinez	\$500	1
Concord Avenue Shell	V5387	Concord	\$750	1
Diamond Petroleum Inc	V7704	Concord	\$2,000	2
Evelyn Porter	V7008	Antioch	Passed Wood Smoke Course	1
Fairoaks Market	V5386	Pleasant Hill	\$350	1
Henkel Corporation-Aerospace Group	B2855	Bay Point	\$6,000	1
Joann/Peter Landgraf	V6913	Oakley	Passed Wood Smoke Course	1
Kaiser Antioch Deer Valley	B6855	Antioch	\$2,500	4
Katherine Clarino	V7183	Concord	Passed Wood Smoke Course	1
Kurt/Cindy/TE Pedracci	V7192	El Sobrante	Passed Wood Smoke Course	1

**Closed Notice of Violations with Penalties by County  
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**(continued)**

<b>Contra Costa - Continued</b>				
Site Name	Site Occurrence #	City	Penalty Amount	# of Violations Closed
Lone Tree Gas & Food	V5589	Antioch	\$200	1
Loveridge Shell	V7390	Pittsburg	\$500	1
PTK Super Market	D0138	Pittsburg	\$5,225	1
Roane/Teresa Burgess	V7185	Concord	Passed Wood Smoke Course	1
Robert Roche	V7109	Lafayette	Passed Wood Smoke Course	1
Ron Hanson Construction	V2666	Alamo	\$3,000	3
ST Shore Terminals LLC	A0581	Crockett	\$29,500	8
Super Gas and Liquor	V2451	Concord	\$550	2
Walnut Creek Shell #136245	V7148	Walnut Creek	\$1,500	2
West Contra Costa County Landfill	A1840	Richmond	\$13,500	8
Willard/Cherese Hoskins	V7184	Concord	Passed Wood Smoke Course	1
<b>Total Violations Closed:</b>				<b>87</b>

**Closed Notice of Violations with Penalties by County  
January 1, 2013 – March 31, 2013  
(continued)**



<b>Marin</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
Atiya Seagrave	V6915	San Geronimo	Passed Wood Smoke Course	1
Chris Tranka	V6856	Fairfax	Passed Wood Smoke Course	1
David Hand	V7131	Novato	Passed Wood Smoke Course	1
Ed Reither	V7082	Fairfax	Passed Wood Smoke Course	1
Edward Hanson	V7013	Forest Knolls	Passed Wood Smoke Course	1
Josiah Fizer	V6881	Novato	Passed Wood Smoke Course	1
Larry/Adrienne Friberg	V7079	Novato	Passed Wood Smoke Course	1
Molinelli Family 1989 Trust	V6765	Novato	Passed Wood Smoke Course	1
North Bay Gas	V6615	Fairfax	\$500	2
Resident	V6866	San Geronimo	Passed Wood Smoke Course	1
Resident	V7051	Novato	\$100	1
Robert/Kimberli Powell	V7132	Novato	Passed Wood Smoke Course	1
		<b>Total Violations Closed:</b>		<b>13</b>

**Closed Notice of Violations with Penalties by County  
January 1, 2013 – March 31, 2013  
(continued)**

<b>Napa</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
Brian & Patsy Smith	V6688	Napa	\$100	1
Carol Voth	V6917	Angwin	Passed Wood Smoke Course	1
James/Judith Hensley	V6691	Napa	Passed Wood Smoke Course	1
Leonel & Hilda Ortiz-Campos	V6689	Napa	\$100	1
Lily Berlin	V0019	Saint Helena	\$400	1
Lincoln Ave Chevron	V7032	Napa	\$1,500	2
Lucio & Gloria Orozco	V6687	Napa	\$100	1
Oscar Valverde	V6986	Angwin	Passed Wood Smoke Course	1
Resident	V6916	Angwin	Passed Wood Smoke Course	1
Resident	V7359	Angwin	Passed Wood Smoke Course	1
Ricardo & Maria Castillo	V7059	Napa	Passed Wood Smoke Course	1
Vyborny Vineyard Management	P0019	Rutherford	\$1,500	1
		<b>Total Violations Closed:</b>		<b>13</b>

**Closed Notice of Violations with Penalties by County  
January 1, 2013 – March 31, 2013  
(continued)**

<b>San Francisco</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
Campton Place Hotel	A8032	San Francisco	\$1,000	1
Mack's Valet Cleaners	A8260	San Francisco	\$500	1
Opera Plaza	U6983	San Francisco	\$500	1
Restaurant Depot	U9241	San Francisco	\$5,000	1
SFD	S6567	San Francisco	\$1,000	1
SFD	S6567	San Francisco	\$1,000	1
Watermark HOA	B7291	San Francisco	\$250	1
		<b>Total Violations Closed:</b>		<b>7</b>
<b>San Mateo</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
Alice Shirley	V6902	Pacifica	Passed Wood Smoke Course	1
Alvins of San Francisco	E1473	Burlingame	\$750	2
Dan & Christine Harrison	V7102	Menlo Park	Passed Wood Smoke Course	1
Donald/Frances Nelson	V6914	Pacifica	Passed Wood Smoke Course	1
Ed Duffy	V5421	Hillsborough	\$2,500	1
Gerald Kennedy	V6813	Pacifica	Passed Wood Smoke Course	1

**Closed Notice of Violations with Penalties by County  
January 1, 2013 – March 31, 2013  
(continued)**

<b>San Mateo - Continued</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
Gholamali Heris	V6808	Burlingame	Passed Wood Smoke Course	1
Harrie & Kathy Yager	V7130	Half Moon Bay	Passed Wood Smoke Course	1
Jim Vlahos	V6809	Belmont	Passed Wood Smoke Course	1
John/Cindy Yee	V6899	Pacifica	Passed Wood Smoke Course	1
Kary Gladieux	V6961	Pacifica	Passed Wood Smoke Course	1
Lazaros/Natalie Mavridis	V6807	Burlingame	Passed Wood Smoke Course	1
Michael Gene Torres	V6815	Pacifica	Passed Wood Smoke Course	1
Millbrae Gas and Food	V4312	Millbrae	\$2,000	2
Rachelle Muscat Living Trust	V6814	Pacifica	Passed Wood Smoke Course	1
Richard/Noireen Zanardi	V6819	Pacifica	Passed Wood Smoke Course	1
State of California - CALTRANS	V7403	Foster City	\$500	1
Steven & Tracy Schaefer	V6980	Pacifica	Passed Wood Smoke Course	1
Vickie Ramsey	V6824	Pacifica	Passed Wood Smoke Course	1
<b>Total Violations Closed:</b>				<b>21</b>

**Closed Notice of Violations with Penalties by County  
January 1, 2013 – March 31, 2013  
(continued)**

<b>Santa Clara</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
AGM-Gilroy	V6736	Gilroy	\$750	2
Allen Johnson	V7099	Cupertino	Passed Wood Smoke Course	1
Anne/Robert Talbott	V7091	Palo Alto	Passed Wood Smoke Course	1
Bettini Nancy Trust	V6766	Santa Clara	Passed Wood Smoke Course	1
Capitol Toyota	V7272	San Jose	\$250	1
ConocoPhillips #2611228	V4813	San Jose	\$400	2
Crema Coffee Company	E0346	San Jose	\$800	2
Houtan Petroleum #255661	V2561	Mountain View	\$7,750	1
James Kooper	V7101	Los Gatos	Passed Wood Smoke Course	1
JDS Uniphase Corporation	A3418	San Jose	\$3,000	2
Louisa/Show-Kang Chang	V7104	Cupertino	Passed Wood Smoke Course	1
McCarthy Ranch Chevron & Carwash	V7241	Milpitas	\$1,250	1
Moustakas Rahimi Living Trust	V6991	Campbell	Passed Wood Smoke Course	1
Olam West Coast, Inc	B1328	Gilroy	\$1,500	1
Paknahal & Mesbahi Motahareh	V6703	Cupertino	\$100	1
Palo Alto Chevron	V3483	Palo Alto	\$5,000	1

**Closed Notice of Violations with Penalties by County  
January 1, 2013 – March 31, 2013  
(continued)**

<b>Santa Clara - Continued</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
Paul Wheldon	V6992	Campbell	Passed Wood Smoke Course	1
Robert Boardman	V7103	Los Altos	Passed Wood Smoke Course	1
Santa Clara County Roads & Airport Agency	V7706	San Jose	\$3,000	1
Sunnyvale Auto Spa	V2563	Sunnyvale	\$7,750	1
Unocal #257186-Satnam Petroleum	V7871	San Jose	\$1,000	3
				<b>Total Violations Closed:</b>
<b>Solano</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
Edward Bouvier, Sr.	V6906	Vallejo	Passed Wood Smoke Course	1
Gary Ritchie	V6907	Benicia	Passed Wood Smoke Course	1
Natasha Volodarsky	V6910	Fairfield	Passed Wood Smoke Course	1
Ray Kimball	V6762	Fairfield	Passed Wood Smoke Course	1
W Texas LLC/Chevron Foodmart	V7224	Fairfield	\$800	2
			<b>Total Violations Closed:</b>	<b>6</b>

**Closed Notice of Violations with Penalties by County  
January 1, 2013 – March 31, 2013  
(continued)**

<b>Sonoma</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
Bill and Dianne Schlangen	V2811	Kenwood	\$250	1
Calvin/Lalona McDonald	V7031	Santa Rosa	Passed Wood Smoke Course	1
Charles/Mary Carrington	V7062	Santa Rosa	Passed Wood Smoke Course	1
Daniel Lamberson	V7058	Windsor	Passed Wood Smoke Course	1
David & Beverly Linders	V7033	Santa Rosa	Passed Wood Smoke Course	1
Deposition Sciences Inc	B3602	Santa Rosa	\$750	2
Diana Joy Celeste	V6758	Santa Rosa	Passed Wood Smoke Course	1
Ernest Jr/Marilyn Au	V6855	Rohnert Park	Passed Wood Smoke Course	1
Ernest Ruggeri	V6854	Sonoma	Passed Wood Smoke Course	1
Gerardo Tapia & Maria Virelas	V7417	Santa Rosa	Passed Wood Smoke Course	1
James/Desiree Ruanavaara	V6990	Windsor	Passed Wood Smoke Course	1
Joe Tresch	V1728	Petaluma	\$500	1
Julius Vegvary	V2668	Sonoma	\$400	1
Karin/Leon Hughes	V7029	Windsor	Passed Wood Smoke Course	1
Kerry & Megan Bearg	V7423	Santa Rosa	Passed Wood Smoke Course	1
Nella Oil	V4361	Sebastopol	\$8,500	1
Norman/Barbara Ray	V6989	Windsor	Passed Wood Smoke Course	1
Patty Hill	V7375	Sebastopol	Passed Wood Smoke Course	1

**Closed Notice of Violations with Penalties by County  
January 1, 2013 – March 31, 2013  
(continued)**

<b>Sonoma - Continued</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
Resident	V6911	Sonoma	Passed Wood Smoke Course	1
Resident	V7187	Sonoma	Passed Wood Smoke Course	1
Resident	V7418	Graton	Passed Wood Smoke Course	1
Richard Anstruther	V2810	Sebastopol	\$250	1
Richard/Pamela Lewis	V7017	Windsor	Passed Wood Smoke Course	1
Ronald James/Marie Glenna Dehner	V7034	Santa Rosa	Passed Wood Smoke Course	1
Ross/Lisa Colley	V7063	Graton	Passed Wood Smoke Course	1
Santa Rosa Grand Petroleum Inc	V7240	Petaluma	\$3,000	1
Stephen/Linda Goldberg	V7188	Petaluma	Passed Wood Smoke Course	1
Suzanne Reta	V1840	Sebastopol	\$200	1
Timothy & Heidi Delatorre	V7416	Santa Rosa	Passed Wood Smoke Course	1
Travers Collins	V7018	Santa Rosa	Passed Wood Smoke Course	1
		<b>Total Violations Closed:</b>		<b>31</b>

**Closed Notice of Violations with Penalties by County  
January 1, 2013 – March 31, 2013  
(continued)**



<b>District Wide</b>				
<b>Site Name</b>	<b>Site Occurrence #</b>	<b>City</b>	<b>Penalty Amount</b>	<b># of Violations Closed</b>
Downsouth Auto Inc.	V3559	Sebastian	\$300	1
Three J's Distributing, Inc.	V5030	Clackamas	\$300	1
United Road & United Road Services Inc.	V6234	Romulus	\$300	1
KAG West, LLC	A0049	West Sacramento	\$6,250	1
		<b>Total Violations Closed:</b>		<b>4</b>

**Bay Area Air Quality Management District  
Board of Directors**

**LIST OF ACRONYMS**

AA	Annual Average
AAMP	Ambient Air Monitoring Program
AB32	Assembly Bill 32 – Global Warming Solutions Act
Al	Aluminium
Al <sub>2</sub> O <sub>3</sub>	Alumina (Aluminium Oxide)
AlF <sub>3</sub>	Aluminium Fluoride
AIRS	Aeromatic Information Retrieval System
AIRMoN	Atmospheric Integrated Research Monitoring Network
ALAPCO	Association of Local Air Pollution Control Officials
Aluminium Plant	Carbon Plant, Reduction Plant, Casthouse, Anode Service Area, and related utilities
Air District	Bay Area Air Quality Management District
AMTAC	ARB Air Monitoring Technical Advisory Committee
AMTIC	Air Monitoring Technology Information Center
ANPR	Advanced Notice of Proposed Rulemaking
APCD	Air Pollution Control District
APCO	Air Pollution Control Officer
API	American Petroleum Institute
APTI	Air Pollution Technology Institute
ARB	California Air Resources Board
ARM	Area Recognized Method
AQI	Air Quality Index
AQIS	Air Quality Instrument Specialist
AQS	EPA's Air Quality (data) System
AQRS	Air Quality Research Subcommittee
AQTA	Air Quality Technical Assistant
ARM	Approved Regional Method
ASA	Anode Service Area
ASP	Anode Service Plant
ASTCM	Astrodynamics Common
ASTM	American Society for Testing and Materials
AWMA	Air and Waste Management Association
BAAQMD	Bay Area Air Quality Management District
BAM	Beta Attenuation Monitor
BAM	Beta-Attenuation Metre
BAT(NEEC)	Best Available Techniques (Not Entailing Excessive Cost)
BC	Black carbon
BC	Background Concentration
BCP	Best Current Practice
BGI	BGI, Incorporated
BPT	Best Practicable Technology
BRC	Background Reference Concentration
bgl	Below ground level
BOD	Biochemical Oxygen Demand
BPEO	Best Practicable Environmental Option
BREF note	Best Available Techniques Reference Document
btc	Below top of casing

BTEX	Benzene, Toluene, Ethylbenzene and Xylene
<sup>o</sup> C	Degrees Celsius
C	Carbon
CaO	Lime (calcium oxide)
CAA	(Federal) Clean Air Act
CAC	Correlating Acceptable Continuous (monitor)
CAIR	Clean Air Interstate Rule
CAP	Clean Air Plan
CARB	California Air Resources Board
CARE	Community Air Risk Evaluation
CASAC	Clean Air Science Advisory Committee
CAS	Chemical Abstracts Service (a chemical reference number)
CASTNET	Clean Air Status and Trends Network
CBSA	Core Based Statistical Area
CCC	Criteria Continuous Concentration
CCP	Carbon Crushing Plant
Cd	Cadmium
CD	Chart Datum
CDM	Clean Development Mechanism
CEM	Continuous Emissions Monitoring
CENR	Committee for Environment and Natural Resources
CEQA	California Environmental Quality Act
CEU	Continuing Education Unit
CFR	U.S. Code of Federal Regulations
CH <sub>4</sub>	Methane
Cl	Chloride(s)
CI	Confidence Interval
CMAQ	Community Model Air Quality (system)
CMC	Criteria Maximum Concentration
CN	Cyanide
CO	Carbon monoxide
CO <sub>2</sub>	Carbon Dioxide
CoC	Chain of custody
COD	Chemical Oxygen Demand
COH	Coefficient of Haze
Cr(VI)	Chromium (hexavalent)
CREL	Chronic Reference Exposure Level
CRPAQS	Central Valley (California) Regional Particulate Air Quality Study
CRRP	Community Risk Reduction Program
CSN	Chemical Speciation Network
CSR	Corporate Social Responsibility
CV	Coefficient of variation
CWMP	Construction Waste Management Plan
CY	Calendar Year
Cu	Copper
DAS	Data Acquisition System
dB(A)	'A' weighted decibel noise level
dB <sub>L</sub> Aeq	'A' weighted energy-equivalent decibel noise level
DC	Direct Current
DEARS	Detroit Exposure and Aerosol Research Study

DHS	Department of Homeland Security
District	Bay Area Air Quality Management District
DIV	Dutch Intervention Values
DMC	Data Management Center
DMS	Data management system
DNPB	2, 4-dinitrophenyl hydrazine
DO	Dissolved Oxygen
DOE	Department of Energy
DOI	Department of Interior
DQA	Data Quality Assessment
DQI	Data Quality Indicators
DQO	Data Quality Objectives
DRI	Direct Reduction Iron
DTV	Dutch Target Values
DVM	Digital Voltmeter
EC	European Commission
EC/OC	Elemental carbon/organic carbon
EECS	Electrical Equipment Calibration Service (in Fremont, CA)
EI	Extrusion Ingots
EIA	Environmental Impact Assessment
EML	Environmental Measurements Laboratory
EMP	Environmental Management Plan
EPA	U.S. Environmental Protection Agency
EPC	Engineering, Procurement and Construction
EPS	Environmental Protection Standards
EQS	Environmental Quality Standard
ESAT	Environmental Services Assistance Team
ET	Enviro Technology
EU	European Union
F-	Fluoride(s)
FA	Foundry Alloy
FEM	Federal Equivalent Method
FLM	Federal Land Manager
FMP	Flare Minimization Plan
FRM	Federal Reference Method
FTP	Fume Treatment Plant
FY	Fiscal Year
g/s	Grams per second
GAO	General Accounting Office
GC	Gas Chromatograph
GC-MS	Gas Chromatography-Mass Spectrometry
GDP	Gross Domestic Product
GHG(s)	Greenhouse Gas(es)
GIS	Geographical Information System
GLM	Ground Level Monitoring
GMW	General Metal Works (PM <sub>10</sub> sampler manufacturer)
GPS	Global Positioning System
GWP	Global Warming Potential
H <sub>2</sub> S	Hydrogen sulfide
HAL 275	Norsk Hydro Reduction Technology

HAP	Hazardous Air Pollutants
HAZID	Hazard Identification
HC	Hydrocarbon
HCl	Hydrogen chloride
HEI	Health Effects Institute
HF	Hydrogen fluoride
HPLC	High Performance Liquid Chromatograph
HSE	Health, Safety and Environment
HTM	Heating Transfer Medium
Hydro	Norsk Hydro ASA
IACET	International Association for Continuing Education and Training
IADN	Interagency Deposition Network
IC	Ion Chromatography
ICR	Information Collection Request
IEA	Initial Environmental Authorization
IFC	International Finance Corporation
ILSC	Indicative Levels of Serious Contamination
IMPROVE	Interagency Monitoring of Protected Visual Environments
IPP	Independent Power Producer
ISQG	Interim Sediment Quality Standard
ISR	Indirect Source Rule
ITEP	Institute of Tribal Environmental Professionals
ITT	Information Transfer Technology
JV	Joint Venture
K	Kelvin
K	Thousand
km	kilometer
kV	Kilovolt
kt/yr	Thousands of tons per year
kPa	Thousand Pascal
l	Litre
LC-50	Lethal Concentration of a chemical which kills 50% of a sample population
$L_{eq}$	Unweighted energy-equivalent noise level
LCS	Laboratory Control Sample
LDAR	Leak Detection and Repair
LLD	Lower Limit of Detection
LNB	Low NOx Burner
LOD	Limit of Detection
LOQ	Limit of Quantitation
lpm	Liters per minute
l/s	Litres per second
$L_{WA}$	'A' weighted sound power level
M	Million
m	Metre
m/s	Metres per second
$m^3/s$	Cubic metres per second
MAC	Maximum Allowable Concentration
MANE-VU	Mid-Atlantic/Northeast Visibility Union
MDL	Method Detection Limit

MDN	Mercury Deposition Network
MEI	Ministry of Energy and Industry
MET/PE	Meteorology and Performance Evaluation
mg/kg	Milligrams per kilogram
mg/l	Milligrams per litre
mg/m <sup>3</sup>	Milligrams per cubic metre
mg/Nm <sup>3</sup>	Milligrams per normal cubic metre (i.e. expressed at 273K and 101.3 kPa); in the case of gas turbines, gas volumes in units on “Nm <sup>3</sup> ” are also expressed as dry gas, at 15% O <sub>2</sub> .
MHWTC	Mesaieed Hazardous Waste Treatment Centre
MIC	Mesaieed Industrial City
ml	Millilitre
MMAA	Ministry of Municipal Affairs and Agriculture
MMWDS	Mesaieed Municipal Waste Disposal Site
MPA	Maximum Permissible Addition
MPC	Maximum Permissible Concentration
MQA	Meteorology and Quality Assurance
MS	Matrix spikes
MSm <sup>3</sup>	Million standard cubic metres
MW	Megawatts
MWe	Megawatts electrical (electrical output)
MWth	Megawatts thermal (thermal input)
N	Nitrogen
NAAQS	National Ambient Air Quality Standard
Na	Sodium
NAAMS	National Ambient Air Monitoring System
NAATS	National Ambient Air Toxics Sites
NACAA	National Association of Clean Air Agencies
NADP	National Atmospheric Deposition Program
NAMS	National Air Monitoring Station
Na <sub>3</sub> AlF <sub>6</sub>	Cryolite
NaCl	Sodium chloride (salt)
NAPAP	National Acid Precipitation Assessment Program
NARSTO	North American Research Strategy for Tropospheric Ozone
NAS	National Academy of Science
NASA	National Aeronautics and Space Agency
NATTS	National Ambient Toxic Tends Stations
NAU	Northern Arizona University
NCore	The National Core Monitoring Network
NDIR	non-dispersive infrared
NDUV	Non-dispersive ultraviolet
NEC	No Effect Concentration
NESHAPS	National Emission Standards for Hazardous Air Pollutants
NGO	Non-Governmental Organizations
Ni	Nickel
NILU	Norwegian Institute for Air Research
NISO	North Isomax
NIST	National Institute for Standards and Technology

Nm <sup>3</sup>	Normal cubic metre (i.e. expressed at 237K and 101.3 kPa); in the case of gas turbines, gas volumes in units of “Nm <sup>3</sup> ” are also expressed as dry gas, at 15% O <sub>2</sub> .
Nm <sup>3</sup> /s	Normal cubic metre per second (i.e. expressed at 237K and 101.3 kPa); in the case of gas turbines, gas volumes in units of “Nm <sup>3</sup> ” are also expressed as dry gas, at 15% O <sub>2</sub> .
NMHC	Non-Methane Hydrocarbons
NMSC	National Monitoring Strategy (or Steering) Committee
NMVOC	Non-Methane Volatile Organic Compounds
N <sub>2</sub> O	Nitrous Oxide
NO <sub>y</sub>	Odd Nitrogen
NIOSH	National Institute for Occupational Safety and Health
NIST	National Institute of Standards and Technology
NO	Nitrogen monoxide/Nitric oxide
NO <sub>2</sub>	Nitrogen dioxide
NO <sub>x</sub>	Oxides of nitrogen
NOAA	National Oceanic and Atmospheric Administration
NMHC	Non-methane hydrocarbon
NMOC	Non-methane organic carbon
NO <sub>x</sub> /NO <sub>y</sub>	Nitrogen Oxides
NPAP	EPA National Performance Audit Program
NPEP	National Performance Evaluation Program
NPS	National Parks Service
NTN	National Trends Network
NTU	Nephelometric Turbidity Units
NVLAP	National Voluntary Laboratory Accreditation Program
O <sub>2</sub>	Oxygen
O <sub>3</sub>	Ozone
OAP	Office of Atmospheric Programs
OAQPS	Office of Air Quality Planning and Standards
OAR	Office of Air and Radiation
OC	Organic Carbon
OC/EC	Organic carbon/elemental carbon
ODAMN	Operations Data Action Monitoring Notification
OEHHA	Office of Environmental Health Hazard Assessment
OEI	Office of Environmental Information
ORD	Office of Research and Development
ORIA	Office of Radiation and Indoor Air
P	Phosphorous
P	Power
PAHs	Polycyclic Aromatic Hydrocarbons
PAMS	Photochemical Assessment Monitoring Stations
Pb	Lead
PBMS	Performance-Based Measurement System
PBT	Persistent Bioaccumulative Toxics
PCBs	Polychlorinated Byphenyls
PCC	Petrochemical Complex
PE	Performance Evaluation
PEP	Performance Evaluation Program
PEL	Probable Effect Level

PFC	Polyfluorocarbons
PM	Particulate matter
PM <sub>10</sub>	Particulate matter with mean aerodynamic diameter of 10 microns
PM <sub>2.5</sub>	Particulate matter with mean aerodynamic diameter of 2.5 microns
PM <sub>10-2.5</sub>	PM <sub>10</sub> minus PM <sub>2.5</sub>
PO	Purchase Order
POCP	Photochemical Ozone Creation Potential
POP	Persistent Organic pollutants
ppb	Parts per billion
PPAH	Pollution Prevention and Abatement Handbook
ppb (v)(w)	Parts per billion (volume) (weight)
ppm (v) (w)	Parts per million (volume) (weight)
ppt (v) (w)	Parts per thousand (volume) (weight)
PQAO	Primary Quality Assurance Organization
PSD	Prevention of significant deterioration
QA	Quality Assessment
QAFAC	Qatar Additives Company
QAFCO	Qatar Fertiliser Company
QASCO	Qatar Steel Company Ltd
Qatum	The Hydro/QP Aluminium and Power Plant Project
QAPP	Quality Assurance Project/Program Plan
QC	Quality Control
QEW	Qatar Electricity and Water Company
QMP	Quality Management Plan
QNHD	Qatar National Height Datum (QNHD is ~1.3 m above Chart Datum)
QP	Qatar Petroleum
RADM	Regional Acid Deposition Model
RCA	Reportable Compliance Activity
RCEP	Royal Commission on Environmental Pollution
REL	Reference Exposure Level
REM	Regional Equivalent Monitor
RO	EPA Regional Office
ROG	Reactive Organic Gases
ROM	Regional Oxidant Model
ROPME	Regional Organisation for Protection of the Marine Environment
RPO	Regional Planning Organization
RTD	Resistance Temperature Detector
RTP	Research Triangle Park (North Carolina)
RTI	Research Triangle Institute, a research/consulting company
RTO	Regenerative Thermal Oxidiser
S	Sulphur
S&T	Science and Technology
SAB	Science Advisory Board
SAMWG	Standing Air Monitoring Work Group
SAP	Socio-Economic Action Plan
SASP	Surface Air Sampling Program
SARC	Scientific and Applied Research Centre
SB 375	Sustainable Communities and Climate Protection Act of 2008
SCAQMD	South Coast Air Quality Management District
SCENR/SCE	Supreme Council for the Environment & Natural Reserves



SIP	State Implementation Plan
SISO	South Isomax
SLAMS	State or Local Air Monitoring Station
SLTs	State, Local, and Tribal air monitoring agencies
SO <sub>2</sub>	Sulfur dioxide
SOP	Standard operating procedure
SPL	Spent Potlining
SPM	Special Purpose Monitor
SRP	Standard Reference Photometer
SS	Supersite
SSEIA	Scoping Study for Environmental Impact Assessment Report
STAG	State and Tribal Air Grant
STAPPA	State and Territorial Air Pollution Program Administrators
STN	Speciation Trends Network
Strategy	The National Air Monitoring Strategy
SVOC	Semi-Volatile Organic Compound
SWS	Seawater Scrubber
t/d	Tonnes per day
t/h	Tonnes per hour
t/yr	Tonnes per year
TAMS	Tribal Air Monitoring Support (Center)
TAD	Technical Assistance Document
TAR	Tribal Authority Rule
TBD	To Be Determined
TECO	Thermo Electron Corporation, now Thermo Fisher Scientific
TEOM	Tapered Element Oscillation Monitor
THC	Total hydrocarbons
TIP	Tribal Implementation Plan
TNMHC	Total non-methane hydrocarbons
TNMOC	Total non-methane Organic Compound
TOC	Total Organic Carbon
TOM	Total Organic Matter
Tpd	Tons per day
TPH	Total Petroleum Hydrocarbons
TPY	Tons Per Year
TSA	Technical systems audits
TSD	Technical Services Division
TSP	Total suspended particulates
TSS	Total Suspended Solids
T-REX	Traffic Related Exposure Study
TWA	Time Weighted Average
UAM	Urban Airshed Model
UFP	Ultrafine Particulate Matter
UN	United Nations
UNEP	UN Environmental Program
USB	Universal Serial Bus
US EPA	United States Environmental Protection Agency
UV	Ultraviolet
VDC	Vertical Direct Chill (Casting Machines)
VOC	Volatile Organic Compounds

WB	World Bank
WBT	Wet Bulb Temperature
WB PPAH	WB Pollution Prevention and Abatement Handbook
WHO	World Health Organization
WMP	Waste Management Plan
XML	Extensible Markup Language
$\Delta T$	Temperature differential
$\mu\text{g/l}$	Microgrammes per litre
$\mu\text{g/m}^3$	Micrograms (one millionth of a gram) per cubic metre
$\mu\text{m}$	Micrometers
$\mu\text{M/l}$	Micromoles per litre

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer

Date: May 6, 2013

Re: Report of the Personnel Committee Meeting of May 6, 2013

RECOMMENDED ACTION

The Personnel Committee received only informational items and has no recommendations of approval by the Board of Directors.

BACKGROUND

The Committee met in Closed Session on Monday, May 6, 2013, regarding the Public Employee Performance Evaluations of the Executive Officer/Air Pollution Control Officer and the District Counsel, with no reportable action.

There are no staff reports for the Closed Session items.

Chairperson Brad Wagenknecht will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACTS:

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Sean Gallagher  
Reviewed by: Ana Sandoval

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer

Date: May 6, 2013

Re: Report of the Legislative Committee Meeting of May 6, 2013

RECOMMENDED ACTION

The Legislative Committee recommends Board of Directors' approval of the following items:

- A) Update on Air District Legislative Initiatives: None; receive and file.
- B) Consideration of Legislation. The following positions on the following bills:
  - 1. Senate Bill (SB) 793 Lara: Watch and direct staff to send a letter to the California Air Resources Board (CARB) urging an administrative solution.
  - 2. SB 792 DeSaulnier: Oppose
  - 3. SB 605 Lara: Oppose

BACKGROUND

The Committee met on Monday, May 6, 2013. The Committee received the following reports:

- A) Update on Air District Legislative Initiatives; and
- B) Consideration of Legislation.

Attached are the staff reports that were presented to the Committee.

Chairperson Tom Bates will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACTS

- A) None.
- B) None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Sean Gallagher  
Approved by: Ana Sandoval

Attachments

## **BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

### Memorandum

To: Chairperson Tom Bates and Members  
of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: April 26, 2013

Re: Update on Air District Legislative Initiatives

### RECOMMENDED ACTION

None; receive and file.

### BACKGROUND

The Air District has a two-part legislative agenda this year. The first part is to reauthorize critical air quality funding programs due to expire in the next several years, particularly the Air District-administered Carl Moyer and AB 923 programs. These programs cut toxic diesel emissions by cleaning up older, highly polluting engines used in trucks, school buses, off-road equipment, ships, or agricultural engines. The second part is to advance legislation in response to the August 6, 2012 fire at the Chevron Richmond refinery, which would discourage major violations by allowing higher penalties for one-day incidents that disrupt communities.

### DISCUSSION

AB 8 (authored by Assemblymembers Henry Perea and Nancy Skinner) and SB 11 (authored by Senators Fran Pavley and Anthony Cannella) would each reauthorize the Carl Moyer and AB 923 programs, the AB 118 programs, and make changes to the Clean Fuel Outlet regulation (CFO). The CFO is an Air Resources Board (ARB) regulation that specifies how infrastructure for refueling hydrogen fuel cell vehicles is funded. The Air District is actively lobbying in support of both measures, along with a broad and diverse coalition.

AB 8 passed out of the Assembly Transportation Committee on a vote of 10 to 3, although San Francisco Assemblymember Tom Ammiano joined two Republican members in voting against the bill. That bill will be heard next on May 6<sup>th</sup> in the Assembly Natural Resources Committee. Prior to being heard on the Assembly Floor (where it needs a two-thirds vote for passage), AB 8 must also clear the Assembly Appropriations Committee in May.

SB 11 passed out of the Senate Environmental Quality Committee on a vote of 8 to 1, with bipartisan support in early April. It was heard next in the Senate Transportation and Housing Committee, chaired by Senator Mark DeSaulnier, where it faced a tough vote. Senator DeSaulnier was asking for major amendments to the bill that would have fractured the diverse

coalition of supporters. While Senator Pavley and her supporters agreed to some of the amendments, Senator DeSaulnier declined to vote for the bill, which made it out of the committee with the bare minimum of votes necessary for passage. The passage was bipartisan, since Republican co-author Anthony Cannella sits on this committee and voted for it. SB 11 next goes to the Senate Appropriations Committee, where it will be voted on in May.

Both reauthorization bills require the difficult super-majority vote. This makes their passage challenging, especially given the opposition of both the Sierra Club and the Howard Jarvis Taxpayers Association. Conservative voices have called the bills “a \$2.8 billion tax increase”, which makes it difficult for many Republicans to support them. On the other hand, some liberal Democrats are troubled to vote for the bill given the opposition of the Sierra Club. That opposition is based on the fact that the bills would change an ARB regulation (the CFO). However, ARB not only supports the bills, but actively is lobbying for this very change in their regulations.

The Air District is sponsoring SB 691, authored by Senator Loni Hancock, to increase penalty ceilings for one-day violations that harm entire communities. We have been joined by Breathe California as a cosponsor, and some of our supporters include the American Lung Association, the California Air Pollution Control Officers Association, the Sierra Club, the Natural Resources Defense Council, the Asian Pacific Environmental Network, Greenaction, the South Coast Air District, the mayors of Oakland and Richmond, and Regional Asthma Management and Prevention. A very long list of business organizations oppose the bill, including the California Chamber of Commerce, the California Manufacturing and Technology Association, the California Council for Economic and Environmental Balance, the California Metals Coalition, the California League of Food Processors, various agricultural groups, the California Taxpayers Association, the Independent Energy Producers Association, the California Restaurant Association, organizations representing gas stations and service stations, and the Western States Petroleum Association. The bill has been selected by CalChamber as one of the few dozen bills to receive the infamous ‘job-killer’ designation, and has been the subject of intense lobbying.

To date, the bill has passed the Senate Environmental Quality Committee on a 6 to 2 vote, with Senator Ron Calderon abstaining and both Republicans voting against it. It is scheduled to be heard next in the Senate Judiciary Committee on May 7, 2013. If it passes there, its next hurdle will be passage off the Senate Floor by the end of May. Staff have been meeting regularly with the opposition to discuss ways to address their concerns.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Thomas Addison  
Reviewed by: Jean Roggenkamp



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson Tom Bates and Members  
of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: April 26, 2013

Re: Consideration of Legislation

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

At its March meeting, the Committee discussed **SB 792, authored by Senator Mark DeSaulnier (D-Concord)**. At that time, the committee declined to take a position, but expressed concerns about the bill. The bill has been amended several times since that discussion, and a current copy of the bill is attached for the Committee's consideration. The bill is supported by Public Advocates and Urban Habitat, and opposed by the Metropolitan Transportation Commission (MTC). MTC has proposed an alternative to the current version of SB 792, which has been the subject of discussion by the Joint Policy Committee (JPC) at its last executive committee meeting. This alternative proposal is attached. SB 792 as envisioned by Senator DeSaulnier is primarily procedural; it would require the JPC to prepare plans on how to do joint planning. The alternative proposal is practical, focused on better regional planning results; it would actually establish the joint planning required. Given the perspectives of Board members expressed to date on this bill, staff are recommending an '**Oppose unless amended**' position. The recommended amendments are those suggested by MTC.

**SB 605, authored by Senator Ricardo Lara (D-Southgate)**, is a new bill since the Committee's March meeting. A copy is attached. It affects cap-and-trade revenues, and provisions of California's plan to cut greenhouse gas emissions under AB 32. The author is concerned that facilities subject to California's cap-and-trade provisions are allowed under ARB regulations to generate emission reductions outside of California. The bill would only allow reductions within the state.

This is a major policy consideration, with huge effects on the costs of compliance for AB 32, both costs to directly affected industry, but also to California residents and consumers who will ultimately bear most of these costs. Certainly some observers would argue that such a bill would make the costs of AB 32 compliance so high that significant resulting public opposition might at a minimum cause a slowing of California's efforts to cut emissions, if not worse. Others would suggest that California should see the co-benefits of greenhouse gas emission reductions, rather than those co-benefits accruing elsewhere.

However, Air District staff is not suggesting a position on this issue. Rather, we are recommending an ‘**Oppose unless amended**’ position based on the part of the bill that says all emission reductions shall be “in areas that are most impacted by greenhouse gas pollutants and other pollutants”. This language is ambiguous and could be very problematic for the region. It could mean a major reduction in funding to the Bay Area from programs such as AB 118, since ozone concentrations are higher elsewhere in the state. Staff recommend the bill be amended to be silent on the issue of where in California emission reductions be targeted, especially given the passage by the Legislature last year of SB 535 (which directed significant funding to disadvantaged communities).

**SB 793, is also authored by Senator Ricardo Lara (D-Southgate).** It is sponsored by the Pacific Merchant Maritime Association, and could increase emissions at Bay Area ports by weakening ARB’s regulation on marine vessels using shorepower while at berth. Beginning on January 1, 2014, operators of container vessels and cruise ships that dock in Oakland or San Francisco will be required under ARB regulation to connect at least 50% of their vessels to shorepower. This bill would prevent ARB from penalizing non-complying operators whose vessels do not use shorepower if there are safety or testing issues the operator finds when they try to plug in. Under the regulation, ARB staff already have the necessary flexibility to address, on a case-by-case basis, issues of non-compliance. California has spent many millions of dollars of Proposition 1B funding to provide shorepower at our ports to help ensure major emissions reductions. Staff recommends an “**Oppose**” position.

Finally, an updated list of air quality measures of significance is attached, along with their current status.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Thomas Addison  
Reviewed by: Jean Roggenkamp

#### Attachments

- 1) Senate Bill No. 792, authored by Senator Mark DeSaulnier
- 2) Senate Bill No. 605, authored by Senator Ricardo Lara
- 3) Senate Bill No. 793, authored by Senator Ricardo Lara
- 4) BAAQMD Bill Discussion List (April 2013)

# BAAQMD BILL DISCUSSION LIST

April 2013

BILL NO.	AUTHOR	SUBJECT	Status	POSITION (Positions in italics are staff recommendations)
AB 8	Perea and Skinner	Reauthorizes Moyer/923, AB 118 incentive funding programs, and makes changes to Clean Fuels Outlet regulation	Asm. Nat. Resources 5/6	Support [MTC Support]
AB 14	Lowenthal	Requires a state freight plan	Asm. Trans. 4/29	[MTC Support]
AB 26	Bonilla	Addresses cap-and-trade revenue expenditure, including at refineries and requires certain work to be done to certain labor standards	Asm. Nat. Resources 4/29	
AB 37	Perea	Requires CEQA lead agency to prepare a record of proceedings	Asm. Approps. 5/1	
AB 147	V.M.Perez	Salton Sea dust mitigation plan involving local air districts and ARB	Asm.Nat.Resources 4/29	
AB 153	Bonilla	Requires ARB to adopt new process for GHG offset protocols	Asm.Nat.Resources 4/29	
AB 220	Ting	Eliminates sales tax for low emission vehicles	Asm. Rev.& Tax	
AB 245	Grove	Repeals Western Climate Initiative's statutory exemption from open meeting requirements	Asm. Gov. Org.	
AB 266	Blumenfield	Extends clean vehicle HOV access until 2025	Asm. Approps.	[MTC Oppose unless amended]
AB 278	Gatto	Makes changes to calculations used in Low Carbon Fuel Standard	Asm. Approps. 5/1	
AB 284	Quirk	Establishes Road to 2050 Board, for recommendations on cutting GHGs to 80% of 1990 levels by 2050	Asm. Utilities 4/29	
AB 304	Williams	Requires Director of Pesticide Regulation to make public data on pesticides that are toxic air contaminants	Asm. Approps.	
AB 337	Allen	Intent bill emphasizing economic importance of ports to California	Asm. Jobs & Econ.	
AB 380	Dickinson	Requires online posting of CEQA documents	Asm. Loc. Govt. 5/1	
AB 416	Gordon	Creates Local Emission Reduction Program to use general fund appropriations for grants to	Asm. Approps. 5/1	

AB 453	Mullin	Makes LAFCOs eligible for sustainable communities grants from Strategic Growth Council	Asm. Approps.	
AB 466	Quirk-Silva	Continues regional distribution of CMAQ funds per previous formula	Asm. Approps. 5/1	[MTC Support]
AB 515	Dickinson	Establishes CEQA compliance courts to quickly resolve CEQA cases	Asm. Judic.	
AB 572	Atkins	Requires documentation of energy efficiency in buildings beyond code to allow generation of credits	Asm. Nat. Resources	
AB 574	Lowenthal	Sustainable Communities Infrastructure Program funded by cap-and-trade	Asm.Nat. Resources 5/29	[MTC Support]
AB 628	Gorell	Allows state funding of port energy management plan to promote economic development while reducing air emissions	Asm. Jobs & Econ. 4/30	
AB 794	Gorell	Would exempt from CEQA composting projects and landfill green energy projects	Asm. Nat. Resources	Oppose
AB 818	Blumenfield	Allows city attorneys to enforce stationary source air pollution regulations	Asm. Judiciary	Oppose
AB 866	Linder	Significantly increases state agency requirements prior to enacting regulations	Asm. Accountability & Admin. Review	Oppose
AB 887	Allen	Spot bill on economic analysis of regulations		
AB 898	Ting	States legislative intent to increase electric vehicle charging infrastructure		
AB 953	Ammiano	Changes CEQA law to effectively overturn the <i>Ballona Wetlands</i> decision	Asm. Approps.	Support
AB 1002	Bloom	Imposes new \$6 annual vehicle registration fee surcharge for Sustainable Communities Strategy Account	Asm. Local Govt. 5/1	
AB 1051	Bocanegra	Sustainable Communities for All; uses cap-and-trade funds to cut GHG emissions from lower-income, especially by increasing transit funding	Asm. Trans. 4/29	
AB 1056	Jones	Requires quarterly reports on AB 32 allowance auctions	Asm. Nat. Resources	
AB 1077	Muratsuchi	Establishes parity in vehicle license fees and sales tax paid for alternative fuel vehicles and their gasoline counterparts	Asm. Rev. & Tax 5/6	Support
AB 1081	Medina	Adds ports to state 5-year infrastructure plan	Asm. Trans. 4/29	
AB 1096	Nestande	Salton Sea Restoration license plate	Asm. Trans. 4/29	
AB 1102	Grove	Requires ARB to auction GHG allowances from utilities before auctioning other allowances	Asm. Nat. Resources	
AB 1193	Ting	States legislative intent to allow local governments the same flexibility in designing bike lanes as they have when designing local streets and roads	Asm. Local Govt.	Support in concept
AB 1194	Ammiano	Provides \$46M for Safe Routes to Schools	Asm. Trans.	

AB 1211	Linder	HOV spot bill		
AB 1219	Morrell	Spot bill on economic impact of regulations		
AB 1228	V.M. Perez	Allows larger fuel cell power generators into net energy metering program	Asm. Utilities 4/29	
AB 1257	Bocanegra	Effort to maximize natural gas use for GHG reasons, including as transportation fuel	Asm. Nat. Resources 4/29	
AB 1290	Perez	Adds new members to California Transportation Commission, including ARB as a non-voting member	Asm. Trans. 4/29	
AB 1375	Chau	Requires ARB to use cap-and-trade funds to establish Clean Technology Investment Fund	Asm. Nat. Resources 4/29	
SB 11	Pavley	Reauthorizes Moyer/923, AB 118 incentive funding programs, and makes changes to Clean Fuels Outlet regulation	Sen. Approps.	Support [MTC Support]
SB 34	Rubio	Regulates CO2 oil recovery projects that demonstrate carbon sequestration		
SB 43	Wolk	Establishes a shared renewable energy self-generation program	Sen. Energy 4/30	
SB 123	Corbett	Establishes new environmental and land use superior courts	Sen. Approps.	
SB 286	Yee	Extends HOV lane use by clean vehicles for 3 additional years, through 1/1/2018	Sen. Floor	
SB 336	Huff	Spot bill on California gasoline blend		
SB 359	Corbett	Makes changes to CEQA exemption for high-density infill	Sen. Env. Quality 5/1	
SB 389	Wright	Prohibits SCAQMD from charging a fee to transfer emissions offsets from internal bank, effectively overturning a SCAQMD regulation	Sen. Env. Quality 5/1	
SB 436	Jackson	Requires at least one scoping meeting for CEQA on highway projects	Sen. Env. Quality 5/1	
SB 454	Corbett	Electric Vehicle Charging Stations Open Access Act	Sen. Energy 4/30	Support in concept
SB 459	Pavley	Plan to increase purchase and lease of efficient vehicles by the middle income	Sen. Approps.	
SB 497	Walters	Prohibits GHG fees on California public or private universities/colleges	Sen. Env. Quality 5/1	
SB 525	Galgiani	Imposes CEQA exemption for Altamont Commuter Express upgrades	Sen. Env. Quality 5/1	
SB 600	Lieu	Requires changes to alternative fuel conversion certification program at ARB	Sen. Trans.& Housing 4/30	

SB 605	Lara	Requires cap-and-trade revenues to be spent only in California	Sen. Env. Quality 5/1	<i>Oppose unless amended</i>
SB 617	Evans	Makes a variety of changes to CEQA	Sen. Env. Quality 5/1	
SB 621	Gaines	Extends compliance dates in In-Use Heavy Duty Diesel Fueled Vehicle regulation by five years	Sen. Trans.& Housing	Oppose
SB 633	Pavley	Changes treatment of new information after CEQA EIR is deemed complete	Sen. Env. Quality 5/1	
SB 691	Hancock	Increases air penalty ceilings for one-day community-disrupting violations	Sen. Judiciary 5/7	Sponsor
SB 731	Steinberg	Multiple changes to CEQA, including treatment of Sustainable Communities Strategy	Sen. Env. Quality 5/1	
SB 736	Wright	Limits air district fee authority for power plant modifications that increase thermal efficiency	Sen. Env. Quality	Oppose
SB 739	Calderon	Spot bill on CEQA		
SB 754	Evans	Multiple changes to CEQA designed to modernize certain sections	Sen. Env. Quality 5/1	
SB 760	Wright	Limits regulatory and penalty authority of air districts with emission reduction credit programs over powerplants (modified to lessen air district concerns)	Sen. Approps.	Oppose
SB 787	Berryhill	Enacts Sustainable Environmental Protection Act, by reducing reach of CEQA	Sen. Env. Quality 5/1	
SB 792	DeSaulnier	Assigns new tasks to the Joint Policy Committee with respect to ABAG, BAAQMD, BATA, BCDC, and MTC	Sen. Govt.& Finance 5/1	<i>Oppose unless amended</i> [MTC Oppose]
SB 793	Lara	Exempts marine vessels from ARB shorepower regulatory requirements in certain circumstances	Sen. Trans.& Housing 4/30	<i>Oppose</i>
SB 798	DeLeon	Establishes Green Infrastructure Bank Account, which can be funded through cap-and-trade funds	Sen. Govt. & Finance	

AMENDED IN SENATE APRIL 8, 2013

**SENATE BILL**

**No. 605**

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**Introduced by Senator Lara**

February 22, 2013

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An act to add Section 38561.5 to the Health and Safety Code, relating to school safety greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

SB 605, as amended, Lara. ~~School safety: persistently dangerous schools. California Global Warming Solutions Act of 2006: scoping plan.~~

*The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The act requires the state board to adopt a statewide greenhouse gas emissions limit, as defined, to be achieved by 2020, equivalent to the statewide greenhouse gas emissions levels in 1990. The act requires the state board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions. The act requires the scoping plan to be updated at least once every 5 years.*

*This bill would require the state board, when updating the scoping plan, to include specified criteria. The bill would require all greenhouse gas emissions reductions be achieved within the state in areas that are most impacted by greenhouse gas pollutants and other air pollutants, except as specified.*

~~Existing law establishes various laws relating to school safety and violence prevention, and, among other things, requires each school district and county office of education to be responsible for the overall~~

development of all comprehensive school safety plans for its schools operating kindergarten or any of grades 1 to 12, inclusive.

This bill would express the Legislature’s intent to enact legislation that would establish criteria for, and provide for the identification of, persistently dangerous schools.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 38561.5 is added to the Health and Safety  
2 Code, to read:  
3     38561.5. (a) When updating the scoping plan pursuant to  
4 subdivision (h) of Section 38561, the state board shall do all of  
5 the following:  
6     (1) Revise the million metric tons of emissions (MMTE) to  
7 emphasize in-state actions that create jobs in the state, including,  
8 but not limited to, retrofits.  
9     (2) Achieve maximum technologically feasible and cost-effective  
10 emissions reductions in short-lived climate pollutants no later than  
11 December 31, 2015.  
12     (3) Limit the use of offsets to all of the following:  
13     (A) Those offsets originating and achieved within the state.  
14     (B) Those offsets used to offset greenhouse gas emissions in a  
15 location that has greenhouse gas emissions.  
16     (C) Those offsets occurring at the same time greenhouse gas  
17 emissions are occurring, to the extent possible.  
18     (4) Adopt a backstop plan in the event a market-based  
19 compliance mechanism adopted by the state board and the Low  
20 Carbon Fuel Standard regulations (Subarticle 7 (commencing  
21 with Section 95480) of Article 4 of Subchapter 10 of Chapter 1 of  
22 Division 3 of Title 17 of the California Code of Regulations) do  
23 not accomplish the goals intended in the scoping plan.  
24     (5) Expend special funds, including, but not limited to, funds  
25 derived from market-based compliance mechanisms, the Electric  
26 Program Investment Charge Fund created by Section 25711 of  
27 the Public Resources Code, and the Alternative and Renewable  
28 Fuel and Vehicle Technology Fund created by Section 44273, for  
29 emissions reductions from sources within the state in furtherance



1 of achieving and maintaining the limit established pursuant to  
2 Part 3 (commencing with Section 38550).

3 (b) All greenhouse gas emissions reductions shall be achieved  
4 within the state in areas that are most impacted by greenhouse  
5 gas pollutants and other air pollutants unless both of the following  
6 occur:

7 (1) The state board makes a finding at a public hearing that  
8 there are no technologically feasible and cost-effective emissions  
9 reductions that may be made in areas that are most impacted by  
10 greenhouse gas pollutants within the state, and the state board  
11 submits that finding to the Joint Legislative Budget Committee.

12 (2) Within 30 days of the submission pursuant to paragraph  
13 (1), the Joint Legislative Budget Committee shall concur or  
14 nonconcur on the finding. If, after 30 days, the Joint Legislative  
15 Budget Committee has not concurred or nonconcurred in the  
16 finding, the finding shall be deemed to be concurred.

17 ~~SECTION 1. It is the intent of the Legislature to enact~~  
18 ~~legislation that would establish criteria for, and provide for the~~  
19 ~~identification of, persistently dangerous schools.~~

AMENDED IN SENATE APRIL 22, 2013

AMENDED IN SENATE APRIL 10, 2013

**SENATE BILL**

**No. 792**

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**Introduced by Senator DeSaulnier**

February 22, 2013

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An act to add Sections 66537, 66537.1, 66537.2, 66537.3, 66537.4, 66537.5, 66537.6, and 66537.7 to the Government Code, relating to planning.

LEGISLATIVE COUNSEL'S DIGEST

SB 792, as amended, DeSaulnier. Regional entities: Bay Area.

Existing law creates the Metropolitan Transportation Commission, the Bay Area Toll Authority, the Bay Area Air Quality Management District, and the San Francisco Bay Conservation and Development Commission, with various powers and duties relative to all or a portion of the 9-county San Francisco Bay Area region with respect to transportation, air quality, and environmental planning, as specified. Another regional entity, the Association of Bay Area Governments, is created as a joint powers agency comprised of cities and counties under existing law with regional planning responsibilities. Existing law provides for a joint policy committee of certain regional entities in this 9-county area to collaborate on regional coordination. Existing law requires regional transportation planning agencies, as part of the regional transportation plan in urban areas, to develop a sustainable communities strategy pursuant to Senate Bill 375 of the 2007–08 Regular Session coordinating transportation, land use, and air quality planning, with specified objectives.

This bill would require the joint policy committee to prepare a regional organization plan for the affected regional entities. The regional

organization plan would include a plan for integrating, by July 1, 2016, certain major planning documents of the individual entities into a comprehensive regional plan that also addresses other specified goals, and a plan for consolidating certain functions that are common to the regional entities. The regional organization plan would also include a statement relative to the expected reduction of overhead, operation, and management costs. The bill would require the joint policy committee to ensure public participation in the development and adoption of the plan, to hold at least one public hearing in each county of the region, and to adopt a final plan by June 30, 2015. *The bill would require provisions of the comprehensive regional plan to be implemented by July 1, 2016.* The bill would also require the joint policy committee to develop and adopt public and community outreach and inclusive public participation programs and to maintain an Internet Web site. The bill would also require the joint policy committee to appoint an advisory committee on economic competitiveness with specified members from the business community and other organizations to adopt goals and policies related to the inclusion of economic development opportunities in the plans of the regional entities. The bill would require the joint policy committee, until a comprehensive regional plan is adopted, to conduct a review of the major planning documents and associated policies, and plans, and regulations of each regional entity, including an assessment of the consistency of the documents, policies, plans, and regulations with each other, with the requirements of Senate Bill 375 of the 2007–08 Regular Session, and with the goals and policies adopted by the advisory committee on economic competitiveness. The bill would require the joint policy committee to issue a consistency report describing the findings of each review and to hold hearings in that regard, and would require the applicable regional entity to consider the findings. The bill would require all cost savings derived from implementation of the regional organization plan to be directed to the joint policy committee's general fund. By imposing new duties on the joint policy committee, the bill would impose a state-mandated local program.

The bill would require the Legislative Analyst's Office to analyze voting power disparities based on population, race, and ethnicity relative to the voting power of each city and county on the governing board of each of the regional agencies, and to report to the Legislature by July 1, 2014, as specified.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 66537 is added to the Government Code,  
2 to read:

3 66537. For purposes of Sections 66537.1 to 66537.7, inclusive,  
4 the following definitions shall apply:

5 (a) "Region" means the area encompassed by the Counties of  
6 Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo,  
7 Santa Clara, Solano, and Sonoma.

8 (b) "Regional entities" means the Metropolitan Transportation  
9 Commission, including any joint exercise of powers agencies that  
10 include the commission as a member agency; the Bay Area Toll  
11 Authority; the Bay Area Air Quality Management District; the San  
12 Francisco Bay Conservation and Development Commission; and  
13 the Association of Bay Area Governments.

14 SEC. 2. Section 66537.1 is added to the Government Code, to  
15 read:

16 66537.1. (a) The joint policy committee created pursuant to  
17 subdivision (d) of Section 66536 shall prepare a regional  
18 organization plan that includes all of the following:

19 (1) A plan for integrating, by July 1, 2016, the major planning  
20 documents described in subdivision (c) of Section 66536.1 into a  
21 comprehensive regional plan that also addresses priority  
22 infrastructure needs, the goals and policies related to economic  
23 development opportunities adopted pursuant to subdivision (b) of  
24 Section 66537.6, and social equity goals to ensure that people of  
25 all income levels, races, and ethnicities share fairly in the benefits  
26 and burdens associated with the comprehensive regional plan and  
27 its implementation.

1 (2) A plan for consolidating the functions that are common to  
2 the regional entities, including, but not limited to, personnel and  
3 human resources, budget and financial services, electronic data  
4 and communications systems, legal services, contracting and  
5 procurement of goods and services, public information and  
6 outreach services, intergovernmental relations, transportation, land  
7 use, economic, and related forecasting models, and other related  
8 activities. Consideration shall be given to ensuring that there are  
9 common personnel classifications where appropriate among the  
10 regional entities, and the consolidation of other functions or  
11 activities, as deemed feasible, that will further the mission of the  
12 joint policy committee and will reduce redundancy. The plan shall  
13 also include a statement as to the expected reduction in the cost  
14 of overhead and in the cost of operation and management of the  
15 regional entities.

16 (b) On or before December 31, 2014, the staff shall submit to  
17 the joint policy committee a draft regional organization plan. The  
18 joint policy committee shall ensure early, continuous, and inclusive  
19 public participation in the development and adoption of the regional  
20 organization plan and shall hold at least one public hearing in each  
21 county of the region to receive public comment on the draft plan.  
22 A final plan shall thereafter be adopted for implementation on or  
23 ~~before June 30, 2015~~ *adopted on or before June 30, 2015. All of*  
24 *the provisions of the comprehensive regional plan developed under*  
25 *paragraph (1) of subdivision (a) shall be implemented by July 1,*  
26 *2016.*

27 (c) All cost savings derived from implementation of the regional  
28 organization plan shall be directed to the joint policy committee's  
29 general fund.

30 SEC. 3. Section 66537.2 is added to the Government Code, to  
31 read:

32 66537.2. The joint policy committee shall develop and adopt  
33 public and community outreach and inclusive public participation  
34 policies to govern the development and adoption of the regional  
35 organization plan as well as regular joint policy committee  
36 meetings. These policies shall also govern the meetings of regional  
37 entities, the meetings of standing committees, and meetings of ad  
38 hoc or other temporary committees. In developing the policies,  
39 the joint policy committee shall ensure that outreach programs are  
40 inclusive of limited-English-proficient populations, and utilize all

1 available communication technologies, including webcasting and  
2 social media, print, radio, and television. The joint policy  
3 committee shall also establish policies for the holding workshops  
4 of the joint policy committee and the regional entities in the cities  
5 and counties of the region. The joint policy committee shall provide  
6 an opportunity for the public to comment on the draft and the final  
7 recommended policies. The policies shall be adopted on or before  
8 October 31, 2014.

9 SEC. 4. Section 66537.3 is added to the Government Code, to  
10 read:

11 66537.3. The joint policy committee shall maintain an Internet  
12 Web site containing relevant information pertaining to the joint  
13 policy committee's activities.

14 SEC. 5. Section 66537.4 is added to the Government Code, to  
15 read:

16 66537.4. The joint policy committee shall be subject to the  
17 Ralph M. Brown Act (Chapter 9 (commencing with Section 54950)  
18 of Part 1 of Division 2 of Title 5).

19 SEC. 6. Section 66537.5 is added to the Government Code, to  
20 read:

21 66537.5. (a) Until the joint policy committee adopts a  
22 comprehensive regional plan as described in Section 66537.1, the  
23 joint policy committee shall review both the draft and adopted  
24 versions of both of the following:

25 (1) Major planning documents described in subdivision (c) of  
26 Section 66536.1.

27 (2) Policies, plans, and regulations of each regional entity  
28 associated with the major planning documents.

29 (b) The review shall include an assessment of the consistency  
30 of the planning documents, policies, plans, and regulations with  
31 each other, with the requirements of Senate Bill 375 of the 2007–08  
32 Regular Session, and with the goals and policies related to  
33 economic development opportunities adopted pursuant to  
34 subdivision (b) of Section 66537.6. The joint policy committee  
35 shall issue a consistency report describing the findings of each  
36 review. The joint policy committee shall hold public and  
37 community hearings in accordance with its public outreach policies  
38 regarding the draft consistency findings. The findings of each  
39 consistency review shall be considered by the applicable regional

1 entity in connection with any proposed amendment to a planning  
2 document, policy, plan, or regulation.

3 SEC. 7. Section 66537.6 is added to the Government Code, to  
4 read:

5 66537.6. (a) The joint policy committee shall appoint an  
6 advisory committee on economic competitiveness with members  
7 from the business community, including representatives of small  
8 businesses and the technology and manufacturing sectors,  
9 community colleges, public and private universities, labor, local  
10 governments, community organizations with an interest in  
11 expanding economic opportunity for low-income populations and  
12 communities, and other organizations involved with the private  
13 economy.

14 (b) The joint policy committee, in consultation with the advisory  
15 committee, shall adopt goals and policies related to the inclusion  
16 of economic development opportunities in the plans of the regional  
17 entities and the comprehensive regional plan. The goals and  
18 policies shall also promote amenities that are special to the region  
19 and contribute to the region's quality of life. Social equity goals  
20 and considerations shall be integrated throughout to ensure that  
21 low-income populations and populations of color share fairly in  
22 the benefits and burdens of the economic development goals and  
23 policies and their implementation.

24 SEC. 8. Section 66537.7 is added to the Government Code, to  
25 read:

26 66537.7. On or before July 1, 2014, the Legislative Analyst's  
27 Office shall analyze and report to the Legislature on the voting  
28 power that each city and county in the region has on the governing  
29 board of each of the regional entities, including an analysis of any  
30 voting power disparities based on population, race, and ethnicity.  
31 The analysis shall utilize appropriate metrics, such as votes per  
32 million in population. The report to the Legislature shall include  
33 recommended changes to regional entity governance and voting,  
34 including any recommended legislation, that would lessen  
35 disparities, if any, to insignificant levels.

36 SEC. 9. If the Commission on State Mandates determines  
37 that this act contains costs mandated by the state, reimbursement  
38 to local agencies and school districts for those costs shall be made

- 1 pursuant to Part 7 (commencing with Section 17500) of Division
- 2 4 of Title 2 of the Government Code.

O



AMENDED IN SENATE APRIL 1, 2013

**SENATE BILL**

**No. 793**

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**Introduced by Senator Lara**

February 22, 2013

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An act to ~~amend~~ *add* Section ~~43013~~ of ~~39633~~ to the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 793, as amended, Lara. Air pollution: *oceangoing vessels*.

*Existing law regulates air emissions from cruise ship engines and oceangoing ship engines. Regulations of the State Air Resources Board limit the time during which auxiliary diesel engines of container vessels, passenger vessels, and refrigerated cargo vessels are operated while those vessels are docked at berth at a California port.*

*This bill would deem an oceangoing vessel, as defined, that meets specified requirements to have met the limitations on hours of operation of auxiliary diesel engines while at berth for that vessel visit. The bill would require an oceangoing vessel that is equipped to receive shore power to conduct the testing and inspection necessary to validate the safety of utilizing the shore power equipment during its current and future visits to that berth upon each initial visit by that vessel to specified marine terminals. The bill would require an oceangoing vessel that exceeds specified hours of service limitations because the testing and safety inspections of the equipment on the vessel that allows the use of electricity from the terminal have not validated the safety of the equipment to be subject to these provisions under specified circumstances.*

~~Existing law requires the State Air Resources Board to adopt standards and regulations for motor vehicles, off-road or nonvehicle engine~~

categories, and portable fuel containers and spouts, in order to control the emissions of air contaminants.

~~This bill would make nonsubstantive changes to these provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     *SECTION 1. The Legislature finds and declares all of the*  
2     *following:*

3     *(a) The state has adopted the world's most comprehensive*  
4     *regulation of air emissions from vessels while at berth and on*  
5     *January 1, 2014, will lead a pioneering effort to utilize onshore*  
6     *power at various ports throughout the state.*

7     *(b) Safe and successful implementation of the state's at-berth*  
8     *regulations will provide significant improvements in air quality*  
9     *resulting from the reduction of air emissions from oceangoing*  
10    *vessels.*

11    *(c) Compliance with these at-berth regulations has and will*  
12    *continue to require extensive and multibillion dollar capital*  
13    *investments in shore power infrastructure both onshore, by marine*  
14    *terminals, ports, and electric utilities, and onboard numerous*  
15    *oceangoing vessels, including container, cruise, and refrigerated*  
16    *ships.*

17    *(d) Given the lack of international standards that govern the*  
18    *modification of vessels for shore power, requirements for new*  
19    *vessel construction, shoreside installation of shore power, and the*  
20    *provision of shore power to vessels, vessels that are initially*  
21    *attempting to comply with the regulations must test and validate*  
22    *shoreside power interactions in order to certify those connections*  
23    *as safe and successful.*

24    *(e) To facilitate compliance with the at-berth regulations, all*  
25    *vessels that have completed all of the retrofits, improvements, or*  
26    *equipment modifications necessary to comply with the rules and*  
27    *that visit a terminal that also has been properly outfitted with a*  
28    *shore power installation must be afforded the opportunity to*  
29    *successfully test their equipment and establish a safe interface*  
30    *between the vessel and the shoreside equipment.*

31    *(f) Vessels that attempt to comply with the state's at-berth*  
32    *regulations in good faith should avoid the application of penalties*

1 *in the case of exigent circumstances and should be allowed to*  
2 *make the adjustments and calibrations necessary to be certified*  
3 *as safe and successful as soon as possible.*

4 *SEC. 2. Section 39633 is added to the Health and Safety Code,*  
5 *to read:*

6 *39633. (a) For purposes of this section, “oceangoing vessel”*  
7 *means a commercial, government, or military vessel meeting any*  
8 *one of the following:*

9 *(1) A vessel greater than or equal to 400 feet in overall length*  
10 *as defined in Section 679.2 of Title 50 of the Code of Federal*  
11 *Regulations, as adopted June 19, 1996.*

12 *(2) A vessel greater than or equal to 10,000 gross tons pursuant*  
13 *to the convention measurement as defined in Sections 69.51 to*  
14 *69.61, inclusive, of Title 46 of the Code of Federal Regulations,*  
15 *as adopted September 12, 1989.*

16 *(3) A vessel propelled by a marine compression ignition engine*  
17 *with a per-cylinder displacement of greater than or equal to 30*  
18 *liters.*

19 *(b) It is the intent of the Legislature in enacting this section to*  
20 *encourage full compliance with Section 93118.3 of Subchapter*  
21 *7.5 of Chapter 1 of Division 3 of Title 17 of the California Code*  
22 *of Regulations for oceangoing vessels in a manner that avoids any*  
23 *situation that threatens the safety of any vessel, the vessel’s crew,*  
24 *cargo, or equipment, or any personnel, equipment, or cargo on a*  
25 *marine terminal that may arise from an event beyond the control*  
26 *of the master of a vessel that is attempting to certify its ability to*  
27 *safely utilize shore power.*

28 *(c) (1) An oceangoing vessel that meets the requirements of*  
29 *this section shall be deemed to have met the limitations on hours*  
30 *of operation of auxiliary diesel engines while at berth for that*  
31 *vessel visit.*

32 *(2) All visits made pursuant to this section shall be counted*  
33 *toward compliance with the minimum-visit requirements of the*  
34 *vessel’s fleet and the onboard auxiliary generation associated with*  
35 *each visit made pursuant to this section shall be excluded from*  
36 *the vessel’s fleet’s power reduction calculations.*

37 *(d) Upon each initial visit by an oceangoing vessel that is*  
38 *equipped to receive shore power to a marine terminal with a berth*  
39 *equipped to provide compatible shore power, the vessel shall*  
40 *conduct the testing and inspection necessary to validate the safety*

1 of utilizing the shore power equipment during its current and future  
2 visits to that berth.

3 (e) An oceangoing vessel that exceeds the hours of service  
4 limitations under Section 93118.3 of Subchapter 7.5 of Chapter 1  
5 of Division 3 of Title 17 of the California Code of Regulations  
6 because the testing and safety inspections of the equipment on the  
7 vessel that allows the use of electricity from the terminal have not  
8 validated the safety of the equipment shall be subject to this section  
9 if all of the following apply:

10 (1) The master of the vessel has made the necessary effort to  
11 complete testing and inspection.

12 (2) The master of the vessel has notified the state board.

13 (3) The master of the vessel properly recorded the discussion  
14 of the testing and validation of the onboard equipment, detailing  
15 any lack of compatibility that prevents the usage of shore power  
16 equipment. This discussion shall include the date when the testing  
17 and validation commenced, identification of when and description  
18 of any lack of compatibility or invalidation of equipment, and the  
19 dates and description of each effort to remedy the lack of  
20 compatibility or invalidation, including efforts to repair or modify.

21 (4) Any repairs or modifications necessary to complete the  
22 testing or safety inspection have been ordered or scheduled for  
23 completion at the earliest practicable time, provided those repairs  
24 or modifications are scheduled for completion no later than the  
25 next visit by the vessel to a berth properly equipped to provide  
26 shore power.

27 (f) This section does not preclude a vessel that suffers from  
28 equipment failure subsequent to the testing and validation of any  
29 equipment, as provided pursuant to this section, from exercising  
30 the optional operational requirements pursuant to Section  
31 93118.3(d)(1)(I)(3) of Subchapter 7.5 of Chapter 1 of Division 3  
32 of Title 17 of the California Code of Regulations, or from  
33 complying with the reporting and recordkeeping requirements  
34 pursuant to Section 93118.3(g)(1)(B)1g of Subchapter 7.5 of  
35 Chapter 1 of Division 3 of Title 17 of the California Code of  
36 Regulations.

37 ~~SECTION 1. Section 43013 of the Health and Safety Code is~~  
38 ~~amended to read:~~

39 ~~43013. (a) The state board shall adopt and implement motor~~  
40 ~~vehicle emission standards, in-use performance standards, and~~

1 motor vehicle fuel specifications for the control of air contaminants  
2 and sources of air pollution which the state board has found to be  
3 necessary, cost effective, and technologically feasible, to carry out  
4 the purposes of this division, unless preempted by federal law.

5 (b) ~~The state board shall, consistent with subdivision (a), adopt~~  
6 ~~standards and regulations for light-duty and heavy-duty motor~~  
7 ~~vehicles, medium-duty motor vehicles, as determined and specified~~  
8 ~~by the state board, portable fuel containers and spouts, and off-road~~  
9 ~~or nonvehicle engine categories, including, but not limited to,~~  
10 ~~off-highway motorcycles, off-highway vehicles, construction~~  
11 ~~equipment, farm equipment, utility engines, locomotives, and, to~~  
12 ~~the extent permitted by federal law, marine vessels.~~

13 (e) ~~Prior to adopting standards and regulations for farm~~  
14 ~~equipment, the state board shall hold a public hearing and find and~~  
15 ~~determine that the standards and regulations are necessary, cost~~  
16 ~~effective, and technologically feasible. The state board shall also~~  
17 ~~consider the technological effects of emission control standards~~  
18 ~~on the cost, fuel consumption, and performance characteristics of~~  
19 ~~mobile farm equipment.~~

20 (d) ~~Notwithstanding subdivision (b), the state board shall not~~  
21 ~~adopt any standard or regulation affecting locomotives until the~~  
22 ~~final study required under Section 5 of Chapter 1326 of the Statutes~~  
23 ~~of 1987 has been completed and submitted to the Governor and~~  
24 ~~Legislature.~~

25 (e) ~~Prior to adopting or amending any standard or regulation~~  
26 ~~relating to motor vehicle fuel specifications pursuant to this section,~~  
27 ~~the state board shall, after consultation with public or private~~  
28 ~~entities that would be significantly impacted as described in~~  
29 ~~paragraph (2) of subdivision (f), do both of the following:~~

30 (1) ~~Determine the cost-effectiveness of the adoption or~~  
31 ~~amendment of the standard or regulation. The cost-effectiveness~~  
32 ~~shall be compared on an incremental basis with other mobile source~~  
33 ~~control methods and options.~~

34 (2) ~~Based on a preponderance of scientific and engineering data~~  
35 ~~in the record, determine the technological feasibility of the adoption~~  
36 ~~or amendment of the standard or regulation. That determination~~  
37 ~~shall include, but is not limited to, the availability, effectiveness,~~  
38 ~~reliability, and safety expected of the proposed technology in an~~  
39 ~~application that is representative of the proposed use.~~

1 ~~(f) Prior to adopting or amending any motor vehicle fuel~~  
2 ~~specification pursuant to this section, the state board shall do both~~  
3 ~~of the following:~~

4 ~~(1) To the extent feasible, quantitatively document the~~  
5 ~~significant impacts of the proposed standard or specification on~~  
6 ~~affected segments of the state's economy. The economic analysis~~  
7 ~~shall include, but need not be limited to, the significant impacts~~  
8 ~~of any change on motor vehicle fuel efficiency, the existing motor~~  
9 ~~vehicle fuel distribution system, the competitive position of the~~  
10 ~~affected segment relative to border states, and the cost to~~  
11 ~~consumers.~~

12 ~~(2) Consult with public or private entities that would be~~  
13 ~~significantly impacted to identify those investigative or preventive~~  
14 ~~actions that may be necessary to ensure consumer acceptance,~~  
15 ~~product availability, acceptable performance, and equipment~~  
16 ~~reliability. The significantly impacted parties shall include, but~~  
17 ~~need not be limited to, fuel manufacturers, fuel distributors,~~  
18 ~~independent marketers, vehicle manufacturers, and fuel users.~~

19 ~~(g) To the extent that there is any conflict between the~~  
20 ~~information required to be prepared by the state board pursuant to~~  
21 ~~subdivision (f) and information required to be prepared by the state~~  
22 ~~board pursuant to Chapter 3.5 (commencing with Section 11340)~~  
23 ~~of Part 1 of Division 3 of Title 2 of the Government Code, the~~  
24 ~~requirements established under subdivision (f) shall prevail.~~

25 ~~(h) It is the intent of the Legislature that the state board act as~~  
26 ~~expeditiously as is feasible to reduce nitrogen oxide emissions~~  
27 ~~from diesel vehicles, marine vessels, and other categories of~~  
28 ~~vehicular and mobile sources that significantly contribute to air~~  
29 ~~pollution problems.~~

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer

Date: May 1, 2013

Re: Report of the Climate Protection Committee Meeting of May 9, 2013

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Committee will meet on Thursday, May 9, 2013. The Committee will receive and consider the following reports:

- A) Review of Climate Change Science and Impacts;
- B) Overview of Air District Climate Protection Program;
- C) Next Steps for Air District Climate Protection Program; and
- D) Discussion on Proposed Keystone Pipeline.

Attached are the staff reports that will be presented in the Committee packet.

Chairperson John Avalos will give an oral report of the meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None.
- B) None.
- C) None. Staff resources are currently included in Fiscal Year Ending 2013 budget.
- D) None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Sean Gallagher  
Reviewed by: Ana Sandoval

Attachments



**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson John Avalos and Members  
of the Climate Protection Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: April 30, 2013

Re: Climate Change Science Overview

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Earth's climate, which had been relatively stable since the end of the last ice age several thousand years ago, has begun to shift over the past century and result in potentially dangerous effects to human health and welfare, and to ecosystems. Rising global temperatures have already resulted in significant changes in weather and climate, and the planet's oceans have also experienced some big changes such as melting ice caps that have caused sea levels to rise. Of even greater concern, climate models estimate that global warming will accelerate over the next 100 years.

The Earth's climate system is vastly complex, and it has only been in the past decade that scientists have reached consensus regarding the primary cause of climate change experienced in the past century. This has now been firmly linked to the large amounts of carbon dioxide and other greenhouse gases (GHGs) released into the atmosphere by human activities since the industrial revolution. The majority of greenhouse gases come from burning fossil fuels to produce energy, although deforestation, industrial processes, and some agricultural practices also emit GHGs into the atmosphere.

DISCUSSION

At the May 9, 2013 Climate Protection Committee meeting, staff will provide an overview of the scientific basis of the study of climate change. Topics to be covered include:

1. Definitions of "climate", "climate change", and "global warming".
2. Evidence of climate change.
3. Key milestones in the science of climate change.
4. The Earth's climate system.
5. The global energy balance, including the role of the Greenhouse Effect.

6. The role of water vapor and clouds in the Greenhouse Effect.
7. GHGs and other climate forcing agents.
8. Observed changes in atmospheric concentrations of GHGs.
9. Climate forcings of various GHGs and aerosols since the beginning of the industrial revolution.
10. Climate feedbacks, which affect the amount of warming resulting from increased GHG concentrations.
11. Projections of future global warming.
12. Global Warming Potentials (GWPs), which provide a common basis for evaluating the emissions of different types of GHGs.
13. GHG emission inventories for California, the United States, and other countries.

#### BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Brian Bateman  
Reviewed by: Jean Roggenkamp

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson John Avalos and Members  
of the Climate Protection Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: April 22, 2013

Re: Overview of Air District Climate Protection Program

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In 2005, the Air District Board of Directors adopted a resolution establishing the Climate Protection Program. In doing so, the Board acknowledged the strong link between climate protection and efforts to reduce air pollution in the Bay Area. Since 2005, the Air District has demonstrated leadership in climate protection through its role as a regional convener, funder, technical expert, and regulatory agency. Internally, the Air District has pursued a strategy of integrating climate protection into all agency functions.

DISCUSSION

Staff will provide the Committee with an overview of the Air District's Climate Protection Program, including key milestones and accomplishments.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. Staff resources are currently included in FYE 2013 budget.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Abby Young  
Reviewed by: Henry Hilken

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson John Avalos and Members  
of the Climate Protection Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: April 22, 2013

Re: Next Steps for Air District Climate Protection Program

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Air District's Climate Protection Program was established in 2005 and has evolved over the past eight years. While the Air District's program has included many facets, a constant focus has been in providing leadership in climate protection to the Bay Area and beyond. Climate protection activities throughout the Bay Area region have also evolved, in part due to influence by the Air District's leadership.

DISCUSSION

As different challenges, opportunities, research and potential partnerships emerge, the Air District is continually faced with choices in how to develop and grow its Climate Protection Program. Staff will solicit the Committee's feedback on the strategic direction of the Air District's Climate Protection Program.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. Staff resources are currently included in FYE 2013 budget.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Abby Young  
Reviewed by: Henry Hilken

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
Memorandum

To: Chairperson John Avalos and Members  
of the Climate Protection Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: May 2, 2013

Re: Discussion on Proposed Keystone Pipeline

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Since 2008, TransCanada, a pipeline operator, has been seeking permission to construct a 36” diameter pipeline from Alberta, Canada to oil refineries in the Gulf Coast. The proposed Keystone XL Pipeline, shown as a dashed line in Figure 1, would be able to move 830,000 barrels a day of oil extracted from oil sands. (TransCanada operates an existing 30” pipeline, which is shown as a solid line in Figure 1.) Because the proposed pipeline would cross the Canada-United States border, a Presidential Permit is required; this Permit is issued by the United States Department of State if it is determined that the proposed pipeline is in the “national interest.” In December 2011, the Department of State denied the application for a Presidential Permit. In response, TransCanada made a number of modifications to the proposed route to avoid concerns raised by the State of Nebraska and split the overall project into two distinct phases: one from Alberta to Steele City, Nebraska, and another from Cushing, Oklahoma to the Gulf Coast. (TransCanada proposes using existing pipelines to move the oil from Nebraska to Cushing, Oklahoma.) On May 4, 2012, TransCanada submitted a new application for a Presidential Permit covering the revised route from Alberta to Nebraska. Consideration of the new application is currently underway at the Department of State. A Draft Supplemental Environmental Impact Statement (SEIS) was issued by the Department of State on March 1, 2013; comments on the draft SEIS have closed. The Department of State has not issued a timeline for making a decision on the Presidential Permit, but is anticipated to act within the next two-three months.

Figure 1  
Proposed Route of Keystone XL Pipeline



## DISCUSSION

### *What are Oil Sands?*

The boreal forests of Western Canada, especially in the Province of Alberta, grow in a large sedimentary basin. Underlying the basin are large deposits of oil sands, a mixture of sand, clay, various minerals and bitumen, a semi-solid to solid form of oil. The bitumen mixture is very dense and highly viscous, or resistant to flow. With a consistency at room temperature of thick molasses, oil sand bitumen is difficult to transport. The common method of transport is by pipeline. (See Figure 2.) To be transported in pipelines, the oil sand bitumen must be diluted using either lighter grade oil or synthetic diluents. The diluted bitumen is referred to popularly as either “dilbit” or “synbit,” depending on the product used as the diluent.

Figure 2  
Canadian and U.S Oil Pipelines



Source: Canadian Association of Oil Producers, 2012

Oil sands bitumen is extracted using two main methods. The common method is “in situ” recovery, which consists of injecting steam into the oil sands to lower the viscosity of the bitumen, allowing for ready extraction using pumps. Producers in California also use “in situ” recovery to extract bitumen from oil sands located within the State. The less common method is strip mining.

Alberta, Canada has proven oil sands reserves of 166.7 billion barrels of oil, the third largest known oil reserves in the world. In 2011, production averaged 1.7 million barrels a day. Of this

amount, approximately 1.4 million barrels a day was exported to the United States and overseas. The current major market for the oil sands is the mid-West area of the United States. Production is forecast by the Canadian Association of Petroleum Producers to increase to 3.7 million barrels a day by the year 2020, and 5 million barrels a day by 2030. Additional pipeline capacity is a key component for achieving the forecasted growth.

In 2011, according to the California Energy Commission (CEC), refineries in California imported approximately 18,000 barrels a day of oil taken from the oil sands in Alberta. This was slightly more than 1% of the oil refined in California in 2011. Statistics were not available for the amount processed at Bay Area refineries; however, local refineries make up 39% of the State's refining capacity, so a reasonable estimate is 7,020 barrels a day.

Estimates of future California imports of Canadian oil sands are uncertain and subject to change based on conditions of the world oil market. If imports of oil sands grew at the same rate as the growth in exports from Alberta, then Bay Area refineries would refine approximately 15,000 barrels of oil sands a day by 2020, or 2% of current refinery capacity. This is consistent with current CEC estimates projecting low growth in the use of Canadian oil sands; the CEC cites both inadequate infrastructure and the difficulty for California refiners to meet the State's Low Carbon Fuel Standard when using the diluted bitumen as a feedstock. However, there are proposals in early planning stages to improve crude oil rail facilities in Benicia and Pittsburg. While it is unknown at this time whether or not those facilities will be used to import Canadian oil sands, their construction would expand available infrastructure to accommodate more oil from Alberta.

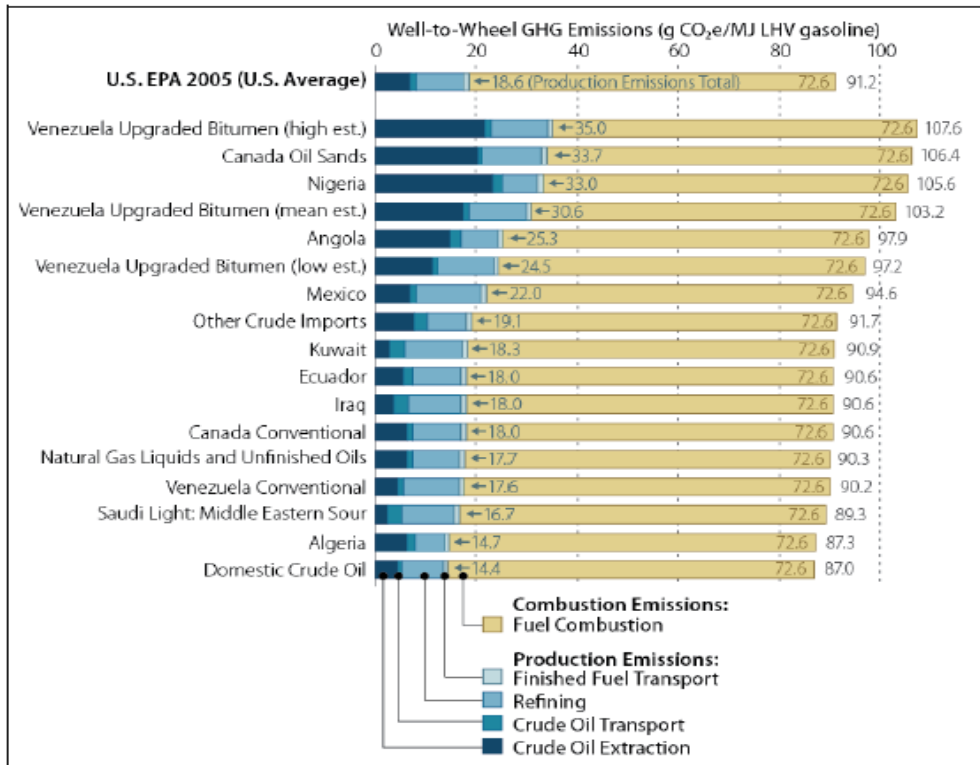
### ***GHG Issues***

In a March 2013 report, the Congressional Research Service reviewed the life-cycle greenhouse gas emissions associated with further development of the oil sands fields in Alberta. The major conclusions of this report include:

- GHG emissions from the production of oil sands (well-to-wheel) are on average 14%-20% higher than GHG emissions from the production of the average transportation fuel sold in the United States; this is largely due to the increased energy required to refine the heavy oil sands. As shown in Figure 3, combustion emissions of GHGs from gasoline refined from a variety of source oils remains constant. But the energy required to extract, transport and refine oil sands into a gallon of gasoline is significantly higher than for the average crude oil refined in the United States.
- The proposed Keystone XL Pipeline would increase annual GHG emissions in the United States by 3.7 million to 20.7 metric tons, or the equivalent of emissions from approximately 771,000 to 4,300,000 passenger vehicles.

Additionally, the Pembina Institute, a Canadian energy research group, reported that the refinement of oil from tar sands in 2005 released 37 megatons of greenhouse gases, compared with 23 megatons in 2000. The Institute estimated that GHG emissions could reach 164 megatons per year by 2015 due to rapidly increasing production.

Figure 3  
Well-to-Wheel GHG Emissions



Source: Congressional Research Service, *Canadian Oil Sands: Life-Cycle Assessments of Greenhouse Gas Emissions*, Report R42537, March 15, 2013.

### Local Emissions

The Air District currently does not have specific data on changes in the emissions of criteria and toxic emissions that may occur at local San Francisco Bay refineries if there were an increase in use of Canadian oil sands as a feedstock. Generally, however, low-quality, high-sulfur containing crudes such as oil sands require more intensive refining in order to produce transportation fuels that meet current low-sulfur specifications. The removal of sulfur from fuels has been a key step in lowering harmful sulfur dioxide and particulate matter pollution in the Bay Area. High-sulfur crude also may contribute to increased problems with corrosion of metallic equipment at refineries, which may result in increased risk of spills and accidental releases of emissions.

Air District staff is currently drafting a new rule that, if adopted, will require detailed tracking of emissions at, and increase air monitoring near, refineries. Tracking emissions over time and comparing them with baseline inventories will provide a greater understanding of impacts on local populations if oil sands become a prominent source of crude in the Bay Area.



BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Michael Murphy  
Reviewed by: Henry Hilken

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

## Memorandum

To: Chairperson Ash Kalra and Members  
of the Board of Directors

From: Jack P. Broadbent  
Executive Officer/APCO

Date: April 29, 2013

Re: Public Hearing to Receive Testimony on Proposed Amendments to Air District  
Regulation 3: Fees and Regulation 5: Open Burning

**RECOMMENDED ACTION**

Staff recommends that the Board of Directors receive testimony on proposed amendments to Air District Regulation 3: Fees and Regulation 5: Open Burning that would apply in the upcoming Fiscal Year Ending (FYE) 2014.

**BACKGROUND**

Staff develops amendments to the Air District's fee regulation as a part of the annual budget preparation process. The Cost Recovery Policy recently adopted by the Board indicates that fee amendments should be adopted for FYE 2014 through FYE 2016 sufficient to increase the recovery of regulatory program activity costs to 85 percent by the end of this time period. Staff estimates that fee revenue will need to be increased by an average of 6.4 percent per year over the next three years in order to meet this goal.

The California Health and Safety Code Section 41512.5 requires two public hearings to be held at least 30 days apart for the adoption or revision of fees for non-permitted sources. The May 15, 2013 hearing will be the first hearing. The second hearing is scheduled for June 19, 2013.

**DISCUSSION**

Staff has prepared proposed fee amendments for FYE 2014 that are consistent with provisions of the Cost Recovery Policy. The proposed fee amendments for FYE 2014 were designed to increase overall fee revenue approximately 6.4 percent relative to fee revenue that would be expected without the amendments. Updated cost recovery analyses were used to establish amendments for each existing fee schedule. The fee rates in certain fee schedules will not be increased, while other fee schedules will be increased by 5, 7, or 9 percent. Several fees that are administrative in nature, such as permit application filing fees and permit renewal processing fees, will be increased by 3 percent.

In addition, two new fees are proposed as follows:

- An Open Burning Fee to recover the costs associated with open burning allowed under Air District Regulation 5.
- An Incident Response Fee to recover the costs incurred by the Air District in responding to non-routine releases of air pollutants that may cause adverse health consequences to the public.

A draft staff report that is enclosed with this memorandum provides additional details regarding the proposed fee amendments.

The proposed Regulation 5 amendment refers back to the proposed open burning fee in Regulation 3, Schedule V.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

The proposed fee amendments are expected to increase fee revenue in FYE 2014 by approximately \$2 million relative to fee revenue that would be expected without the amendments.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Jim Karas  
Reviewed by: Jeffrey McKay

Attachments:

1. Draft Staff Report: Proposed Amendments to BAAQMD Regulation 3: Fees and Regulation 5: Open Burning
2. Appendix A – Cost Recovery Policy (March 7, 2012)
3. Appendix B – Proposed Regulatory Language, BAAQMD Regulation 3: Fees
4. Appendix C – Proposed Regulatory Language, BAAQMD Regulation 5: Open Burning



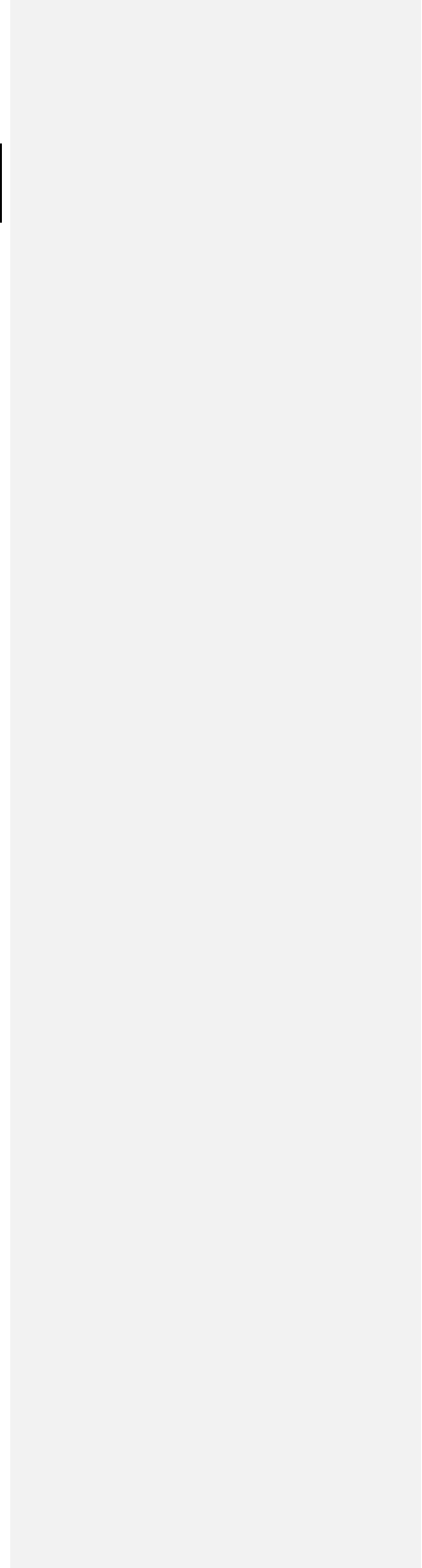
BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## **STAFF REPORT**

### **PROPOSED AMENDMENTS TO BAAQMD REGULATION 3: FEES AND REGULATION 5: OPEN BURNING**

*DRAFT*

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## 1. EXECUTIVE SUMMARY

District staff has prepared proposed amendments to District Regulation 3: Fees for Fiscal Year Ending (FYE) 2014 (i.e., July 1, 2013 to June 30, 2014) that would increase revenue to enable the Bay Area Air Quality Management District (District) to continue to effectively implement and enforce regulatory programs for stationary sources of air pollution. A recently completed 2013 Cost Recovery Study (a copy of which is available on request) indicates that a significant cost recovery gap exists. For the most recently completed fiscal year (FYE 2012), fee revenue recovered 76 percent of program activity costs.

The proposed fee amendments for FYE 2014 are consistent with the District's Cost Recovery Policy, which was adopted on March 7, 2012 by the District's Board of Directors (see Appendix A). This policy indicates that the District should amend its fee regulation in a manner sufficient to increase overall recovery of regulatory program activity costs to 85 percent by the end of FYE 2016. The policy also indicates that amendments to specific fee schedules should continue to be made in consideration of cost recovery analyses conducted at the fee schedule level, with larger increases being adopted for the schedules that have the larger cost recovery gaps.

Staff estimates that fee revenue will need to be increased by an average of 6.4 percent per year through FYE 2016 in order to meet the Cost Recovery Policy's 85 percent cost recovery goal (this estimate is based on the assumption that program activity costs will increase by 2 percent per year over this period). The proposed fee amendments for FYE 2014 were designed to increase fee revenue by approximately 6.4 percent (relative to fee revenue that would be expected without the amendments).

The results of the 2013 Cost Recovery Study (a copy of which is available on request) were used to establish proposed fee amendments for each existing fee schedule based on the degree to which existing fee revenue recovers the regulatory program activity costs associated with the schedule. Based on this approach, the fee rates in certain fee schedules would not be increased, while other fee schedules would be increased by 5, 7, or 9 percent. Several fees that are administrative in nature (e.g. permit application filing fees and permit renewal processing fees) would be increased by 3 percent.

Two new fees are also proposed: (1) an Incident Response Fee would recover the District's costs of responding to non-routine releases of air contaminants that may cause adverse health consequences to the public, and (2) an Open Burning Fee would recover the District's costs associated with allowed open burning events. A new Schedule V would be added to Regulation 3, Fees and language referencing Schedule V would be added to Regulation 5, Open Burning.

The proposed fee amendments would increase annual permit renewal fees for most small businesses that require District permits by less than \$100, with the exception of gas stations with more than four, three-product gasoline dispensing nozzles, which would have larger fee increases (e.g., a typical gas station with 10, three-product gasoline dispensing nozzles would have an increase of \$126 in annual permit renewal

fees). For larger facilities, increases in annual permit renewal fees would cover a considerable range due to differences in the facility's size, type of emission sources, and emissions. District permit fees would generally remain well below those of the South Coast AQMD, where fee revenue recovers a higher percentage of associated program activity costs relative to the Bay Area AQMD.

The proposed fee amendments would increase overall District fee revenue in FYE 2014 by approximately \$2 million relative to fee revenue that would be expected without the amendments. These revenue projections have been included in the draft FYE 2014 budget prepared by District staff.

District staff recommends that the Board of Directors adopt the proposed amendments to Regulation 3: Fees and Regulation 5, Open Burning with an effective date of July 1, 2013, and approve the filing of a CEQA Notice of Exemption following the 2<sup>nd</sup> public hearing scheduled to consider this matter on June 19, 2013.

## **2. BACKGROUND**

State law authorizes the District to assess fees to generate revenue to recover the reasonable costs of regulatory program activities for stationary sources of air pollution. The largest portion of District fees is collected under provisions that allow the District to impose permit fees sufficient to recover the costs of program activities related to permitted sources. The District is also authorized to assess fees for: (1) area-wide or indirect sources of emissions which are regulated, but for which permits are not issued by the District, (2) sources subject to the requirements of the State Air Toxics Hot Spots Program (Assembly Bill 2588), and (3) activities related to the District's Hearing Board involving variances or appeals from District decisions on the issuance of permits. The District has established, and regularly updates, a fee regulation (District Regulation 3: Fees) under these authorities.

The District has analyzed whether fees result in the collection of a sufficient and appropriate amount of revenue in comparison to the costs of related program activities. In 1999, a comprehensive review of the District's fee structure and revenue was completed by the firm KPMG Peat Marwick LLP (*Bay Area Air Quality Management District Cost Recovery Study, Final Report: Phase One – Evaluation of Fee Revenues and Activity Costs*, KPMG Peat Marwick LLP, February 16, 1999). This 1999 Cost Recovery Study indicated that fee revenue did not nearly offset the full costs of program activities associated with sources subject to fees as authorized by State law. Property tax revenue (and in some years, reserve funds) had been used to close this cost recovery gap.

The District Board of Directors adopted an across-the-board fee increase of 15 percent, the maximum allowed by State law for permit fees, for FYE 2000 as a step toward more complete cost recovery. The District also implemented a detailed employee time accounting system to improve the ability to track costs by program activities moving forward. In each of the next five years, the District adjusted fees only to account for inflation (with the exception of FYE 2005, in which the District also approved further



increases in Title V permit fees and a new permit renewal processing fee).

In 2004, the District funded an updated Cost Recovery Study. The accounting firm Stonefield Josephson, Inc. completed this study in March 2005 (*Bay Area Air Quality Management District Cost Recovery Study, Final Report*, Stonefield Josephson, Inc., March 30, 2005). This 2005 Cost Recovery Study indicated that a significant cost recovery gap continued to exist. The study also provided cost recovery results at the level of each individual fee schedule based on detailed time accounting data. Finally, the contractor provided a model that could be used by District staff to update the analysis of cost recovery on an annual basis using a consistent methodology.

For the five years following the completion of the 2005 Cost Recovery Study (i.e., FYE 2006 through 2010), the District adopted fee amendments that increased overall projected fee revenue by an average of 8.9 percent per year. In order to address fee equity issues, the various fees were not all increased in a uniform manner. Rather, individual fee schedules were amended based on the magnitude of the cost recovery gap for that schedule, with the schedules with the more significant cost recovery gaps receiving more significant fee increases. In FYE 2009, the District's fee amendments also included a new greenhouse gas (GHG) fee schedule. The GHG fee schedule recovers costs from stationary source activities related to the District's Climate Protection Program. In FYE 2011, the District adopted an across-the-board 5 percent fee increase, except for the Title V fee schedule (Schedule P) which was increased by 10 percent (the District's 2010 Cost Recovery Study indicated that Fee Schedule P recovered only 46 percent of program activity costs).

In September 2010, the District contracted with the firm Matrix Consulting Group to complete an updated analysis of cost recovery that could be used in developing fee amendments for FYE 2012 and beyond. This study also included a review of the District's current cost containment strategies, and provided recommendations to improve the management of the District's costs and the quality of services provided to stakeholders. The study was completed in March 2011 (*Cost Recovery and Containment Study, Bay Area Air Quality Management District, Final Report*, Matrix Consulting Group, March 9, 2011). The 2011 Cost Recovery and Containment Study concluded that, for FYE 2010, overall fee revenue recovered 64 percent of related program activity costs. The study also provided cost recovery results at the level of each individual fee schedule based on detailed time accounting data, and provided a methodology for District staff to update the analysis of cost recovery on an annual basis using a consistent methodology.

The results of the 2011 Cost Recovery and Containment Study were used to establish fee amendments for FYE 2012 that were designed to increase overall fee revenue by 10 percent (relative to fee revenue that would result without the fee amendments). In order to address fee equity issues, the various fees were not all increased in a uniform manner. Rather, existing fee schedules were amended based on the magnitude of the cost recovery gap for that schedule, with the schedules with the more significant cost recovery gaps receiving more significant fee increases. Based on this approach, the fee rates in several fee schedules were not increased, while the fee rates in other fee

schedules were increased by 10, 12, or 14 percent.

One of the recommendations made by Matrix Consulting Group in their 2011 Cost Recovery and Containment Study indicated that the District should consider the adoption of a Cost Recovery Policy to guide future fee amendments. District staff initiated a process to develop such a Policy in May 2011, and a Stakeholder Advisory Group was convened to provide input in this regard. A Cost Recovery Policy was adopted by the District's Board of Directors on March 7, 2012 (see Appendix A). This policy states that the District should amend its fee regulation in a manner sufficient to increase overall recovery of regulatory program activity costs to 85 percent by the end of FYE 2016. The policy also indicates that amendments to specific fee schedules should continue to be made in consideration of cost recovery analyses conducted at the fee schedule-level, with larger increases being adopted for the schedules that have the larger cost recovery gaps.

Staff has updated the cost recovery analysis for the most recently completed fiscal year (FYE 2012) using the methodology established by Matrix Consulting Group. This 2013 Cost Recovery Study (a copy of which is available on request) indicates that overall cost recovery increased from 67 percent in FYE 2011 to 76 percent in FYE 2012. The increase in cost recovery observed relative to the prior fiscal year was due largely to aggressive cost containment measures implemented by the District including maintaining historically high vacancy rates and reducing capital expenditures.

### **3. PROPOSED FEE AMENDMENTS FOR FYE 2014**

#### **3.1 OVERVIEW OF PROPOSED AMENDMENTS**

For FYE 2014, District staff has developed proposed amendments to Regulation 3 that would increase fee revenue by approximately 6.4 percent (relative to fee revenue that would result without the fee amendments). Staff estimates that a 6.4 percent annual increase in fee revenue will be needed over the next three years in order to meet the recently adopted Cost Recovery Policy's goal of achieving 85 percent overall cost recovery by the end of FYE 2016. This estimate is based on projections of an increase in program costs of 2 percent per year for FYE 2014 through FYE 2016.

The results of the 2013 Cost Recovery Study (a copy of which is available on request) were used to establish proposed fee amendments for existing fee schedules based on the degree to which existing fee revenue recovers the activity costs associated with the schedule. Based on this approach, the fee rates in certain fee schedules would not be increased, while the fee rates in other fee schedules would be increased by 5, 7, or 9 percent. The specific basis for these proposed fee amendments is summarized in Table 1 as follows.

**Table 1. Proposed Fee Changes Based on Cost Recovery by Fee Schedule**

Revenue from Fee Schedule as a Percentage of Program Activity Costs (from 2013 Cost Recovery Study)	Change in Fees	Affected Fee Schedules
Revenue exceeds 95% of costs	No Change	C, G-4, M, N, Q, T, U
Revenue is 85 to 95% of costs	5% increase	B, D, G-5, I
Revenue is 70 to 84% of costs	7% increase	F
Revenue is less than 70% of costs	9% increase	A, E, G-1, G-2, G-3, H, K, L, P, R, S

Cost recovery for Schedule D, Gasoline Transfer at Gasoline Dispensing Facilities and Schedule I, Dry Cleaners for FYE 2012 was less than 70%, however, a 5% fee increase is proposed for these schedules since the District’s permitting and compliance costs in these areas have decreased in FYE 2013. The District’s regulatory activities related to gasoline dispensing have trended lower due to the completed installation of enhanced vapor recovery and in-station diagnostics over the past several years as required by state law. Similarly, changes in state law prohibiting the use of perchloroethylene in dry cleaning operations have led to a shift in resources from permitted dry cleaning operations to non-halogenated solvent operations subject to the District’s registration requirements. These trends are expected to continue into FYE 2014.

In addition to the proposed amendments to fee schedules, District staff is proposing to increase several administrative fees that appear in the Standards section of Regulation 3 by three percent. This includes permit application filing fees and permit renewal processing fees. Existing permit fees are well below the point of full cost recovery, and these fee increases are proposed to help the District reduce its cost recovery gap.

Finally, two additional new fees are proposed to recover costs of activities that do not currently have a fee:

**Incident Response Fee**

The proposed amendments to Regulation 3 would add a new fee for incident response activities conducted by the District. An incident is defined as a non-routine release of an air contaminant that may cause adverse health consequences to the public or to emergency personnel responding to the release, or that may cause a public nuisance or off-site environmental damage. The proposed fee would apply to any incident response during which the District investigates a release of an air contaminant from a permitted stationary source, area-wide or indirect source. District incident response activities have included responding to major petroleum refinery, or chemical plant upsets, chemical spills, and commercial building fires.

The Incident Response Fee will be based on the actual time and materials spent by each staff member on performing activities directly in response to the incident. Staff from the District's Compliance & Enforcement, Technical Services and Engineering Divisions are primarily assigned to incident response activities. The District's costs associated with an incident may include responding to the scene of the release, conducting sampling and monitoring, analyzing samples, air modeling, responding to complaints, identifying the areas impacted by the release, supporting emergency responders and other governmental agencies, gathering information about the initial cause, nature, quantity and extent of the release, and investigating and documenting potential violations of Federal, State and District regulations. As an example, the August 6, 2012 fire at Chevron's Richmond Refinery would have generated an Incident Response fee of approximately \$45,000.

### **Open Burning Fee**

The proposed amendments to Regulation 3, Fees include Schedule V, Open Burning, which would apply to each type of open burn allowed under District Regulation 5. Open burning activities subject to the proposed fees would include: (1) Allowable fires that require notification to the District prior to burning; (2) Wildland Vegetation Management fires (prescribed burns) and Marsh Management fires that require an District-approved smoke management plan and receiving an acreage burning allocation from the District prior to burning; (3) Stubble fires that require receiving an acreage burning allocation from the District prior to burning; and (4) Filmmaking fires and Public Exhibition fires that require an District-approved petition prior to burning. The District's 2011 Annual Burning Report to the California Air Resources Board, which is based on notifications received from burners, indicates that the majority of the material burned in the Bay Area can be attributed to agricultural fires and in particular to Orchard Pruning & Attrition fires conducted in Sonoma, Napa, and Santa Clara Counties.

Proposed Schedule V is structured to recover 73 percent of the cost of the District's Open Burning Program, which is estimated to be approximately \$436,000/year (FYE 2012). A \$98 fee would be assessed for any burn that requires notification, and variable fees would be assessed, depending on the size of the burn, for marsh management, prescribed burning and stubble burning. The \$98 prior notification fee accounts for more than 90 percent of the estimated total number of open burns conducted annually in the District. Filmmaking and public exhibition burns would be assessed a \$505 fee. Amendments to Regulation 5: Open Burning would reference the new fee requirement.

Other air districts in the state have existing fees in effect for both agricultural and non-agricultural burning. The District's proposed fee schedule is comparable to the open burning fees paid by entities in the South Coast Air Quality Management District, San Joaquin Valley Air Pollution Control District (APCD) and Placer County APCD.

## **3.2 PROPOSED RULE AMENDMENTS**

The complete text of the proposed changes to District Regulation 3: Fees, has been prepared in strikethrough (deletion of existing text) and underline (new text) format, and is included in Appendix B. Proposed changes to Regulation 5, Open Burning are

included in Appendix C. Additional details on the proposed fee amendments follow.

- Section 3-101: Description

The proposed amendment to Section 3-101 simplifies the description of Regulation 3, Fees. The new language states that the regulation establishes the regulatory fees charged by the District.

- Section 3-242: Incident

The proposed new Section 3-242 defines an incident as a non-routine release of an air contaminant that may cause adverse health consequences to the public or to emergency personnel responding to the release, or that may cause a public nuisance or off-site environmental damage. Significant incidents may include events such as petroleum refinery upsets, chemical plant spills, and other unanticipated industrial releases.

- Section 2-243: Incident Response

The proposed new Section 2-243 includes various activities the District may conduct in response to an incident. These activities may include the inspection of incident-emitting equipment and facility records, the identification and analysis of air quality impacts using air modeling, monitoring, and source sampling, and engineering analyses.

- Section 2-244: Permit to Operate Renewal Date

The proposed new Section 2-244 defines the Permit to Operate Renewal Date as the first day of the permit renewal period.

- Section 2-245: Permit Renewal Period

The proposed new Section 245 defines the Permit Renewal Period as the length of time the source is authorized to operate pursuant to a Permit to Operate.

- Section 3-302: Fees for New and Modified Sources

The proposed amendment to Section 3-302 is a 3 percent increase in the filing fee for permit applications for new/modified sources and abatement devices (rounded to the nearest whole dollar), from \$416 to \$428.

- Section 3-307: Transfers

The proposed amendment to Section 3-307 includes an administrative fee of \$428 for the transferring of a permit to the new owner/operator of record.

- Section 3-309: Duplicate Permit

The proposed amendment adds registered equipment to Section 3-309. Currently the duplication fee only applies to a Permit to Operate.

- Section 3-311: Banking

The proposed amendment to Section 3-311 is a 3 percent increase in the filing fee for banking applications (rounded to the nearest whole dollar), from \$416 to \$428.

- Section 3-312: Emission Caps and Alternative Compliance Plans

No change in regulatory language is proposed for subsection 3-312.1, which requires an additional annual fee equal to fifteen percent of the facility's Permit to Operate fee for facilities that elect to use an Alternative Compliance Plan (ACP) for compliance with Regulation 8, or Regulation 2, Rule 2. These ACP fees would change along with the proposed changes in Permit to Operate renewal fees listed in Table 1 for sources in Schedules B, C, D, E, F, G-1, G-2, G-3, G-4, G-5, H, I, and K.

The proposed amendment to subsection 3-312.2 is a 3 percent increase in the annual fee (rounded to the nearest whole dollar) for a facility that elects to use an ACP contained in Regulation 2, Rule 9: Interchangeable Emission Reduction Credits. The fee for each source included in the ACP would be increased from \$1,051 to \$1,083 and the maximum fee would be increased from \$10,515 to \$10,830. In addition, reference to a draft ACP currently under development in Regulation 9, Rule 10 would be added.

- Section 3-327: Permit to Operate, Renewal Fees

The processing fees for renewal of Permits to Operate specified in subsections 3-327.1 through 3-327.6 would be increased by 3 percent (rounded to the nearest whole dollar).

- Section 3-329: Fee for Risk Screening

No change in regulatory language is proposed for Section 3-329: Fee for Risk Screening. Increases in risk screening fees are instead specified in Schedules B, C, D, E, F, G-1, G-2, G-3, G-4, G-5, H, I, and K. For each applicable fee schedule, the base fee for each application that requires a Health Risk Screening Analysis would be increased by 3 percent from \$416 to \$428. The portion of the risk screening fee that is based on the type of source involved would be changed along with the proposed changes in Permit to Operate renewal fees listed in Table 1 for sources in Schedules B, C, D, E, F, G-1, G-2, G-3, G-4, G-5, H, I, and K.

- Section 3-336: Open Burning Operation Fees

The proposed new Section 3-336 requires that any person required to provide notification to the District prior to burning; submit a petition to conduct a filmmaking or public exhibition fire; receive an acreage burning allocation to conduct a stubble fire; or

submit a smoke management plan to conduct a wildland vegetation management or marsh management fire shall pay the fee given in Schedule V.

- Section 3-337: Exemption Fee

The proposed amendment to Section 3-337 includes a filing fee of \$428 per exempt source only for applicants who wish to receive a formal notice of exemption from the District. This proposed amendment does not establish a requirement to obtain such notice.

- Section 3-339: Incident Response Fee

The proposed new Section 3-339 states that any facility required to obtain a District permit, and any District-regulated area-wide or indirect source that is the site where an incident occurs to which the District responds, shall pay a fee equal to the District's actual costs in conducting the incident response, including without limitation, the actual time and salaries, plus overhead, of the District staff involved in conducting the incident response and the cost of any materials. The purpose of this section is to recover the cost of the District's incident response based on the actual time and materials spent performing activities in response to the incident.

- Section 3-405: Fees Not Paid

The proposed amendments to Section 3-405 are intended to clarify the rule language to conform to the District's policy regarding the reinstatement of a lapsed Permit to Operate. This section describes the method by which the District calculates back fees to ensure that the appropriate fee rate is used for permits that have lapsed for more than one year.

- Fee Schedules

Schedule A: Hearing Board Fees

Based on the cost recovery methodology listed in Table 1, the fees in Schedule A would be increased by 9 percent (rounded to the nearest whole dollar). The schedules of fees for excess emissions (Schedule A: Table I) and visible emissions (Schedule A: Table II) would also be increased by 9 percent.

Schedule B: Combustion of Fuel

Based on the cost recovery methodology listed in Table 1, the fees in Schedule B would be increased by 5 percent (rounded to the nearest whole dollar). The base fee for a health risk screening analysis for a source covered by Schedule B would be increased by 3 percent from \$416 to \$428.

#### Schedule C: Stationary Containers for the Storage of Organic Liquids

Based on the cost recovery methodology listed in Table 1, the fees in Schedule C would not be changed, except for the base fee for a health risk screening analysis for a source covered by Schedule C, which would be increased by 3 percent from \$416 to \$428.

#### Schedule D: Gasoline Transfer at Gasoline Dispensing Facilities, Bulk Plants and Terminals

Based on the cost recovery methodology listed in Table 1, the fees in Schedule D would be increased by 5 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule D, which would be increased by 3 percent from \$416 to \$428. For bulk plants, terminals or other facilities subject to Schedule D, Part B., the base fee for a health risk screening analysis is included in the Risk Screening Fee (RSF) for the first TAC source in the application.

#### Schedule E: Solvent Evaporating Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule E would be increased by 9 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule E, which would be increased by 3 percent from \$416 to \$428.

#### Schedule F: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule F would be increased by 7 percent. The base fee for a health risk screening analysis for a source covered by Schedule F would be increased by 3 percent, from \$416 to \$428. The base fee for a health risk screening analysis in Schedule F is included in the RSF for the first TAC source in the application.

#### Schedule G-1: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule G-1 would be increased by 9 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule G-1, which would be increased by 3 percent from \$416 to \$428. The base fee for a health risk screening analysis in Schedule G-1 is included in the RSF for the first TAC source in the application.

#### Schedule G-2: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule G-2 would be increased by 9 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule G-2 which would be increased by 3 percent from \$416 to \$428. The base fee for a health risk screening analysis in Schedule G-2 is included in the RSF for the first TAC source in the application.



#### Schedule G-3: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule G-3 would be increased by 9 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule G-3, which would be increased by 3 percent from \$416 to \$428. The base fee for a health risk screening analysis in Schedule G-3 is included in the RSF for the first TAC source in the application.

#### Schedule G-4: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule G-4 would not be changed, except for the base fee for a health risk screening analysis for a source covered by Schedule G-4, which would be increased by 3 percent from \$416 to \$428. The base fee for a health risk screening analysis in Schedule G-4 is included in the RSF for the first TAC source in the application.

#### Schedule G-5: Miscellaneous Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule G-5 would be increased by 5 percent. The base fee for a health risk screening analysis for a source covered by Schedule G-5 (included in the RSF for the first TAC source in the application), would also be increased by 3 percent from \$416 to \$428. The base fee for a health risk screening analysis in Schedule G-5 is included in the RSF for the first TAC source in the application.

#### Schedule H: Semiconductor and Related Sources

Based on the cost recovery methodology listed in Table 1, the fees in Schedule H would be increased by 9 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule H, which would be increased by 3 percent from \$416 to \$428.

#### Schedule I: Dry Cleaners

Based on the cost recovery methodology listed in Table 1, the fees in Schedule I would be increased by 5 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule I, which would be increased by 3 percent from \$416 to \$428.

#### Schedule K: Solid Waste Disposal Sites

Based on the cost recovery methodology listed in Table 1, the fees in Schedule K would be increased by 9 percent, except for the base fee for a health risk screening analysis for a source covered by Schedule K, which would be increased by 3 percent from \$416 to \$428.

#### Schedule L: Asbestos Operations

Based on the cost recovery methodology listed in Table 1, the fees in Schedule L would be increased by 9 percent.

#### Schedule M: Major Stationary Source Fees

Schedule M is an emissions-based fee schedule that applies to various permitted facilities emitting 50 tons per year or more of organic compounds, sulfur oxides, nitrogen oxides, and/or PM<sub>10</sub>. The District's time accounting system does not provide data to allow for direct analyses of cost recovery for this schedule. Rather, the fee revenue collected from Fee Schedule M is allocated to the other source category-based permit fee schedules (i.e., Fee Schedules B, C, D, E, F, H, I, and K) based on the specific sources that are subject to Schedule M fees and their level of emissions. In this manner, the cost recovery for Schedule M is indirectly accounted for in the cost recovery analyses completed for the source-category based fee schedules. District staff is proposing no change for Fee Schedule M for FYE 2014.

#### Schedule N: Toxic Inventory Fees

Based on the cost recovery methodology listed in Table 1, the fees in Schedule N would not be changed. Fees for Schedule N are calculated by a formula that includes the fee revenue that is to be collected for District purposes, as well as the fee revenue that is to be passed through to the State to recover State agency costs related to the Air Toxics Hot Spots Program. The value of the variable  $F_T$ , the total amount of fees to be collected, used to calculate fees for Schedule N is proposed to be remain unchanged for FYE 2014.

#### Schedule P: Major Facility Review Fees

Based on the cost recovery methodology listed in Table 1, the fees in Schedule P would be increased by 9 percent, except for the cap on the cost of a public hearing specified under Part 5.a., which would remain unchanged since the existing cap has never been exceeded.

#### Schedule Q: Excavation of Contaminated Soil and Removal of Underground Storage Tanks

Based on the cost recovery methodology listed in Table 1, the fees in Schedule T would not be changed.

#### Schedule R: Equipment Registration Fees

Based on the cost recovery methodology listed in Table 1, the fees in Schedule R would be increased by 9 percent.

#### Schedule S: Naturally Occurring Asbestos Operations

Based on the cost recovery methodology listed in Table 1, the fees in Schedule S would be increased by 9 percent.

#### Schedule T: Greenhouse Gas Fees

Based on the cost recovery methodology listed in Table 1, the fees in Schedule T would not be changed.

#### Schedule U: Indirect Source Review Fees

District staff is proposing no changes in Schedule U: Indirect Source Review Fees. Schedule U was adopted in 2009 to establish fees for an upcoming District Indirect Source Review (ISR) rule. The ISR rule has been included as a Land Use and Local Impact Measure in the Bay Area 2010 Clean Air Plan, and the fees in Schedule U will be considered for amendment concurrent with any future rule development process.

#### Schedule V: Open Burning

District staff is proposing a new fee that would be created as Schedule V, Open Burning. Schedule V would be added to recover costs associated with allowed open burning. A \$98 fee would be assessed for any burn that requires notification, and variable fees would be assessed, depending on the size of the burn, for marsh management, prescribed burning and stubble burning. Filmmaking and public exhibition burns would be assessed a \$505 fee.

#### Regulation 5: Open Burning

The draft proposed amendments to Regulation 5 are non-substantive and are only intended to serve as a simple cross-reference between Regulation 5 and the proposed fee amendments in Regulation 3 (see Appendix C). District staff is proposing to amend Regulation 5: Open Burning by adding Section 5-411: Open Burning Fees. This section would reference fees for notifications, smoke management plans, acreage burning allocations, and petitions as required by Regulation 3, Schedule V.

### **4. FEE REVENUE AND COSTS OF PROGRAM ACTIVITIES**

On an overall basis, the 2013 Cost Recovery Study (a copy of which is available on request) concluded that, for FYE 2012, fee revenue recovered 76 percent of regulatory program activity costs, with revenue of \$30.8 million and costs of \$40.5 million. This resulted in a shortfall, or cost recovery gap, of \$9.7 million which was filled by county tax revenue. For permitted sources, fees recovered 79 percent of costs, with revenue of \$28.4 million and costs of \$35.9 million. For non-permitted sources (asbestos related operations and registered equipment), fees recovered 51 percent of costs, with revenue of \$1.7 million and costs of \$3.4 million. The proposed fee amendments for FYE 2014 are projected to increase overall District fee revenue in FYE 2014 by approximately \$2

million relative to fee revenue levels that would be expected without the amendments. Revenue in FYE 2014 is expected to remain well below the District's regulatory program costs for both permitted and non-permitted sources.

Over the past three years, the District has implemented aggressive cost containment measures including maintaining historically high vacancy rates (15%) and reducing capital expenditures. In FYE 2014, the District is proposing to fill nine vacancies in the Compliance and Enforcement, Engineering and Technical Services Divisions that will support mandated stationary source programs and ensure that these core functions will be maintained at levels necessary to adequately service the regulated community.

## **5. STATUTORY AUTHORITY FOR PROPOSED FEE INCREASES**

The District is a regional regulatory agency, and its fees are used to recover the costs of issuing permits, performing inspections, and other associated regulatory activities. The District's fees fall into the category specified in Section 1(e) of Article XIII C of the California Constitution which specifies that charges of this type assessed to regulated entities to recover regulatory program activity costs are not taxes. The amount of fee revenue collected by the District has been clearly shown to be much less than the costs of the District's regulatory program activities both for permitted and non-permitted sources.

The District's fee regulation, with its various fee schedules, is used to allocate regulatory program costs to fee payers in a manner which bears a fair or reasonable relationship to the payer's burden on, or benefits received from, regulatory activities. Permit fees are based on the type and size of the source being regulated, with minimum and maximum fees being set in recognition of the practical limits to regulatory costs that exist based on source size. Add-on fees are used to allocate costs of specific regulatory requirements that apply to some sources but not others (e.g., health risk screening fees, public notification fees, alternative compliance plan fees). Emissions-based fees are used to allocate costs of regulatory activities not reasonably identifiable with specific fee payers.

Since 2006, the District has used annual analyses of cost recovery performed at the fee-schedule level, which is based on data collected from a labor-tracking system, to adjust fees. These adjustments are needed as the District's regulatory program activities change over time based on changes in statutes, rules and regulations, enforcement priorities, and other factors.

State law authorizes air districts to adopt fee schedules to cover the costs of various air pollution programs. California Health and Safety Code (H&S Code) section 42311(a) provides authority for an air district to collect permit fees to cover the costs of air district programs related to permitted stationary sources. H&S Code section 42311(f) further authorizes the District to assess additional permit fees to cover the costs of programs related to toxic air contaminants. H&S Code section 41512.7 limits the allowable percentage increase in fees for authorities to construct and permits to operate to 15 percent per year.

H&S Code section 44380(a) authorizes air districts to adopt a fee schedule that recovers the costs to the air district and State agencies of the Air Toxics Hot Spots Program (AB 2588). The section provides the authority for the District to collect toxic inventory fees under Schedule N.

H&S Code section 42311(h) authorizes air districts to adopt a schedule of fees to cover the reasonable costs of the Hearing Board incurred as a result of appeals from air district decisions on the issuance of permits. Section 42364(a) provides similar authority to collect fees for the filing of applications for variances or to revoke or modify variances. These sections provide the authority for the District to collect Hearing Board fees under Schedule A.

H&S Code section 42311(g) authorizes air districts to adopt a schedule of fees to be assessed on area-wide or indirect sources of emissions, which are regulated but for which permits are not issued by the air district, to recover the costs of air district programs related to these sources. This section provides the authority for the District to collect asbestos fees (including fees for Naturally Occurring Asbestos operations), soil excavation reporting fees, registration fees for various types of regulated equipment, for Indirect Source Review, and fees for open burning (proposed in Schedule V).

The proposed fee amendments are in accordance with all applicable authorities. Based on the results of the 2013 Cost Recovery Study (a copy of which is available on request), the District fees subject to this rulemaking are in amounts no more than necessary to cover the reasonable costs of the District's regulatory activities, and the manner in which the District fees allocate those costs to a payer bear a fair and reasonable relationship to the payer's burdens on the District regulatory activities and benefits received from those activities. Permit fee revenue (after adoption of the proposed amendments) would still be well below the District's regulatory program activity costs associated with permitted sources. Similarly, fee revenue for non-permitted area wide sources would be below the District's costs of regulatory programs related to these sources. Hearing Board fee revenue would be below the District's costs associated with Hearing Board activities related to variances and permit appeals. Fee increases for authorities to construct and permits to operate would be less than 15 percent per year.

## **6. ASSOCIATED IMPACTS AND OTHER RULE DEVELOPMENT REQUIREMENTS**

### **6.1 EMISSIONS IMPACTS**

There will be no direct change in air emissions as a result of the proposed amendments.

### **6.2 ECONOMIC IMPACTS**

The District must, in some cases, consider the socioeconomic impacts and incremental costs of proposed rules or amendments. Section 40728.5(a) of the California H&S Code requires that socioeconomic impacts be analyzed whenever a district proposes

the adoption, amendment, or repeal of a rule or regulation that will significantly affect air quality or emissions limitations. The proposed fee amendments will not significantly affect air quality or emissions limitations, and so a socioeconomic impact analysis is not required.

Section 40920.6 of the H&S Code specifies that an air district is required to perform an incremental cost analysis for a proposed rule, if the purpose of the rule is to meet the requirement for best available retrofit control technology or for a feasible measure. The proposed fee amendments are not best available retrofit control technology requirements, nor are they a feasible measure required under the California Clean Air Act; therefore, an incremental cost analysis is not required.

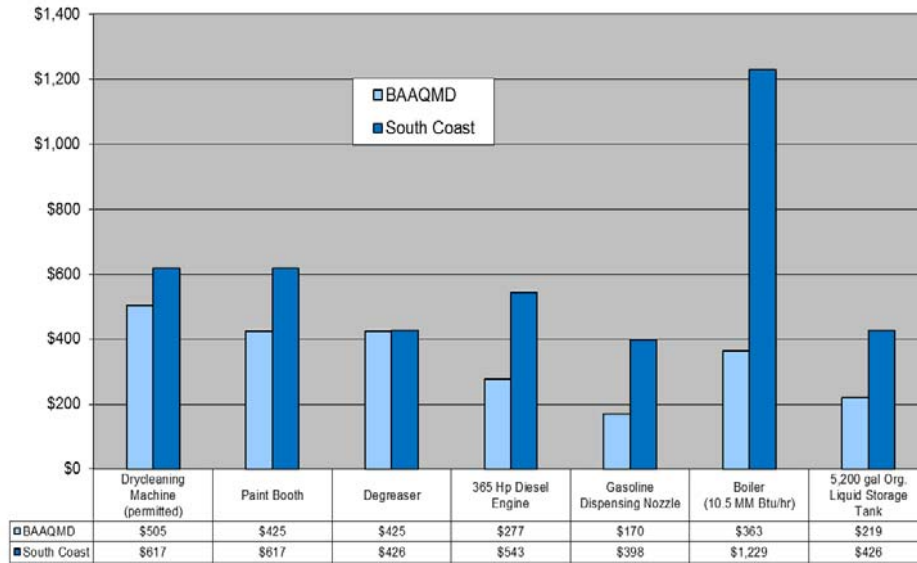
The financial impact of the proposed fee amendments on small businesses is expected to be minor. Many small businesses operate only one or two permitted sources, and generally pay only the minimum permit renewal fees. As is shown in Table 2, increases in annual permit and registration renewal fees for most small businesses would be under \$100, with the exception of gas stations that have ten or more multiproduct gasoline nozzles.

**Table 2. Changes in Annual Permit / Registration Renewal Fees for Typical Small Businesses**

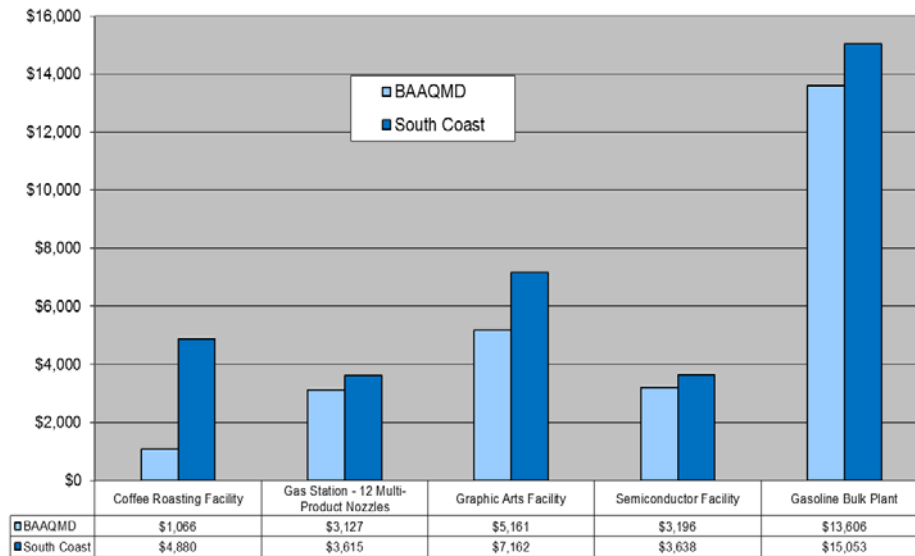
Facility Type	Facility Description	Fee Increase	Total Fee
Gas Station	10 multi-product gasoline nozzles	\$126	\$2,746
Dry Cleaner (permitted)	One machine: 1,400 lb/yr Perc emissions	\$20	\$525
Dry Cleaner (registered)	One machine: 800 lb/yr VOC emissions	\$13	\$159
Auto Body Shop	one spray booth: 400 gal/yr paint 100 gal/yr cleanup solvent	\$33	\$458
Back-up Generator	One 300 hp engine	\$12	\$309

For reference, District permit fees are generally well below that of the South Coast AQMD, the other major metropolitan air district in the state with a cost of living similar to that of the Bay Area. South Coast AQMD staff have indicated that their fee revenue recovers a much higher percentage of associated program activity costs (i.e., about 90 percent) relative to the Bay Area AQMD. A comparison of permit renewal fees recently completed by District staff for 12 different categories of small and medium-sized sources are provided in Figures 1 and 2 as follows.

**Figure 1. Comparison of FYE 2013 Bay Area AQMD and South Coast AQMD Permit Renewal Fees for Various Small Sources**



**Figure 2. Comparison of FYE 2013 Bay Area AQMD and South Coast AQMD Permit Renewal Fees for Various Medium-sized Sources**



For larger facilities, increases in annual permit renewal fees would cover a considerable range due to differences in the facility's size, type of emission sources, and emissions. The annual permit renewal fees for five Bay Area refineries, the District's highest fee payers, would increase within an estimated range of 2.7 to 4.1 percent (\$33,000 to \$103,000).

District staff is sympathetic to businesses that are impacted by persistent economic uncertainties, but feel that additional revenue is needed to continue the District's core regulatory programs and other air quality initiatives. In general, District fee increases are expected to have a minor financial impact on businesses relative to other factors (e.g., the costs of property and labor).

### **6.3 ENVIRONMENTAL IMPACTS**

The California Environmental Quality Act (CEQA), Public Resources Code section 21000 et seq., and the CEQA Guidelines, 14 CCR 15000 et seq., require a government agency that undertakes or approves a discretionary project to prepare documentation addressing the potential impacts of that project on all environmental media. Certain types of agency actions are, however, exempt from CEQA requirements. The proposed fee amendments are exempt from the requirements of the CEQA under Section 15273 of the CEQA Guidelines, which state: "CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies...." (See also Public Resources Code Section 21080(b)(8)).

Section 40727.2 of the H&S Code imposes requirements on the adoption, amendment, or repeal of air district regulations. It requires an air district to identify existing federal and air district air pollution control requirements for the equipment or source type affected by the proposed change in air district rules. The air district must then note any differences between these existing requirements and the requirements imposed by the proposed change. This fee proposal does not impose a new standard, make an existing standard more stringent, or impose new or more stringent administrative requirements. Therefore, section 40727.2 of the H&S Code does not apply.

### **6.4 STATUTORY FINDINGS**

Pursuant to H&S Code section 40727, regulatory amendments must meet findings of necessity, authority, clarity, consistency, non-duplication, and reference. The proposed amendments to Regulation 3:

- Are necessary to fund the District's efforts to attain and maintain federal and state air quality standards, and to reduce public exposure to toxic air contaminants;
- Are authorized by H&S Code sections 42311, 42311.2, 41512.7, 42364, 44380 and 40 CFR Part 70.9;
- Are clear, in that the amendments are written so that the meaning can be understood by the affected parties;
- Are consistent with other District rules, and not in conflict with any state or federal law;
- Are not duplicative of other statutes, rules or regulations; and



- Reference H&S Code sections 42311, 42311.2, 41512.7, 42364, 44380 and 40 CFR Part 70.9.

## **7. RULE DEVELOPMENT PROCESS**

On February 1, 2013, the District issued a notice for a public workshop to discuss with interested parties an initial proposal to amend Regulation 3, Fees. Distribution of this notice included all District-permitted and registered facilities, asbestos contractors, and a number of other potentially interested stakeholders. The notice was also posted on the District website. A public workshop and simultaneous webcast was held on February 28, 2013 to discuss the initial fee proposal. Six members of the public attended the workshop.

District staff also conducted a separate series of workshops and webcasts to discuss draft amendments to Regulation 3, Fees specifically related to Open Burning. On January 17, 2013, the District issued a notice for public workshops to parties interested in the proposed Open Burning fees including fire departments, land use and parks agencies, agricultural organizations, film commissions, and other community groups. A total of nine workshops were held between February 4, 2013 and February 27, 2013. The initial workshop was held at the District and webcasted. Subsequent workshops were conducted at various offsite locations in Gilroy, Concord, Petaluma, Livermore, Yountville, Point Reyes, and Fairfield. Approximately seventy members of the public attended the workshops.

On March 27, 2013 and April 24, 2013, District staff provided a briefing on the proposed fee amendments to the District Board of Directors' Budget and Finance Committee. On May 2, 2013, District staff met with representatives of the Marin and Sonoma County Farm Bureaus, the Marin County Fire Department and District Board Member Susan Adams to discuss their concerns regarding the proposed Open Burning Fee.

Under H&S Code section 41512.5, the adoption or revision of fees for non-permitted sources requires two public hearings that are held at least 30 days apart from one another. This provision applies to Schedule L: Asbestos Operations, Schedule Q: Excavation of Contaminated Soil and Removal of Underground Storage Tanks, Schedule R: Equipment Registration Fees, Schedule S: Naturally Occurring Asbestos Operations and Schedule V: Open Burning. A Public Hearing Notice for the proposed Regulation 3 and Regulation 5 amendments was published on April 15, 2013. An initial public hearing to consider testimony on the proposed amendments has been scheduled for May 15, 2013. A second public hearing, to consider adoption of the proposed fee amendments, has been scheduled for June 19, 2013. If adopted, the amendments would be made effective on July 1, 2013, which is the beginning of FYE 2014.

## **8. PUBLIC COMMENTS IN RESPONSE TO DRAFT REGULATIONS**

### **8.1 Public Comments - Regulation 3, Fees**

The District held a public workshop on February 28, 2013 to discuss draft amendments

to Regulation 3, Fees. This workshop did not include draft amendments regarding proposed Open Burning fees (see Section 8.2 Open Burning Public Comments). Written comments were received on the Regulation 3, Fees proposal as follows: 1) William Quinn of California Council for Environmental and Economic Balance (CCEEB), 2) Douglas Craig of Central Contra Costa Sanitary District (CCCSD), 3) David Armstrong of Lawrence Livermore National Laboratory (LLNL), and 4) Beverly Scott, a resident of Richmond, CA.

CCEEB Comment: The commenter supports the District's goal of achieving 85 percent cost recovery so long as the District continues to implement feasible measures identified in the 2011 Cost Containment Study.

Response: The District has implemented a number of measures outlined in the 2011 Cost Containment Study that have improved the quality and consistency of permit evaluations and conditions. For example, up-front analyses for high volume source categories have been completed in order to reduce the level of effort needed. This eliminates unique engineering decisions on many of these applications, freeing up resources to handle more complex projects with higher emission impacts. These efforts have contributed to reducing the backlog of New Source Review applications by approximately 60 percent.

CCEEB Comment: The commenter questions how the Incident Response Fee is authorized under California Health and Safety Code section 42311.

Response: The Incident Response Fee is authorized as to permitted sources under Health and Safety Code section 42311(a) and as to regulated, unpermitted area wide and indirect sources under Health and Safety Code section 42311(g). Section 42311(a) allows air districts to charge permit fees to recover the cost of district programs related to permitted District sources. Similarly, Section 42311(g) allows districts to charge fees to recover the cost of programs related to unpermitted, regulated area wide and indirect sources. Specifically, the Incident Response Fee is intended to recover currently unrecovered costs related responding to major incidents, a part of the District's regulatory program that goes beyond the District's routine workload related to activities such as compliance inspections, air monitoring, or atmospheric modeling.

CCEEB Comment: The commenter expressed concern that, if the Online Customer Interface Fee is a tax under Article XIIC of the California Constitution, it runs counter to certain provisions of Article XIIC, including the Article XIIC, Section 2, subdivision (d), requirement that any special tax be approved by a two-thirds vote of the electorate.

Response: The Online Customer Interface Fee has been removed from the proposed amendments to Regulation 3, Fees for FYE 2014.

CCEEB Comment: The commenter questions how Greenhouse Gas fees from Schedule T are used and whether District staff costs are related to AB 32 implementation, or to efforts initiated by the District.

Response: Greenhouse gas fees are used to implement District Board directives and federal/state requirements related to stationary sources. AB 32 requirements that result in modifications of a stationary source requiring District permits are included in the fee schedule. This is to ensure that criteria and toxic emissions satisfy District requirements.

The District is involved in a number of climate protection activities. The purpose of the Schedule T is to recover the District's costs of the Climate Protection Program activities related only to stationary sources.

CCEEB Comment: The commenter questions the appropriateness of charging an online customer interface fee for services that may not be realized. The commenter is also concerned with the fairness charging an online customer service fee of \$200 per permitted source at major facilities compared to \$15 per permitted source at most other facilities.

Response: The Online Customer Interface Fee has been removed from the proposed amendments to Regulation 3, Fees for FYE 2014.

LLNL Comment: The commenter requests that their 31 groundwater and soil remediation operations be re-categorized from Schedule G-1 to Schedule F, Miscellaneous Sources due to the high permit fees and low overall emissions.

Response: Schedule F, Miscellaneous Sources apply to operations not governed by other District fee schedules, such as storage silos, or abrasive blasting equipment and would not be appropriate for remediation operations that require a more complex level of review. District staff is working with the commenter on the grouping of sources that may reduce permit fees.

Beverly Scott Comment: The commenter raises the following questions regarding the District's proposed fee changes:

1. How do the proposed fees compare to other air districts?
2. Are the fees meant to solely offset costs, or to deter the operations of certain businesses?
3. Will the dry cleaner fee increase price local businesses out of the market?
4. Is there a campaign to "green" dry cleaning within the county?
5. What are miscellaneous sources?

Response: 1) District permit fees are generally well below that of the South Coast AQMD, the other major metropolitan air district in the state with a cost of living similar to that of the Bay Area. For example, a small auto body shop that currently pays \$425.00 for an annual permit to operate from the BAAQMD would pay \$617.00 if located in Los Angeles. 2) The fees are designed to recover program activity costs associated with regulating sources of air pollution. 3) The proposed annual permit fee increase for a dry cleaner using perchloroethylene is about \$20.00; for a registered (non-halogenated) dry cleaner the increase is \$13.00. These fee changes should not cause undue hardship to local businesses. 4) State law requires the phasing out of perchloroethylene used in

dry cleaning machines. Dry cleaning options today include the use of non-halogenated solvents, aqueous cleaning, CO2 cleaning and other alternatives. 5) Miscellaneous sources, subject to Schedule F, include operations that are not governed by any other District fee schedules. These operations typically include particulate matter sources of air pollution such as storage silos, or abrasive blasting equipment.

CCCSD Comments: The commenter indicates that their annual fee increase is three times that local cost of living allowance (COLA) and that the District should consider reducing permit fees for public agencies due to decreasing revenues and increasing costs.

Response: District staff acknowledges the difficulties public agencies and the private sector are having due to the current economic climate, but believe that the proposed fee increases above a COLA are necessary to maintain core regulatory programs and conform with the cost recovery goals as specified in the Cost Recovery Policy adopted by the District's Board of Directors in March, 2012.

CCCSD Comment: The commenter considers it unfair for the District burden a public agency with the bulk of the cost for the on-line customer interface that will benefit all District users.

Response: The Online Customer Interface Fee has been removed from the proposed amendments to Regulation 3, Fees for FYE 2014.

## **8.2 Public Comments – Open Burning Fees**

District staff conducted a series of workshops to discuss draft amendments to Regulation 3, Fees specifically related to Open Burning. The following written comments were received in response to these workshops:

Comment: Several fire and public land management agencies oppose the proposed Open Burning fees for Fire Training fires, Hazardous Material fires, Contraband fires, Public Exhibition fires, and Wildland Vegetation Management fires because they believe one branch of government should not be imposing fees on other government entities engaged in burning activities that provide a public benefit such as reduced risk or ecological restoration. They request an exemption for all public entities from the proposed fees.

Response: Fire agencies and public land management agencies are regulated entities subject to the requirements of District Regulation 5: Open Burning. All fires conducted by these public entities add to the District's Open Burning program costs. The Open Burning fee proposal is consistent with the District's Cost Recovery Policy to recover regulatory program costs. District staff identified the Open Burning Program as a regulatory program without any cost recovery. In the view of District staff, the fact that certain fires conducted by public entities may benefit the public is not sufficient reason to provide a fee exemption because fire agencies and public land management agencies are currently subject to existing fees to recover the costs of other District

programs.

Comment: The Suisun Resource Conservation District (SRCD) and CA Waterfowl Association (CWA) provided several recommendations for modifications to the proposed marsh burning fees. Specifically, both the SRCD and CWA requested that the proposed fees for “applying” for a burn be refunded or credited to those who are unable to burn or burn all of the acreage they had planned to during a given burn season. The SRCD also suggested the District consider a flat cost/acre fee to be collected after burning and based on acres actually burned, and additional categories and fees for smaller marsh burning projects.

Response: After due consideration of the estimated District costs associated with marsh burning and the proposed fees, staff determined that a credit would not be feasible because the difference between the estimated District costs (for smoke management plan approval or “applying” for a burn) and the proposed fees paid for a given burn that would be available for a credit was too small. The estimated additional District costs incurred for burn forecast and acreage allocation services provided would quickly approach and exceed the proposed fees paid. District staff discussed this cost information with the SRCD and CWA during phone conversations in April 2013 and they concurred.

The District’s proposed “up-front” fee payment requirement is preferred over fee collection after burning because the latter is more costly due to the additional time spent trying to verify the actual acreage burned and attempting to collect the fee when there is a dispute. In addition, staff concluded that a lower fee tier for smaller burns would not be cost effective because the estimated District costs for “smaller” burns are higher than the lowest marsh burn fee proposed (\$350) even without any inspection costs.

Comment: The CAL Fire San Mateo - Santa Cruz Unit (CAL-Fire) expressed the following concerns about the proposed fees for prescribed burning, Fire Training burns and hazard reduction burns:

1. CAL-Fire suggests that the proposed \$98 notification fee for hazard reduction fires could cause landowners to not comply with Public Resources Code (PRC) 4291, which requires landowners to clear and maintain defensible space around structures on their property;
2. The proposed fees have the potential to cause the public to ignore open burning rules and burn during inappropriate and potentially unsafe times when their fires would not be detected by either the District or fire agencies;
3. CAL-Fire believes that if one agrees with the logic of the District’s argument that cost recovery is the basis of the proposed fees, then CAL-Fire should be able to charge the District cost recovery fees for responding to a burn and citing or warning a burner that is burning on a “No-Burn day” or without an Air Quality permit. These on-going CAL-Fire actions help the Air District to accomplish its mission to reduce air pollution;

4. The proposed requirement for “up-front” fee payment prior to burning conflicts with state agency purchasing procedures that prohibit a state agency from paying fees before services are rendered and without an invoice;
5. The proposed fees (ranging from \$98 to \$750) do not seem to be very efficient because CAL-Fire would be required to process payment through their finance system at an estimated cost of \$500 each time a payment works through the system;
6. The proposed fees for fuel reduction projects greater than 5 acres that would increase from \$98 to \$450 or more could be a significant economic obstacle for entities that fund their own projects;
7. The proposed prescribed burning fees could be a significant disincentive to CAL-Fire’s Vegetation Management Prescribed (VMP) burn program;
8. In light of limited funding and disappearing grant funding, the proposed fees will reduce the number of beneficial fuel reduction burns and projects;

Response:

1. District staff considers it unlikely that the proposed \$98 notification fee would cause landowners to not comply with PRC 4291. Compliance with this law depends on a land owner’s willingness to satisfy a fire agency’s order to clear and maintain defensible space, not on what the landowner intends to do with the material generated to create that defensible space. Alternatives to burning the material generated are available to landowners. The proposed notification fee would only be applicable should the landowner decide to burn the material.
2. District staff considers it unlikely that the fee proposal would cause significant numbers of the public to burn illegally. The District has several programs in which it charges a fee for review of a plan or a notification. For example, the District requires the payment of a fee in order for a person to satisfy the notification requirements under District Regulation 11, Rule 2: Asbestos Demolition, Renovation and Manufacturing. The experience of the District does not indicate that compliance rates have fallen in response to increases in fee rates.
3. District staff appreciates the on-going cooperation between public agencies throughout the Bay Area with respect to regulating open burning activities. Collectively, these voluntary efforts help minimize potential adverse impacts caused by open burning by focusing on the requirements of fire safety and air quality regulations. However, the proposed fees are necessary to maintain core regulatory programs and conform with the cost recovery goals as specified in the Cost Recovery Policy adopted by the District’s Board of Directors.

4. While the Open Burning fee proposal includes a requirement for “up-front” fee payment, District staff believes that this problem can be resolved through adequate planning by CAL-Fire and by utilizing one of a variety of District fee payment options (i.e., credit card, check, and money order).
5. District staff understands that CAL-Fire incurs an estimated cost of \$500 each time a payment is processed through their finance system. However, Cal-Fire could minimize this cost through their planning efforts. For example, only one payment processing cost would be incurred when the total number and type of burns planned annually is combined so that only one invoice/payment would be necessary, instead of a processing cost for each burn planned.
6. CAL- Fire is incorrect by stating that fuel reduction projects greater than 5 acres would increase the proposed fee from \$98 to \$450 or more. The proposed \$98 notification fee would apply to two types of Hazardous Material (fire hazard reduction) fires: fuel reduction fires of any size that are only related to compliance with PRC 4291 and those fires not related to PRC 4291 up to 10 acres in size. Only those Hazardous Material fires that are not related to PRC 4291 and expected to exceed 10 acres in size would be subject to the proposed fees for Wildland Vegetation Management fires (prescribed burning). The proposed prescribed burning fees, which are determined by the proposed acreage to be burned, range from \$425 (for fires <50 acres), \$575 (for fires >50 acres but <150 acres) and \$750 (for fires >150 acres). The proposed fees should not be a significant economic obstacle for entities that fund their own projects since this cost represents a small percentage of total project costs.
7. The proposed prescribed burning fees would apply to Vegetation Management Prescribed (VMP) burning projects of any size. The \$750 fee proposed for VMP’s greater than 150 acres in size is not expected to be a significant disincentive to the CAL-Fire’s VMP program because this cost does not account for a significant percentage of total project costs. District staff also understands that because a VMP project may take up to three years to complete, the proposed \$750 fee may have to be paid 3 times (or once a year) for a total of \$2,250, instead of one \$750 payment that is valid for 3 years. However, District costs associated with prescribed burning projects are also incurred annually. These costs are targeted for cost recovery through the proposed prescribed burning fees.
8. District staff considers it unlikely that the proposed fees will reduce the number of beneficial fuel reduction burns and projects. The proposed \$98 notification fee for hazard reduction fires and the proposed prescribed burning fees for fuel reduction projects are set at reasonable levels that will not impose a financial burden for private landowners and public entities engaged in burning activities.

## 9. CONCLUSIONS

District staff finds that the proposed fee amendments meet the findings of necessity, authority, clarity, consistency, non-duplication and reference specified in H&S Code section 40727. The proposed amendments:

- Are necessary to fund the District's efforts to attain and maintain federal and state air quality standards, and to reduce public exposure to toxic air contaminants;
- Are authorized by H&S Code sections 42311, 42311.2, 41512.7, 42364, 44380 and 40 CFR Part 70.9;
- Are clear, in that the amendments are written so that the meaning can be understood by the affected parties;
- Are consistent with other District rules, and not in conflict with any state or federal law;
- Are not duplicative of other statutes, rules or regulations; and
- Reference H&S Code sections 42311, 42311.2, 41512.7, 42364, 44380 and 40 CFR Part 70.9.

The proposed fee amendments will be used by the District to recover the costs of issuing permits, performing inspections, and other associated regulatory activities. Based on the results of the 2013 Cost Recovery Study (a copy of which is available on request), the District fees subject to this rulemaking are in amounts no more than necessary to cover the reasonable costs of the District's regulatory activities, and the manner in which the District fees allocate those costs to a payer bear a fair and reasonable relationship to the payer's burdens on the District regulatory activities and benefits received from those activities. Permit fee revenue (after adoption of the proposed amendments) would still be well below the District's regulatory program activity costs associated with permitted sources. Similarly, fee revenue for non-permitted sources would be below the District's costs of regulatory programs related to these sources. Fee increases for authorities to construct and permits to operate would not exceed 15 percent per year as required under H&S Code section 41512.7.

The proposed amendments to Regulation 3 are exempt from the requirements of the CEQA under Section 15273 of the CEQA Guidelines.

District staff recommends that the Board of Directors adopt the proposed amendments to Regulation 3: Fees and Regulation 5: Open Burning with an effective date of July 1, 2013, and approve the filing of a CEQA Notice of Exemption, following the 2<sup>nd</sup> public hearing scheduled to consider this matter on June 19, 2013.





BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## **STAFF REPORT**

### **PROPOSED AMENDMENTS TO BAAQMD REGULATION 3: FEES**

#### **APPENDIX A COST RECOVERY POLICY (Adopted March 7, 2012)**

*DRAFT*

**APRIL 29, 2013**

**COST RECOVERY POLICY FOR BAY AREA AIR QUALITY MANAGEMENT DISTRICT REGULATORY PROGRAMS**

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**PURPOSE**

WHEREAS, the District has the primary authority for the control of air pollution from all sources of air emissions located in the San Francisco Bay Area, other than emissions from motor vehicles, in accordance with the provisions of Health & Safety Code sections 39002 and 40000.

WHEREAS, the District is responsible for implementing and enforcing various District, State, and federal air quality regulatory requirements that apply to non-vehicular sources.

WHEREAS, the District's regulatory programs involve issuing permits, performing inspections, and other associated activities.

WHEREAS, the District is authorized to assess fees to regulated entities for the purpose of recovering the reasonable costs of regulatory program activities, and these authorities include those provided for in California Health and Safety Code sections 42311, 42364, and 44380.

WHEREAS, the District's fees fall within the categories provided in Section 1(e) of Article XIII C of the California Constitution, which indicates that charges assessed to regulated entities to recover regulatory program activity costs, and charges assessed to cover the cost of conferring a privilege or providing a service, are not taxes.

WHEREAS, the District has adopted, and periodically amends, a fee regulation for the purpose of recovering regulatory program activity costs, and this regulation with its various fee schedules, is used to allocate costs to fee payers in a manner which bears a fair or reasonable relationship to the payer's burden on, or benefits received from, regulatory activities.

WHEREAS, the District analyzes whether assessed fees result in the collection of sufficient revenue to recover the costs of related program activities; these analyses have included contractor-conducted fee studies completed in 1999, 2005, and 2011, and annual District staff-conducted cost recovery updates completed in 2006 through 2010. Each fee study and cost recovery update completed revealed that District fee revenue falls significantly short of recovering the costs of related program activities.

WHEREAS, the District's most recently completed fee study (*Cost Recovery*

*and Containment Study, Bay Area Air Quality Management District, Final Report, Matrix Consulting Group, March 9, 2011*) concluded that in Fiscal Year Ending (FYE) 2010, the District recovered approximately 62 percent of its fee-related activity costs, resulting in an under-recovery of costs (i.e., a cost recovery gap), and a subsidy to fee payers, of approximately \$16.8 million, and that this cost recovery gap resulted despite the implementation of a number of strategies to contain costs.

WHEREAS, cost recovery analyses have indicated that the District's Fee Schedule P: Major Facility Review Fees, which establishes fees for program activities associated with the Title V permit program, has under-recovered costs by an average of \$3.4 million per year over the period FYE 2004 through FYE 2010.

WHEREAS, the District's Board of Directors has recognized since 1999 that the District's cost recovery gap has been an issue that needs to be addressed, and since that time has adopted annual fee amendments in order to increase fee revenue.

WHEREAS, in addition to fee revenue, the District receives revenue from Bay Area counties that is derived from property taxes, and a large portion of this tax revenue has historically been used on an annual basis to fill the cost recovery gap.

WHEREAS, the tax revenue that the District receives varies on a year-to-year basis, and cannot necessarily be relied on to fill the cost recovery gap and also cover other District expenses necessitating, in certain years, the use of reserve funds.

WHEREAS, tax revenue that the District receives, to the extent that it is not needed to fill the cost recovery gap, can be used to fund initiatives or programs that may further the District's mission but that lack a dedicated funding source.

WHEREAS, it may be appropriate as a matter of policy to establish specific fee discounts for small businesses, green businesses, or other regulated entities or members of the public, where tax revenue is used to cover a portion of regulatory program activity costs, and the District's existing fee regulation contains several fee discounts of this type.

## **POLICY**

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Bay Area Air Quality Management District that:

**(1) Cost Containment** –In order to ensure that the costs of its regulatory programs remain reasonable, the District should continue to implement feasible cost containment measures, including the use of appropriate best management practices, without compromising the District's effective implementation and enforcement of applicable regulatory requirements. The District's annual budget documents should include a summary of cost containment measures that are being implemented.

**(2) Analysis of Cost Recovery** – The District should continue to analyze the extent to which fees recover regulatory program activity costs, both on an overall basis, and at the level of individual fee schedules. These cost recovery analyses should be periodically completed by a qualified District contractor, and should be updated on an annual basis by District staff using a consistent methodology.

**(3) Cost Recovery Goals** – It is the general policy of the District, except as otherwise noted below, that the costs of regulatory program activities be fully recovered by assessing fees to regulated entities. In order to move towards this goal, the District should amend its fee regulation over the next four years, in conjunction with the adoption of budgets for Fiscal Year Ending (FYE) 2013 through FYE 2016, in a manner sufficient to increase overall recovery of regulatory program activity costs to 85 percent. Amendments to specific fee schedules should also be made in consideration of cost recovery analyses conducted at the fee schedule-level, with larger increases being adopted for the schedules that have the larger cost recovery gaps. This includes Fee Schedule P: Major Facility Review Fees, which has been determined to under-recover costs by a significant amount. Newly adopted regulatory measures should include fees that are designed to recover increased regulatory program activity costs associated with the measure, unless the Board of Directors determines that a portion of those costs should be covered by tax revenue. Tax revenue should also continue to be used to subsidize existing fee discounts that the District provides (e.g., for small businesses, green businesses, and third-party permit appeals), and to cover the cost of the District's wood smoke enforcement program.

BE IT FURTHER RESOLVED that this resolution is non-binding in the case of unforeseen financial circumstances, and may also be reconsidered or updated by the District's Board of Directors.



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## **STAFF REPORT**

### **PROPOSED AMENDMENTS TO BAAQMD REGULATION 3: FEES**

#### **APPENDIX B PROPOSED REGULATORY LANGUAGE**

*DRAFT*

**APRIL 29, 2013**

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FEES  
INDEX**

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## REGULATION 3 FEES

(Adopted June 18, 1980)

### 3-100 GENERAL

**3-101 Description:** This regulation establishes ~~the regulatory fees to be charged by the District for Hearing Board filings, for permits, banking, renewal of permits, costs of environmental documentation, asbestos operations, air toxics inventories, equipment registrations, soil excavation and underground tank removals, indirect source review.~~

(Amended 7/6/83; 11/2/83; 2/21/90; 12/16/92; 8/2/95; 12/2/98; 5/21/03; 5/21/08; 5/20/09)

**3-102 Deleted July 12, 1989**

**3-103 Exemption, Abatement Devices:** Installation, modification, or replacement of abatement devices on existing sources are subject to fees pursuant to Section 3-302.3. All abatement devices are exempt from annual permit renewal fees. However, emissions from abatement devices, including any secondary emissions, shall be included in facility-wide emissions calculations when determining the applicability of and the fees associated with Schedules M, N, P, and T.

(Amended 6/4/86; 7/1/98; 6/7/00; 5/21/08)

**3-104 Deleted August 2, 1995**

**3-105 Exemption, Excavation of Contaminated Soil and Removal of Underground Storage Tank Operation Fees:** Fees shall not be required, pursuant to Section 3-322, for operations associated with the excavation of contaminated soil and the removal of underground storage tanks if one of the following is met:

105.1 The tank removal operation is being conducted within a jurisdiction where the APCO has determined that a public authority has a program equivalent to the District program and persons conducting the operations have met all the requirements of the public authority.

105.2 Persons submitting a written notification for a given site have obtained an Authority to Construct or Permit to Operate in accordance with Regulation 2, Rule 1, Section 301 or 302. Evidence of the Authority to Construct or the Permit to Operate must be provided with any notification required by Regulation 8, Rule 40.

(Adopted 1/5/94; Amended 5/21/03)

**3-106 Deleted December 2, 1998**

**3-107 Exemption, Sources Exempt from Permit Requirements:** Any source that is exempt from permit requirements pursuant to Regulation 2, Rule 1, Sections 103 through 128 is exempt from permit fees. However, emissions from exempt sources shall be included in facility-wide emissions calculations when determining the applicability of and the fees associated with Schedules M, N, and P.

(Adopted June 7, 2000)

### 3-200 DEFINITIONS

**3-201 Cancelled Application:** Any application which has been withdrawn by the applicant or cancelled by the APCO for failure to pay fees or to provide the information requested to make an application complete.

(Amended 6/4/86; 4/6/88)

**3-202 Gasoline Dispensing Facility:** Any stationary facility which dispenses gasoline directly into the fuel tanks of vehicles, such as motor vehicles, aircraft or boats. The facility shall be treated as a single source which includes all necessary equipment for the exclusive use of

the facility, such as nozzles, dispensers, pumps, vapor return lines, plumbing and storage tanks.

(Amended February 20, 1985)

**3-203 Filing Fee:** A fixed fee for each source in an authority to construct.

(Amended June 4, 1986)

**3-204 Initial Fee:** The fee required for each new or modified source based on the type and size of the source. The fee is applicable to new and modified sources seeking to obtain an authority to construct. Operation of a new or modified source is not allowed until the permit to operate fee is paid.

(Amended June 4, 1986)

**3-205 Authority to Construct:** Written authorization from the APCO, pursuant to Section 2-1-301, for a source to be constructed or modified or for a source whose emissions will be reduced by the construction or modification of an abatement device.

(Amended June 4, 1986)

**3-206 Modification:** See Section 1-217 of Regulation 1.

**3-207 Permit to Operate Fee:** The fee required for the annual renewal of a permit to operate or for the first year of operation (or prorated portion thereof) of a new or modified source which received an authority to construct.

(Amended 6/4/86; 7/15/87; 12/2/98; 6/7/00)

**3-208 Deleted June 4, 1986**

**3-209 Small Business:** A business with no more than 10 employees and gross annual income of no more than \$750,000 that is not an affiliate of a non-small business.

(Amended 6/4/86; 6/6/90; 6/7/00; 6/15/05; 6/16/10)

**3-210 Solvent Evaporating Source:** Any source utilizing organic solvent, as part of a process in which evaporation of the solvent is a necessary step. Such processes include, but are not limited to, solvent cleaning operations, painting and surface coating, rotogravure coating and printing, flexographic printing, adhesive laminating, etc. Manufacture or mixing of solvents or surface coatings is not included.

(Amended July 3, 1991)

**3-211 Source:** See Section 1-227 of Regulation 1.

**3-212 Deleted August 2, 1995**

**3-213 Major Stationary Source:** For the purpose of Schedule M, a major stationary source shall be any District permitted plant, building, structure, stationary facility or group of facilities under the same ownership, leasehold, or operator which, in the base calendar year, emitted to the atmosphere organic compounds, oxides of nitrogen (expressed as nitrogen dioxide), oxides of sulfur (expressed as sulfur dioxide), or PM<sub>10</sub> in an amount calculated by the APCO equal to or exceeding 50 tons per year.

(Adopted 11/2/83; Amended 2/21/90; 6/6/90; 8/2/95; 6/7/00)

**3-214 Deleted October 20, 1999, effective March 1, 2000**

**3-215 Deleted October 20, 1999, effective March 1, 2000**

**3-216 Deleted October 20, 1999, effective March 1, 2000**

**3-217 Deleted October 20, 1999, effective March 1, 2000**

**3-218 Deleted October 20, 1999, effective March 1, 2000**

**3-219 Deleted October 20, 1999, effective March 1, 2000**

**3-220 Deleted October 20, 1999, effective March 1, 2000**

**3-221 Deleted October 20, 1999, effective March 1, 2000**

**3-222 Deleted October 20, 1999, effective March 1, 2000**

**3-223 Start-up Date:** Date when new or modified equipment under an authority to construct begins operating. The holder of an authority to construct is required to notify the APCO of this date at least 3 days in advance. For new sources, or modified sources whose authorities to construct have expired, operating fees are charged from the startup date.

(Adopted 6/4/86; Amended 6/6/90)

**3-224 Permit to Operate:** Written authorization from the APCO pursuant to Section 2-1-302.

- (Adopted 6/4/86; Amended 6/7/00)
- 3-225** **Minor Modification:** Any physical change or alteration to a source listed on Schedules G-3, G-4, or G-5 that will not increase emissions of any air contaminant. Such modifications may include alterations to improve energy and operational efficiency and those that reduce emissions. Alterations to increase actual or maximum production capacity shall not be considered minor modifications. Final determination of the applicability of this section shall be made by the APCO.
- (Adopted 6/6/90; Amended 5/4/11)
- 3-226** **Air Toxics "Hot Spots" Information and Assessment Act of 1987:** The Air Toxics "Hot Spots" Information and Assessment Act of 1987 directs the California Air Resources Board and the Air Quality Management Districts to collect information from industry on emissions of potentially toxic air contaminants and to inform the public about such emissions and their impact on public health. It also directs the Air Quality Management District to collect fees sufficient to cover the necessary state and District costs of implementing the program.
- (Adopted 10/21/92; Amended 6/15/05)
- 3-227** **Toxic Air Contaminant, or TAC:** An air pollutant that may cause or contribute to an increase in mortality or in serious illness or that may pose a present or potential hazard to human health. For the purposes of this rule, TACs consist of the substances listed in Table 2-5-1 of Regulation 2, Rule 5.
- (Adopted 10/21/92; Amended 6/15/05)
- 3-228** **Deleted December 2, 1998**
- 3-229** **Deleted December 2, 1998**
- 3-230** **Deleted December 2, 1998**
- 3-231** **Deleted December 2, 1998**
- 3-232** **Deleted December 2, 1998**
- 3-233** **Deleted December 2, 1998**
- 3-234** **Deleted December 2, 1998**
- 3-235** **Deleted December 2, 1998**
- 3-236** **Deleted December 2, 1998**
- 3-237** **PM<sub>10</sub>:** See Section 2-1-229 of Regulation 2, Rule 1.
- (Adopted June 7, 2000)
- 3-238** **Risk Screening Fee:** Fee for a new or modified source of toxic air contaminants for which a health risk screening analysis (HRSA) is required under Regulation 2-5-401, or for an HRSA prepared for other purposes (e.g., for determination of permit exemption in accordance with Regulations 2-1-316, 2-5-301 and 2-5-302; or for determination of exemption from emission control requirements pursuant to Regulation 8-47-113 and 8-47-402).
- (Adopted June 15, 2005)
- 3-239** **Toxic Surcharge:** Fee paid in addition to the permit to operate fee for a source that emits one or more toxic air contaminants at a rate which exceeds a chronic trigger level listed in Table 2-5-1.
- (Adopted June 15, 2005)
- 3-240** **Biogenic Carbon Dioxide:** Carbon dioxide emissions resulting from materials that are derived from living cells, excluding fossil fuels, limestone and other materials that have been transformed by geological processes. Biogenic carbon dioxide originates from carbon (released in the form of emissions) that is present in materials that include, but are not limited to, wood, paper, vegetable oils, animal fat, and food, animal and yard waste.
- (Adopted May 21, 2008)
- 3-241** **Green Business:** A business or government agency that has been certified under the Bay Area Green Business Program coordinated by the Association of Bay Area Governments and implemented by participating counties.
- (Adopted June 16, 2010)

**3-242** Incident: A non-routine release of an air contaminant that may cause adverse health consequences to the public or to emergency personnel responding to the release, or that may cause a public nuisance or off-site environmental damage.

(Adopted TBD)

**3-243** Incident Response: The District's response to an incident. The District's incident response may include the following activities: i) inspection of the incident-emitting equipment and facility records associated with operation of the equipment; ii) identification and analysis of air quality impacts, including without limitation, identifying areas impacted by the incident, modeling, air monitoring, and source sampling; iii) engineering analysis of the specifications or operation of the equipment; and iv) administrative tasks associated with processing complaints and reports.

(Adopted TBD)

**3-244** Permit to Operate Renewal Date: The first day of a Permit to Operate's Permit Renewal Period.

(Adopted TBD)

**3-245** Permit Renewal Period: The length of time the source is authorized to operate pursuant to a Permit to Operate.

(Adopted TBD)

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### 3-300 STANDARDS

**3-301** **Hearing Board Fees:** Applicants for variances or appeals or those seeking to revoke or modify variances or abatement orders or to rehear a Hearing Board decision shall pay the applicable fees, including excess emission fees, set forth in Schedule A.

(Amended June 7, 2000)

**3-302** **Fees for New and Modified Sources:** Applicants for authorities to construct and permits to operate new sources shall pay for each new source: a filing fee of ~~\$416428~~, the initial fee, the risk screening fee, the permit to operate fee, and toxic surcharge (given in Schedules B, C, D, E, F, H, I or K). Applicants for authorities to construct and permits to operate modified sources shall pay for each modified source, a filing fee of ~~\$416428~~, the initial fee, the risk screening fee, and any incremental increase in permit to operate and toxic surcharge fees. Where more than one of the schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules. Except for gasoline dispensing facilities (Schedule D) and semiconductor facilities (Schedule H), the size to be used for a source when applying the schedules shall be the maximum size the source will have after the construction or modification. Where applicable, fees for new or modified sources shall be based on maximum permitted usage levels or maximum potential to emit including any secondary emissions from abatement equipment. The APCO may reduce the fees for new and modified sources by an amount deemed appropriate if the owner or operator of the source attends an Industry Compliance School sponsored by the District.

302.1 Small Business Discount: If an applicant qualifies as a small business and the source falls under schedules B, C, D (excluding gasoline dispensing facilities), E, F, H, I or K, the filing fee, initial fee, and risk screening fee shall be reduced by 50%. All other applicable fees shall be paid in full.

302.2 Deleted July 3, 1991

302.3 Fees for Abatement Devices: Applicants for an authority to construct and permit to operate abatement devices where there is no other modification to the source shall pay a ~~\$416 428~~ filing fee and initial and risk screening fees that are equivalent to 50% of the initial and risk screening fees for the source being abated. For abatement devices abating more than one source, the initial fee shall be 50% of the initial fee for the source having the highest initial fee.

302.4 Fees for Reactivated Sources: Applicants for a Permit to Operate reactivated,

previously permitted equipment shall pay the full filing, initial, risk screening, permit, and toxic surcharge fees.

302.5 Schedule G Fees: Applicants for minor modifications to permitted sources subject to Schedules G-3, G-4, or G-5 shall pay filing, initial, risk screening, permit to operate, and toxic surcharge fees specified under Schedule G-2. Permit renewal fees will continue to be charged under Schedules G-3, G-4, and G-5.

302.6 Green Business Discount: If an applicant qualifies as a green business, the filing fee, initial fee, and risk screening fee shall be reduced by 10%. All other applicable fees shall be paid in full.

(Amended 5/19/82; 7/6/83; 6/4/86; 7/15/87; 6/6/90; 7/3/91; 6/15/94; 10/8/97; 7/1/98; 5/19/99; 6/7/00; 6/6/01, 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)

**3-303 Back Fees:** An applicant required to obtain a permit to operate existing equipment in accordance with District regulations shall pay back fees equal to the permit to operate fees and toxic surcharges given in the appropriate Schedule (B, C, D, E, F, H, I or K) prorated from the effective date of permit requirements. Where more than one of these schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules. The applicant shall also pay back fees equal to toxic inventory fees pursuant to Section 3-320 and Schedule N. The maximum back fee shall not exceed a total of five years' permit, toxic surcharge, and toxic inventory fees. An owner/operator required to register existing equipment in accordance with District regulations shall pay back fees equal to the annual renewal fee given in Schedule R prorated from the effective date of registration requirements, up to a maximum of five years.

(Amended 5/19/82; 7/6/83; 6/4/86; 7/15/87, 6/6/90; 7/3/91; 10/8/97; 6/15/05; 5/20/09)

**3-304 Alteration:** An applicant to alter an existing permitted source shall pay only the filing fee, provided that the alteration does not result in an increase in emissions of any regulated air pollutant.

(Amended 6/4/86; 11/15/00; 6/2/04)

**3-305 Cancellation or Withdrawal:** There will be no refund of initial, risk screening, and filing fees if an application is cancelled or withdrawn. However, if an application for identical equipment is submitted within six months of the date of cancellation or withdrawal, the initial fee will be credited in full against the fee for the new application.

(Amended 7/6/83; 4/6/88; 10/8/97; 6/15/05)

**3-306 Change in Conditions:** If an applicant applies to change the conditions on an existing authority to construct or permit to operate, the applicant will pay the following fees. There will be no change in anniversary date.

306.1 Administrative Condition Changes: An applicant applying for an administrative change in permit conditions shall pay a fee equal to the filing fee for a single source, provided the following criteria are met:

1.1 The condition change applies to a single source or a group of sources with shared permit conditions.

1.2 The condition change does not subject the source(s) to any District Regulations or requirements that were not previously applicable.

1.3 The condition change does not result in any increase in emissions of POC, NPOC, NO<sub>x</sub>, CO, SO<sub>2</sub>, or PM<sub>10</sub> at any source or the emission of a toxic air contaminant above the trigger levels identified in Table 2-5-1

1.4 The condition change does not require a public notice.

306.2 Other Condition Changes: Applicant shall pay the filing, initial, and risk screening fees required for new and modified equipment under Section 3-302. If the condition change will result in higher permit to operate fees, the applicant shall also pay any incremental increases in permit to operate fees and toxic surcharges.

(Amended 7/6/83; 6/4/86; 6/6/90; 10/8/97; 6/7/00; 6/15/05)

**3-307 Transfers:** The owner/operator of record is the person to whom a permit is issued or, if no permit has yet been issued to a facility, the person who applied for a permit. Permits are

valid only for the owner/operator of record. [Upon submittal of a \\$428 transfer of ownership fee.](#) Permits are re-issued to the new owner/operator of record with no change in expiration dates.

(Amended 2/20/85; 6/4/86; 11/5/86; 4/6/88; 10/8/97, 5/1/02; 5/21/03; 6/02/04)

**3-308 Change of Location:** An applicant who wishes to move an existing source, which has a permit to operate, shall pay no fee if the move is on the same facility. If the move is not on the same facility, the source shall be considered a new source and subject to Section 3-302. This section does not apply to portable permits meeting the requirements of Regulation 2-1-220 and 413.

(Amended 7/6/83; 6/4/86; 6/15/05)

**3-309 Duplicate Permit or Registration:** An applicant for a duplicate permit to operate [or registration](#) shall pay a fee of \$72 per permit [or registration](#).

(Amended 5/19/99; 5/1/02; 5/21/03; 6/02/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

**3-310 Fee for Constructing Without a Permit:** An applicant for an authority to construct and a permit to operate a source, which has been constructed or modified without an authority to construct, shall pay the following fees:

310.1 Sources subject to permit requirements on the date of initial operation shall pay fees for new construction pursuant to Section 3-302, any back fees pursuant to Section 3-303, and a late fee equal to 100% of the initial fee. A modified gasoline dispensing facility subject to Schedule D that is not required to pay an initial fee shall pay fees for a modified source pursuant to Section 3-302, back fees, and a late fee equal to 100% of the filing fee.

310.2 Sources previously exempt from permit requirements that lose their exemption due to changes in District, state, or federal regulations shall pay a permit to operate fee and toxic surcharge for the coming year and any back fees pursuant to Section 3-303.

310.3 Sources previously exempt from permit requirements that lose their exemption due to a change in the manner or mode of operation, such as an increased throughput, shall pay fees for new construction pursuant to Section 3-302. In addition, sources applying for permits after commencing operation in a non-exempt mode shall also pay a late fee equal to 100% of the initial fee and any back fees pursuant to Section 3-303.

310.4 Sources modified without a required authority to construct shall pay fees for modification pursuant to Section 3-302 and a late fee equal to 100% of the initial fee.

(Amended 7/6/83; 4/18/84; 6/4/86; 6/6/90; 7/3/91; 8/2/95; 10/8/97; 6/02/04; 6/15/05; 6/6/12)

**3-311 Banking:** Any applicant who wishes to bank emissions for future use, or convert an ERC into an IERC, shall pay a filing fee of ~~\$416-428~~ per source plus the initial fee given in Schedules B, C, D, E, F, H, I or K. Where more than one of these schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules. Any applicant for the withdrawal of banked emissions shall pay a fee of ~~\$416428~~.

(Amended 7/6/83; 6/4/86; 7/15/87; 7/3/91; 6/15/94; 7/1/98; 5/19/99; 6/7/00; 6/6/01; 5/1/02; 5/21/03; 6/02/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)

**3-312 Emission Caps and Alternative Compliance Plans:** Any facility which elects to use an alternative compliance plan contained in:

312.1 Regulation 8 ("bubble") to comply with a District emission limitation or to use an annual or monthly emission limit to acquire a permit in accordance with the provisions of Regulation 2, Rule 2, shall pay an additional annual fee equal to fifteen percent of the total plant permit to operate fee.

312.2 Regulation 2, Rule 9, [or Regulation 9, Rule 10](#) shall pay an annual fee of ~~\$4,0541,083~~ for each source included in the alternative compliance plan, not to exceed ~~\$40,54510,830~~.

(Adopted 5/19/82; Amended 6/4/86; 5/19/99; 6/7/00; 6/6/01; 5/1/02; 5/23/03 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)

**3-313 Deleted May 19, 1999**

- 3-314 Deleted August 2, 1995**
- 3-315 Costs of Environmental Documentation:** An applicant for an Authority to Construct a project which is subject to review under the California Environmental Quality Act (Public Resources Code, Section 21000, et seq.) shall pay, in addition to the fees required under Section 3-302 and in any applicable schedule, the District's costs of performing all environmental evaluation required pursuant to the California Environmental Quality Act, the District's costs in preparing any environmental study or Environmental Impact Report (including the costs of any outside consulting assistance which the District may employ in connection with the preparation of any such study or report), as well as the District's reasonable internal costs (including overhead) of processing and reviewing the required environmental documentation.  
(Adopted 12/18/85; Amended 5/1/02)
- 3-316 Deleted June 6, 1990**
- 3-317 Asbestos Operation Fees:** After July 1, 1988, persons submitting a written plan, as required by Regulation 11, Rule 2, Section 401, to conduct an asbestos operation shall pay the fee given in Schedule L.  
(Adopted 7/6/88; Renumbered 9/7/88; Amended 8/2/95)
- 3-318 Public Notice Fee, Schools:** Pursuant to Section 42301.6(b) of the Health and Safety Code, an applicant for an authority to construct or permit to operate subject to the public notice requirements of Regulation 2-1-412 shall pay, in addition to the fees required under Section 3-302 and in any applicable schedule, a fee to cover the expense of preparing and distributing the public notices to the affected persons specified in Regulation 2-1-412 as follows:  
318.1 A fee of \$2,100 per application, and  
318.2 The District's cost exceeding \$2,100 of preparing and distributing the public notice.  
318.3 The District shall refund to the applicant the portion of any fee paid under this Section that exceeds the District's cost of preparing and distributing the public notice.  
(Adopted 11/1/89; Amended 10/8/97; 7/1/98; 5/19/99; 6/7/00; 5/21/03; 6/2/04; 6/16/10)
- 3-319 Major Stationary Source Fees:** Any major stationary source emitting 50 tons per year of organic compounds, sulfur oxides, nitrogen oxides, or PM<sub>10</sub> shall pay a fee based on Schedule M. This fee is in addition to permit and other fees otherwise authorized to be collected from such facilities and shall be included as part of the annual permit renewal fees.  
(Adopted 6/6/90; Amended 8/2/95; 6/7/00)
- 3-320 Toxic Inventory Fees:** Any facility that emits one or more toxic air contaminants in quantities above a minimum threshold level shall pay an annual fee based on Schedule N. This fee will be in addition to permit to operate, toxic surcharge, and other fees otherwise authorized to be collected from such facilities.  
320.1 An applicant who qualifies as a small business under Regulation 3-209 shall pay a Toxic Inventory Fee as set out in Schedule N up to a maximum fee of \$8,944 per year.  
(Adopted 10/21/92; Amended 5/19/99; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/20/09; 6/16/10; 5/4/11)
- 3-321 Deleted December 2, 1998**
- 3-322 Excavation of Contaminated Soil and Removal of Underground Storage Tank Operation Fees:** Persons submitting a written notification for a given site to conduct either excavation of contaminated soil or removal of underground storage tanks as required by Regulation 8, Rule 40, Section 401, 402, 403 or 405 shall pay a fee based on Schedule Q.  
(Adopted 1/5/94; Amended 8/2/95; 5/21/03)
- 3-323 Pre-Certification Fees:** An applicant seeking to pre-certify a source, in accordance with Regulation 2, Rule 1, Section 415, shall pay the filing fee, initial fee and permit to operate fee given in the appropriate schedule.  
(Adopted June 7, 1995)
- 3-324 Deleted June 7, 2000**
- 3-325 Deleted December 2, 1998**

**3-326 Deleted December 2, 1998**

**3-327 Permit to Operate, Renewal Fees:** After the expiration of the initial permit to operate, the permit to operate shall be renewed on an annual basis or other time period as approved by the APCO. The fee required for the renewal of a permit to operate is the permit to operate fee and toxic surcharge listed in Schedules B, C, D, E, F, H, I, and K, prorated for the period of coverage. When more than one of the schedules is applicable to a source, the fee paid shall be the highest of the applicable schedules. This renewal fee is applicable to all sources required to obtain permits to operate in accordance with District regulations. The permit renewal invoice shall also specify any applicable major stationary source fees based on Schedule M, toxic inventory fees based on Schedule N, major facility review fees based on Schedule P, and greenhouse gas fees based on Schedule T. Where applicable, renewal fees shall be based on actual usage or emission levels that have been reported to or calculated by the District. In addition to these renewal fees for the sources at a facility, the facility shall also pay a processing fee at the time of renewal that covers each Permit Renewal Period as follows:

- 327.1 ~~\$82-84~~ for facilities with one permitted source, including gasoline dispensing facilities,
- 327.2 ~~\$162-167~~ for facilities with 2 to 5 permitted sources,
- 327.3 ~~\$322-332~~ for facilities with 6 to 10 permitted sources,
- 327.4 ~~\$484-499~~ for facilities with 11 to 15 permitted sources,
- 327.5 ~~\$643-662~~ for facilities with 16 to 20 permitted sources,
- 327.6 ~~\$805-829~~ for facilities with more than 20 permitted sources.

(Adopted 6/7/00; Amended 6/2/04; 6/16/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)

**3-328 Fee for OEHHA Risk Assessment Reviews:** Any facility that submits a health risk assessment to the District in accordance with Section 44361 of the California Health and Safety Code shall pay any fee requested by the State Office of Environmental Health Hazard Assessment (OEHHA) for reimbursement of that agency's costs incurred in reviewing the risk assessment.

(Adopted June 7, 2000)

**3-329 Fee for Risk Screening:** A health risk screening analysis (HRSA) required pursuant to Regulation 2, Rule 5 shall be subject to an appropriate Risk Screening Fee pursuant to Regulation 3-302 and Schedules B, C, D, E, F, H, I or K. In addition, any person that requests that the District prepare or review an HRSA (e.g., for determination of permit exemption in accordance with Regulations 2-1-316, 2-5-301 and 2-5-302; or for determination of exemption from emission control requirements pursuant to Regulation 8-47-113 and 8-47-402) shall pay a Risk Screening Fee.

(Adopted June 15, 2005)

**3-330 Fee for Renewing an Authority to Construct:** An applicant seeking to renew an authority to construct in accordance with Regulation 2-1-407 shall pay a fee of 50% of the initial fee in effect at the time of the renewal. If the District determines that an authority to construct cannot be renewed, any fees paid under this section shall be credited in full against the fee for a new authority to construct for functionally equivalent equipment submitted within six months of the date the original authority to construct expires.

(Adopted June 15, 2005)

**3-331 Registration Fees:** Any person who is required to register equipment under District rules shall submit a registration fee, and any annual fee thereafter, as set out in Schedule R. The APCO may reduce registration fees by an amount deemed appropriate if the owner or operator of the equipment attends an Industry Compliance School sponsored by the District.

(Adopted June 6, 2007; Amended 6/16/10)

**3-332 Naturally Occurring Asbestos Fees:** After July 1, 2007, any person required to submit an Asbestos Dust Mitigation Plan (ADMP) pursuant to Title 17 of the California Code of Regulations, Section 93105, Asbestos Air Toxic Control Measure for Construction, Grading, Quarrying, and Surface Mining Operations shall pay the fee(s) set out in Schedule S.



(Adopted June 6, 2007)  
**3-333 Major Facility Review (MFR) and Synthetic Minor Application Fees:** Any facility that applies for, or is required to undergo, an initial MFR permit, an amendment to an MFR permit, a minor or significant revision to an MFR permit, a reopening of an MFR permit, a renewal of an MFR permit, an initial synthetic minor operating permit, or a revision to a synthetic minor operating permit, shall pay the applicable fees set forth in Schedule P.

(Adopted May 21, 2008)  
**3-334 Greenhouse Gas Fees:** Any permitted facility with greenhouse gas emissions shall pay a fee based on Schedule T. This fee is in addition to permit and other fees otherwise authorized to be collected from such facilities, and shall be included as part of the annual permit renewal fees.

(Adopted May 21, 2008)  
**3-335 Indirect Source Review Fees:** Applicants that must file an Air Quality Impact Assessment pursuant to District rules for a project that is deemed to be an indirect source shall pay a fee based on Schedule U.

(Adopted May 20, 2009)  
**3-336 Open Burning Operation Fees:** Effective July 1, 2013, any person required to provide notification to the District prior to burning; submit a petition to conduct a Filmmaking or Public Exhibition fire; receive an acreage burning allocation to conduct a Stubble fire; or submit a smoke management plan and receive an acreage burning allocation to conduct a Wildland Vegetation Management fire or Marsh Management fire shall pay the fee given in Schedule V.

(Adopted TBD)

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**3-337 Exemption Fee:** An applicant who wishes to receive a certificate of exemption shall pay a filing fee of \$428 per exempt source.

(Adopted TBD)

**3-338 Incident Response Fee:** Any facility required to obtain a District permit, and any District-regulated area-wide or indirect source, that is the site where an incident occurs to which the District responds, shall pay a fee equal to the District's actual costs in conducting the incident response, including without limitation, the actual time and salaries, plus overhead, of the District staff involved in conducting the incident response and the cost of any materials.

(Adopted TBD)

### **3-400 ADMINISTRATIVE REQUIREMENTS**

**3-401 Permits:** Definitions, standards, and conditions contained in Regulation 2, Permits, are applicable to this regulation.

**3-402 Single Anniversary Date:** The APCO may assign a single anniversary date to a facility on which all its renewable permits to operate expire and will require renewal. Fees will be prorated to compensate for different time periods resulting from change in anniversary date.

**3-403 Change in Operating Parameters:** See Section 2-1-404 of Regulation 2, Rule 1.

**3-404 Deleted June 7, 2000**

**3-405 Fees Not Paid:** If an applicant or owner/operator fails to pay the fees specified on the invoice by the due date, the following procedure(s) shall apply:

405.1 Authority to Construct: The application will be cancelled, but can be reactivated upon payment of fees.

405.2 New Permit to Operate: The Permit to Operate shall not be issued, and the facility will be notified that operation, including startup, is not authorized.

2.1 Fees received during the first 30 days following the due date must include an additional late fee equal to 10 percent of all fees specified on the invoice.

2.2 Fees received more than 30 days after the due date must include an additional

- late fee equal to 50 percent of all fees specified on the invoice.
- 405.3 Renewal of Permit to Operate: The owner or operator of a facility must renew the Permit to Operate in order to continue to be authorized to operate the source. Permit to Operate Fees for the Permit Renewal Period shall be calculated using fee schedules in effect on the Permit to Operate Renewal Date. The permit renewal invoice will include all fees to be paid in order to renew the Permit to Operate, as specified in Section 3-327. If not renewed as of the date of the next Permit Renewal Period, a Permit to Operate lapses and further operation is no longer authorized. The facility-District will be notified/notify the facility that the permit has lapsed-and that further operation is no longer authorized. Reinstatement of lapsed Permits to Operate will require the payment of all unpaid prior Permit to Operate fees and associated reinstatement fees for each unpaid prior Permit Renewal Period, in addition to all fees specified on the permit renewal invoice. Fees shall be calculated using fee schedules in effect at the time an invoice is generated.
- 3.1 ~~Fees received during the first 30 days following the due date must include all fees specified on the invoice plus a reinstatement fee equal to 10 percent of all fees specified on the invoice.~~
- 3.2 ~~Fees received more than 30 days after the due date, but less than one year after the due date, must include all fees specified on the invoice plus a reinstatement fee equal to 50 percent of all fees specified on the invoice.~~
- 405.4 Reinstatement of Lapsed Permit to Operate: To reinstate a Permit to Operate, the owner or operator must pay all of the following fees:
- 4.1 The applicable Permit to Operate Fees for the current year, as specified in Regulation 3-327, and the applicable reinstatement fee, if any, calculated as follows:
- 4.1.1 Fees received during the first 30 days following the due date must include all fees specified on the permit renewal invoice plus a reinstatement fee equal to 10 percent of all fees specified on the invoice.
- 4.1.2 Fees received more than 30 days after the due date, but less than one year after the due date, must include all fees specified on the permit renewal invoice plus a reinstatement fee equal to 50 percent of all fees specified on the invoice.
- 4.2 The applicable Permit to Operate Fees specified in Regulation 3-327 for each prior Permit Renewal Period for which all Permit to Operate Fees and associated reinstatement fees have not been paid. Each year's Permit to Operate Fee shall be calculated at the fee rates in effect on that year's Permit to Operate Renewal Date. The reinstatement fee for each associated previously-unpaid Permit to Operate Fee shall be calculated in accordance with Regulation 3-405.4.1 and 4.1.2.
- Each year or period of the lapsed Permit to Operate is deemed a separate Permit Renewal Period. The oldest outstanding Permit to Operate Fee and reinstatement fees shall be paid first.
- 405.54 Registration and Other Fees: Persons who have not paid the fee by the invoice due date, shall pay a-the following late fee in addition to the original invoiced fee. Fees shall be calculated using fee schedules in effect at the time of the fees' original determination.
- 45.1 Fees received during the first 30 days following the due date must include an additional late fee equal to 10 percent of all fees specified on the invoice.
- 45.2 Fees received more than 30 days after the due date must include an additional late fee equal to 50 percent of all fees specified on the invoice.
- 4.1 ~~Fees received more than 30 days after the invoice due date must include a late~~

~~fee of 10 percent of the original invoiced fee.~~

(Amended 7/6/83; 6/4/86; 11/5/86; 2/15/89; 6/6/90; 7/3/91; 8/2/95; 12/2/98; 6/15/05; 6/7/06; 6/6/12)

- 3-406 Deleted June 4, 1986**
- 3-407 Deleted August 2, 1995**
- 3-408 Permit to Operate Valid for 12 Months:** A Permit to Operate is valid for 12 months from the date of issuance or other time period as approved by the APCO.  
(Amended 6/4/86; Amended 6/7/00)
- 3-409 Deleted June 7, 2000**
- 3-410 Deleted August 2, 1995**
- 3-411 Advance Deposit of Funds:** The APCO may require that at the time of the filing of an application for an Authority to Construct for a project for which the District is a lead agency under the California Environmental Quality Act (Public Resources Code, Section 21000, et seq.), the applicant shall make an advance deposit of funds, in an amount to be specified by the APCO, to cover the costs which the District estimates to incur in connection with the District's performance of its environmental evaluation and the preparation of any required environmental documentation. In the event the APCO requires such an estimated advance payment to be made, the applicant will be provided with a full accounting of the costs actually incurred by the District in connection with the District's performance of its environmental evaluation and the preparation of any required environmental documentation.  
(Adopted 12/18/85; Amended 8/2/95)
- 3-412 Deleted December 2, 1998**
- 3-413 Toxic "Hot Spots" Information and Assessment Act Revenues:** No later than 120 days after the adoption of this regulation, the APCO shall transmit to the California Air Resources Board, for deposit into the Air Toxics "Hot Spots" Information and Assessment Fund, the revenues determined by the ARB to be the District's share of statewide Air Toxics "Hot Spot" Information and Assessment Act expenses.  
(Adopted October 21, 1992)
- 3-414 Deleted December 2, 1998**
- 3-415 Failure to Pay - Further Actions:** When an applicant or owner/operator fails to pay the fees specified on the invoice by the due date, the APCO may take the following actions against the applicant or owner/operator:
- 415.1 Issuance of a Notice to Comply.
  - 415.2 Issuance of a Notice of Violation.
  - 415.3 Revocation of an existing Permit to Operate. The APCO shall initiate proceedings to revoke permits to operate for any person who is delinquent for more than one month. The revocation process shall continue until payment in full is made or until permits are revoked.
  - 415.4 The withholding of any other District services as deemed appropriate until payment in full is made.  
(Adopted 8/2/95; Amended 12/2/98; 6/15/05)
- 3-416 Adjustment of Fees:** The APCO or designees may, upon finding administrative error by District staff in the calculation, imposition, noticing, invoicing, and/or collection of any fee set forth in this rule, rescind, reduce, increase, or modify the fee. A request for such relief from an administrative error, accompanied by a statement of why such relief should be granted, must be received within two years from the date of payment.  
(Adopted October 8, 1997)
- 3-417 Temporary Amnesty for Unpermitted and Unregistered Sources:** The APCO has the authority to declare an amnesty period, during which the District may waive all or part of the back fees and/or late fees for sources that are currently operating without valid Permits to Operate and/or equipment registrations.  
(Adopted June 16, 2010)

AGENDA 9: ATTACHMENT

**SCHEDULE A  
HEARING BOARD FEES<sup>1</sup>**

Established by the Board of Directors December 7, 1977 Resolution No. 1046  
(Code section references are to the California Health & Safety Code, unless otherwise indicated)

	Large Companies	Small Business	Third Party
1. For each application for variance exceeding 90 days, in accordance with §42350, including applications on behalf of a class of applicants, which meet the requirements of the Hearing Board Rules for a valid and proper class action for variance ..... Plus, for each hearing in addition to the first hearing necessary to dispose of said variance application in accordance with §42350, the additional sum of .....	<u>\$29913,</u> <u>260</u>  <u>\$14971,</u> <u>632</u>	<u>\$4474</u> <u>87</u>  <u>\$1501</u> <u>64</u>	
2. For each application for variance not exceeding 90 days, in accordance with §42350, including applications on behalf of a class of applicants, which meet the requirements of the Hearing Board Rules for a valid and proper class action for variance ..... Plus, for each hearing in addition to the first hearing necessary to dispose of said variance application, in accordance with §42350, the additional sum of .....	<u>\$17961,</u> <u>958</u>  <u>\$89697</u> <u>7</u>	<u>\$4474</u> <u>87</u>  <u>\$1501</u> <u>64</u>	
3. For each application to modify a variance in accordance with §42356 ... Plus, for each hearing in addition to the first hearing on said application to modify a variance, in accordance with §42345, necessary to dispose of the application, the additional sum of .....	<u>\$11921,</u> <u>299</u>  <u>\$89697</u> <u>7</u>	<u>\$1501</u> <u>64</u>  <u>\$1501</u> <u>64</u>	
4. For each application to extend a variance, in accordance with §42357 .. Plus, for each hearing in addition to the first hearing on an application to extend a variance, in accordance with §42357, necessary to dispose of the application, the additional sum of .....	<u>\$11921,</u> <u>299</u>  <u>\$89697</u> <u>7</u>	<u>\$1501</u> <u>64</u>  <u>\$1501</u> <u>64</u>	
5. For each application to revoke a variance .....	<u>\$17961,</u> <u>958</u>	<u>\$1501</u> <u>64</u>	
6. For each application for approval of a Schedule of Increments of Progress in accordance with §41703.....	<u>\$11921,</u> <u>299</u>	<u>\$1501</u> <u>64</u>	
7. For each application for variance in accordance with §41703, which exceeds 90 days ..... Plus, for each hearing in addition to the first hearing on said application for variance in accordance with §41703, the additional sum of .....	<u>\$29913,</u> <u>260</u>  <u>\$14971,</u> <u>632</u>	<u>\$4474</u> <u>87</u>  <u>\$1501</u> <u>64</u>	
8. For each application for variance in accordance with §41703, not to exceed 90 days ..... Plus, for each hearing in addition to the hearing on said application for a variance in accordance with §41703, the additional sum of .....	<u>\$17961,</u> <u>958</u>  <u>\$89697</u> <u>7</u>	<u>\$4474</u> <u>87</u>  <u>\$1501</u> <u>64</u>	

	Large Companies	Small Business	Third Party
9. For each Appeal (Permit, Banking, Title V).....	<u>\$29943.26</u> 0 per hearing day	<u>\$1497</u> 1,632 per hearing day	<u>\$44971.63</u> 2 for entire appeal period
10. For each application for intervention in accordance with Hearing Board Rules §§2.3, 3.6 & 4.6.....	<u>\$14971.632</u>	<u>\$3013.28</u>	
11. For each application to Modify or Terminate an abatement order.....	<u>\$29943.26</u> 0 per hearing day	<u>\$1497</u> 1,632 per hearing day	
12. For each application for an interim variance in accordance with §42351	<u>\$14971.632</u>	<u>\$3013.28</u>	
13. For each application for an emergency variance in accordance with §42359.5 .....	<u>\$74781.4</u>	<u>\$1501.64</u>	
14. For each application to rehear a Hearing Board decision in accordance with §40861 .....	100% of previous fee charged	100% of previous fee charged	
15. Excess emission fees.....	See Attachment I	See Attachment I	
16. Miscellaneous filing fee for any hearing not covered above	<u>\$14971.632</u>	<u>\$4474.87</u>	<u>\$44748.7</u>
17. For each published Notice of Public Hearing.....	Cost of Publication	\$0	\$0
18. Court Reporter Fee (to be paid only if Court Reporter required for hearing) .....	Actual Appearance and Transcript costs per hearing solely dedicated to one Docket	\$0	Actual Appearance and Transcript costs per hearing solely dedicated to one Docket

NOTE 1 Any applicant who believes they have a hardship for payment of fees may request a fee waiver from the Hearing Board pursuant to Hearing Board Rules.  
(Amended 10/8/97; 5/19/99; 6/7/00; 6/6/01, 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)

**SCHEDULE A  
ATTACHMENT I  
EXCESS EMISSION FEE**

**A. General**

- (1) Each applicant or petitioner for a variance from these Rules and Regulations shall pay to the Clerk or Deputy Clerk of the Hearing Board, in addition to the other filing fees required in Schedule A, an emission fee based on the total weight of emissions discharged, per source or product, other than those described in division (B) below, during the variance period in excess of that allowed by these rules in accordance with the schedule set forth in Table I.
- (2) Where the total weight of emission discharged cannot be easily calculated, the petitioner shall work in concert with District staff to establish the amount of excess emissions to be paid.
- (3) In the event that more than one rule limiting the discharge of the same contaminant is violated, the excess emission fee shall consist of the fee for violation which will result in the payment of the greatest sum. For the purposes of this subdivision, opacity rules and particulate mass emissions shall not be considered rules limiting the discharge of the same contaminant.

**B. Excess Visible Emission Fee**

Each applicant or petitioner for a variance from Regulation 6 or Health and Safety Code Section 41701 shall pay to the Clerk or Deputy Clerk of the Hearing Board, in addition to the filing fees required in Schedule A and the excess emission fees required in (A) above (if any), an emission fee based on the difference between the percent opacity allowed by Regulation 6 and the percent opacity of the emissions allowed from the source or sources operating under the variance, in accordance with the schedule set forth in Table II.

In the event that an applicant or petitioner is exempt from the provisions of Regulation 6, the applicant or petitioner shall pay a fee calculated as described herein above, but such fee shall be calculated based upon the difference between the opacity allowed under the variance and the opacity allowed under the provisions of Health and Safety Code Section 41701, in accordance with the schedule set forth in Table II.

**C. Applicability**

The provisions of subdivision (A) shall apply to all variances that generate excess emissions.

**D. Fee Determination**

- (1) The excess emission fees shall be calculated by the petitioner based upon the requested number of days of operation under variance multiplied by the expected excess emissions as set forth in subdivisions (A) and (B) above. The calculations and proposed fees shall be set forth in the petition.
- (2) The Hearing Board may adjust the excess emission fee required by subdivisions (A) and (B) of this rule based on evidence regarding emissions presented at the time of the hearing.

#### **E. Small Businesses**

- (1) A small business shall be assessed twenty percent (20%) of the fees required by subdivisions (A) and (B), whichever is applicable. "Small business" is defined in the Fee Regulation.
- (2) Request for exception as a small business shall be made by the petitioner under penalty of perjury on a declaration form provided by the Executive Officer which shall be submitted to the Clerk or Deputy Clerk of the Hearing Board at the time of filing a petition for variance.

#### **F. Group, Class and Product Variance Fees**

Each petitioner included in a petition for a group, class or product variance shall pay the filing fee specified in Schedule A, and the excess emission fees specified in subdivisions (A) and (B), whichever is applicable.

#### **G. Adjustment of Fees**

If after the term of a variance for which emission fees have been paid, petitioner can establish, to the satisfaction of the Executive Officer/APCO, that emissions were actually less than those upon which the fee was based, a pro rata refund shall be made.

#### **H. Fee Payment/Variance Invalidation**

- (1) Excess emission fees required by subdivisions (A) and (B), based on an estimate provided during the variance Hearing, are due and payable within fifteen (15) days of the granting of the variance. The petitioner shall be notified in writing of any adjustment to the amount of excess emission fees due, following District staff's verification of the estimated emissions. Fee payments to be made as a result of an adjustment are due and payable within fifteen (15) days of notification of the amount due.
- (2) Failure to pay the excess emission fees required by subdivisions (A) and (B) within fifteen (15) days of notification that a fee is due shall automatically invalidate the variance. Such notification may be given by personal service or by deposit, postpaid, in the United States mail and shall be due fifteen (15) days from the date of personal service or mailing. For the purpose of this rule, the fee payment shall be considered to be received by the District if it is postmarked by the United States Postal Service on or before the expiration date stated on the billing notice. If the expiration date falls on a Saturday, Sunday, or a state holiday, the fee payment may be postmarked on the next business day following the Saturday, Sunday, or the state holiday with the same effect as if it had been postmarked on the expiration date.

**TABLE I  
SCHEDULE OF EXCESS EMISSIONS FEES**

Air Contaminants	All at <u>\$2,873.13</u> Per Pound
Organic gases, except methane and those containing sulfur	
Carbon Monoxide	
Oxides of nitrogen (expressed as nitrogen dioxide)	
Gaseous sulfur compounds (expressed as sulfur dioxide)	
Particulate matter	
Toxic Air Contaminants	All at <u>\$14,2615.54</u> Per Pound
Asbestos	
Benzene	
Cadmium	
Carbon tetrachloride	
Chlorinated dioxins and dibenzofurans (15 species)	
Ethylene dibromide	
Ethylene dichloride	
Ethylene oxide	
Formaldehyde	
Hexavalent chromium	
Methylene chloride	
Nickel	
Perchloroethylene	
1,3-Butadiene	
Inorganic arsenic	
Beryllium	
Polynuclear aromatic hydrocarbons (PAH)	
Vinyl chloride	
Lead	
1,4-Dioxane	
Trichloroethylene	

**TABLE II  
SCHEDULE OF EXCESS VISIBLE EMISSION FEE**

For each source with opacity emissions in excess of twenty percent (20%), but less than forty percent (40%) (where the source is in violation of Regulation 6, the fee is calculated as follows:

	Fee = (Opacity* equivalent - 20) x number of days allowed in variance x <u>\$3,493.48</u>
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For each source with opacity emissions in excess of forty percent (40%) (where the source is in violation of Regulation 6 and California Health and Safety Code Section 41701), the fee is calculated as follows:

	Fee = (Opacity* equivalent - 40) x number of days allowed by variance x <u>\$3,493.48</u>
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\* Where "Opacity" equals maximum opacity of emissions in percent (not decimal equivalent) allowed by the variance. Where the emissions are darker than the degree of darkness equivalent to the allowed Ringelmann number, the percentage equivalent of the excess degree of darkness shall be used as "opacity."

(Adopted 6/7/00; Amended 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07;  
5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)



**SCHEDULE B  
COMBUSTION OF FUEL**  
(Adopted June 18, 1980)

For each source that burns fuel, which is not a flare and not exempted by Regulation 2, Rule 1, the fee shall be computed based on the maximum gross combustion capacity (expressed as higher heating value, HHV) of the source.

1. INITIAL FEE: \$51,3653.93 per MM BTU/HOUR
  - a. The minimum fee per source is: \$274288
  - b. The maximum fee per source is: \$95,829100.620
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
  - a. RSF for first TAC source in application: \$446,428 plus \$51,3653.93 per MM BTU/hr
  - b. Minimum RSF for first TAC source: \$690716
  - c. RSF for each additional TAC source: \$51,3653.93 per MM BTU/hr
  - d. Minimum RSF per additional TAC source: \$274288
  - e. Maximum RSF per source is: \$95,829100.620

\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$25,6726.95 per MM BTU/HOUR
  - a. The minimum fee per source is: \$495205
  - b. The maximum fee per source is: \$47,94350.309
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.
5. ROUNDING: Fees for each source will be rounded to the nearest dollar. The fee for sources will be rounded up to the nearest dollar for 51 cents and above, and amounts 50 cents and lower will be rounded down to the nearest dollar.
6. Applicants for an authority to construct and permit to operate a project, which burns municipal waste or refuse-derived fuel, shall pay in addition to all required fees, an additional fee to cover the costs incurred by the State Department of Health Services, and/or a qualified contractor designated by the State Department of Health Services, in reviewing a risk assessment as required under H&S Code Section 42315. The fee shall be transmitted by the District to the Department of Health Services and/or the qualified contractor upon completion of the review and submission of comments in writing to the District.
7. A surcharge equal to 100% of all required initial and permit to operate fees shall be charged for sources permitted to burn one or more of the following fuels: coke, coal, wood, tires, black liquor, and municipal solid waste.

NOTE: MM BTU is million BTU of higher heat value  
One MM BTU/HR = 1.06 gigajoules/HR

(Amended 6/5/85; 6/4/86; 3/4/87; 6/6/90; 7/3/91; 6/15/94; 10/8/97; 7/1/98; 7/1/98; 5/19/99; 6/7/00; 6/6/01, 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)

**SCHEDULE C**  
**STATIONARY CONTAINERS FOR THE STORAGE OF ORGANIC LIQUIDS**  
(Adopted June 18, 1980)

For each stationary container of organic liquids which is not exempted from permits by Regulation 2 and which is not part of a gasoline dispensing facility, the fee shall be computed based on the container volume, as follows:

1. INITIAL FEE: 0.173 cents per gallon
  - a. The minimum fee per source is: \$191
  - b. The maximum fee per source is: \$26,046
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
  - a. RSF for first TAC source in application: ~~\$416-428~~ plus 0.173 cents per gallon
  - b. Minimum RSF for first TAC source: ~~\$607619~~
  - c. RSF for each additional TAC source: 0.173 cents per gallon \*
  - d. Minimum RSF per additional TAC source: \$191 \*
  - e. Maximum RSF per source is: \$26,046

\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: 0.087 cents per gallon
  - a. The minimum fee per source is: \$137
  - b. The maximum fee per source is: \$13,023
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.
5. ROUNDING: Fees for each source will be rounded to the nearest dollar. The fee for sources will be rounded up to the nearest dollar for 51 cents and above, and amounts 50 cents and lower will be rounded down to the nearest dollar.

(Amended 2/20/85; 6/5/85; 6/4/86; 7/3/91; 6/15/94; 7/1/98; 5/19/99; 6/7/00; 6/6/01  
5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/20/09; 6/16/10; 6/6/12)

**SCHEDULE D  
GASOLINE TRANSFER AT GASOLINE DISPENSING FACILITIES,  
BULK PLANTS AND TERMINALS  
(Adopted June 18, 1980)**

A. All gasoline dispensing facilities shall pay the following fees:

1. INITIAL FEE: ~~\$216-52227.35~~ \$216-52227.35 per single product nozzle (spn)  
~~\$216-52227.35~~ per product for each multi-product nozzle (mpn)
2. PERMIT TO OPERATE FEE: ~~\$82-9387.08~~ \$82-9387.08 per single product nozzle (spn)  
~~\$82-9387.08~~ per product for each multi-product nozzle (mpn)
3. Initial fees and permit to operate fees for hardware modifications at a currently permitted gasoline dispensing facility shall be consolidated into a single fee calculated according to the following formula:

$$\$299.44314.41 \times \{[(mpn_{proposed})(products\ per\ nozzle) + spn_{proposed}] - [(mpn_{existing})(products\ per\ nozzle) + spn_{existing}]\}$$

*mpn* = multi-product nozzles  
*spn* = single product nozzles

The above formula includes a toxic surcharge.

If the above formula yields zero or negative results, no initial fees or permit to operate fees shall be charged.

For the purposes of calculating the above fees, a fuel blended from two or more different grades shall be considered a separate product.

Other modifications to facilities' equipment, including but not limited to tank addition/replacement/conversion, vapor recovery piping replacement, moving or extending pump islands, will not be subject to initial fees or permit to operate fees.

4. RISK SCREENING FEE (RSF) of ~~\$416-428~~ \$416-428 per application is only applicable to projects for which a health risk screening analysis is required under Regulation 2-5-401 [including increases in permitted throughput for which a health risk screening analysis is required.]
5. Nozzles used exclusively for the delivery of diesel fuel or other fuels exempt from permits shall pay no fee. Multi-product nozzles used to deliver both exempt and non-exempt fuels shall pay fees for the non-exempt products only.

B. All bulk plants, terminals or other facilities using loading racks to transfer gasoline or gasohol into trucks, railcars or ships shall pay the following fees:

1. INITIAL FEE: ~~\$2,8442,986~~ \$2,8442,986 per single product loading arm  
~~\$2,8442,986~~ per product for multi-product arms
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
  - a. RSF for first TAC source in application: ~~\$3,2683,414~~ \$3,2683,414
  - b. RSF for each additional TAC source: ~~\$2,8442,986~~ \$2,8442,986 \*

\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: ~~\$792-832~~ \$792-832 per single product loading arm  
~~\$792-832~~ per product for multi-product arms

4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.
- C. Fees in (A) above are in lieu of tank fees. Fees in (B) above are in addition to tank fees.
- D. Fees for each source will be rounded to the nearest dollar. The fee for sources will be rounded up to the nearest dollar for 51 cents and above, and amounts 50 cents and lower will be rounded down to the nearest dollar.

(Amended 2/20/85; 6/5/85; 6/4/86; 7/3/91; 6/15/94; 10/8/97; 7/1/98; 5/19/99; 6/7/00; 6/6/01;  
5/1/02;  
5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)

**SCHEDULE E**  
**SOLVENT EVAPORATING SOURCES**  
(Adopted June 18, 1980)

For each solvent evaporating source, as defined in Section 3-210 except for dry cleaners, the fee shall be computed based on the net amount of organic solvent processed through the sources on an annual basis (or anticipated to be processed, for new sources) including solvent used for the cleaning of the sources.

1. INITIAL FEE:
  - a. The minimum fee per source is: \$476519
  - b. If usage is not more than 1,000 gallons/year: \$476519
  - c. If usage is more than 1,000 gallons/year: \$958-1,044 per 1,000 gallons
  - d. The maximum fee per source is: \$38,07941,506
  
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
  - a. RSF for first TAC source in application: \$416-428 plus initial fee
  - b. Minimum RSF for first TAC source: \$892947
  - c. RSF for each additional TAC source: equal to initial fee \*
  - d. Minimum RSF per additional TAC source: \$476-519 \*
  - e. Maximum RSF per source is: \$38,07941,506

\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
  
3. PERMIT TO OPERATE FEE:
  - a. The minimum fee per source is: \$343374
  - b. If usage is not more than 1,000 gallons/year: \$343374
  - c. If usage is more than 1,000 gallons/year: \$476-519 per 1,000 gallons
  - d. The maximum fee per source is: \$49,03820,751
  
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.
  
5. Fees for each source will be rounded to the nearest dollar. The fee for sources will be rounded up to the nearest dollar for 51 cents and above, and amounts 50 cents and lower will be rounded down to the nearest dollar.

(Amended 5/19/82; 10/17/84; 6/5/85; 6/4/86; 10/8/87; 7/3/91; 6/15/94; 7/1/98; 5/19/99; 6/7/00; 6/6/01, 5/1/02, 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)

**SCHEDULE F**  
**MISCELLANEOUS SOURCES**  
(Adopted June 18, 1980)

For each source not governed by Schedules B, C, D, E, H or I, (except for those sources in the special classification lists, G-1 - G-5) the fees are:

1. INITIAL FEE: \$412441
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
  - a. RSF for first TAC source in application: \$828869
  - b. RSF for each additional TAC source: \$412441 \*

\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$299320
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1. List of special classifications requiring graduated fees is shown in Schedules G-1, G-2, G-3, G-4, and G-5.

G-1 FEES FOR SCHEDULE G-1. For each source in a G-1 classification, fees are:

1. INITIAL FEE: \$2,5882,821
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
  - a. RSF for first TAC source in application: \$3,0043,249
  - b. RSF for each additional TAC source: \$2,5882,821 \*

\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$1,2921,408
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

G-2 FEES FOR SCHEDULE G-2. For each source in a G-2 classification, fees are:

1. INITIAL FEE: \$3,4173,725
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
  - a. RSF for first TAC source in application: \$3,8334,153
  - b. RSF for each additional TAC source: \$3,4173,725 \*

\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$1,7071,861
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate

fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

G-3 FEES FOR SCHEDULE G-3. For each source in a G-3 classification, fees are:

1. INITIAL FEE: \$21,61323,558
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
  - a. RSF for first TAC source in application: \$22,02923,986
  - b. RSF for each additional TAC source: \$21,61323,558 \*  
\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$10,80511,777
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

G-4 FEES FOR SCHEDULE G-4. For each source in a G-4 classification, fees are:

1. INITIAL FEE: \$49,702
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
  - a. RSF for first TAC source in application: \$50,14830
  - b. RSF for each additional TAC source: \$49,702 \*  
\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$24,850
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

G-5 FEES FOR SCHEDULE G-5. For each source in a G-5 classification, fees are:

1. INITIAL FEE: \$46,06448,367
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
  - a. RSF for first TAC source in application: \$46,48048,795
  - b. RSF for each additional TAC source: \$46,06448,367 \*  
\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
3. PERMIT TO OPERATE FEE: \$23,03124,183
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

(Amended 5/19/82; 6/5/85; 6/4/86; 6/6/90; 7/3/91; 6/15/94; 10/8/97; 7/1/98; 5/19/99; 6/7/00; 6/6/01;

5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)



**SCHEDULE G-1**  
(Adopted June 18, 1980)

<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
Asphalt Roofing Manufacturing – Asphalt Dipping	Asphalt Roofing or Related Materials
Calcining Kilns, excluding those processing cement, lime, or coke (see G-4 for cement, lime, or coke Calcining Kilns)	Any Materials except cement, lime, or coke
Chemical Manufacturing, Inorganic – Processing Units with a Capacity of 1000 Gallons/Hour or more	Any Inorganic Materials
Chemical Manufacturing, Inorganic – Processing Units with a Capacity of 5 Tons/Hour or more	Any Inorganic Materials
Chemical Manufacturing, Inorganic – Reactors with a Capacity of 1000 Gallons or more	Any Inorganic Materials
Chemical Manufacturing, Organic – Latex Dipping	Any latex materials
Chemical Manufacturing, Organic – Processing Units with a Capacity of 1000 Gallons/Hour or more	Any Organic Materials
Chemical Manufacturing, Organic – Processing Units with a Capacity of 5 Tons/Hour or more	Any Organic Materials
Chemical Manufacturing, Organic – Reactors with a Capacity of 1000 Gallons or more	Any Organic Materials
Compost Operations – Windrows, Static Piles, Aerated Static Piles, In-Vessel, or similar methods	Any waste materials such as yard waste, food waste, agricultural waste, mixed green waste, bio-solids, animal manures, etc.
Crushers	Any minerals or mineral products such as rock, aggregate, cement, concrete, or glass; waste products such as building or road construction debris; and any wood, wood waste, green waste; or similar materials
Electroplating Equipment	Hexavalent Decorative Chrome with permitted capacity greater than 500,000 amp-hours per year or Hard Chrome

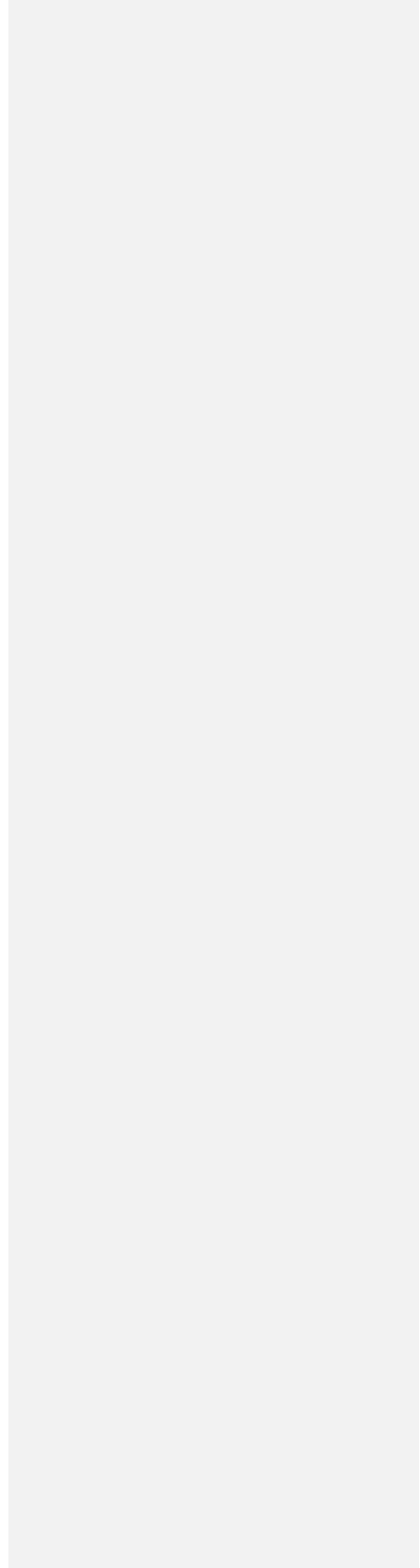
<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
Foil Manufacturing – Any Converting or Rolling Lines	Any Metal or Alloy Foils
Galvanizing Equipment	Any
Glass Manufacturing – Batching Processes including storage and weigh hoppers or bins, conveyors, and elevators	Any Dry Materials
Glass Manufacturing – Mixers	Any Dry Materials
Glass Manufacturing – Molten Glass Holding Tanks	Any molten glass
Grinders	Any minerals or mineral products such as rock, aggregate, cement, concrete, or glass; waste products such as building or road construction debris; and any wood, wood waste, green waste; or similar materials
Incinerators – Crematory	Human and/or animal remains
Incinerators – Flares	Any waste gases
Incinerators – Other (see G-2 for hazardous or municipal solid waste incinerators, see G-3 for medical or infectious waste incinerators)	Any Materials except hazardous wastes, municipal solid waste, medical or infectious waste
Incinerators – Pathological Waste (see G-3 for medical or infectious waste incinerators)	Pathological waste only
Loading and/or Unloading Operations – Bulk Plants and Bulk Terminals, excluding those loading gasoline or gasohol (see Schedule D for Bulk Plants and Terminals loading gasoline or gasohol)	Any Organic Materials except gasoline or gasohol
Petroleum Refining – Alkylation Units	Any Hydrocarbons
Petroleum Refining – Asphalt Oxidizers	Any Hydrocarbons
Petroleum Refining – Benzene Saturation Units/Plants	Any Hydrocarbons
Petroleum Refining – Catalytic Reforming Units	Any Hydrocarbons
Petroleum Refining – Chemical Treating Units including alkane, naphthenic acid, and naptha merox treating, or similar processes	Any Hydrocarbons
Petroleum Refining – Converting Units including Dimersol Plants, Hydrocarbon Splitters, or similar processes	Any Hydrocarbons
Petroleum Refining – Distillation Units,	Any Hydrocarbons

<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
excluding crude oil units with capacity > 1000 barrels/hour (see G-3 for > 1000 barrels/hour crude distillation units)	
Petroleum Refining – Hydrogen Manufacturing	Hydrogen or Any Hydrocarbons
Petroleum Refining – Hydrotreating or Hydrofining	Any Hydrocarbons
Petroleum Refining – Isomerization	Any Hydrocarbons
Petroleum Refining – MTBE Process Units/Plants	Any Hydrocarbons
Petroleum Refining – Sludge Converter	Any Petroleum Waste Materials
Petroleum Refining – Solvent Extraction	Any Hydrocarbons
Petroleum Refining – Sour Water Stripping	Any Petroleum Process or Waste Water
Petroleum Refining – Storage (enclosed)	Petroleum Coke or Coke Products
Petroleum Refining – Waste Gas Flares (not subject to Regulation 12, Rule 11)	Any Petroleum Refining Gases
Petroleum Refining – Miscellaneous Other Process Units	Any Hydrocarbons
Remediation Operations, Groundwater – Strippers	Contaminated Groundwater
Remediation Operations, Soil – Any Equipment	Contaminated Soil
Spray Dryers	Any Materials
Sterilization Equipment	Ethylene Oxide
Wastewater Treatment, Industrial – Oil-Water Separators, excluding oil-water separators at petroleum refineries (see G-2 for Petroleum Refining - Oil-Water Separators)	Wastewater from any industrial facilities except petroleum refineries
Wastewater Treatment, Industrial – Strippers including air strippers, nitrogen strippers, dissolved air flotation units, or similar equipment and excluding strippers at petroleum refineries (see G-2 for Petroleum Refining – Strippers)	Wastewater from any industrial facilities except petroleum refineries
Wastewater Treatment, Industrial - Storage Ponds, excluding storage ponds at petroleum refineries (see G-2 for Petroleum Refining – Storage Ponds)	Wastewater from any industrial facilities except petroleum refineries
Wastewater Treatment, Municipal – Preliminary Treatment	Municipal Wastewater
Wastewater Treatment, Municipal – Primary Treatment	Municipal Wastewater
Wastewater Treatment, Municipal – Digesters	Municipal Wastewater

Equipment or Process Description	Materials Processed or Produced
Wastewater Treatment, Municipal – Sludge Handling Processes, excluding sludge incinerators (see G-2 for sludge incinerators)	Sewage Sludge

(Amended 6/4/86; 6/6/90; 5/19/99; 6/7/00; 6/2/04; 6/15/05)

AGENDA 9: ATTACHMENT



**SCHEDULE G-2**  
(Adopted June 6, 1990)

<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
Asphalt Roofing Manufacturing – Asphalt Blowing	Asphalt Roofing or Related Materials
Asphaltic Concrete Manufacturing – Aggregate Dryers	Any Dry Materials
Asphaltic Concrete Manufacturing – Batch Mixers	Any Asphaltic Concrete Products
Asphaltic Concrete Manufacturing – Drum Mixers	Any Asphaltic Concrete Products
Asphaltic Concrete Manufacturing – Other Mixers and/or Dryers	Any Dry Materials or Asphaltic Concrete Products
Concrete or Cement Batching Operations – Mixers	Any cement, concrete, or stone products or similar materials
Furnaces – Electric	Any Mineral or Mineral Product
Furnaces – Electric Induction	Any Mineral or Mineral Product
Furnaces – Glass Manufacturing	Soda Lime only
Furnaces – Reverberatory	Any Ores, Minerals, Metals, Alloys, or Related Materials
Incinerators – Hazardous Waste including any unit required to have a RCRA permit	Any Liquid or Solid Hazardous Wastes
Incinerators – Solid Waste, excluding units burning human/animal remains or pathological waste exclusively (see G-1 for Crematory and Pathological Waste Incinerators)	Any Solid Waste including Sewage Sludge (except human/animal remains or pathological waste)
Metal Rolling Lines, excluding foil rolling lines (see G-1 for Foil Rolling Lines)	Any Metals or Alloys
Petroleum Refining – Stockpiles (open)	Petroleum Coke or coke products only
Petroleum Refining, Wastewater Treatment – Oil-Water Separators	Wastewater from petroleum refineries only
Petroleum Refining, Wastewater Treatment – Strippers including air strippers, nitrogen strippers, dissolved air flotation units, or similar equipment	Wastewater from petroleum refineries only
Petroleum Refining, Wastewater Treatment – Storage Ponds	Wastewater from petroleum refineries only
Pickling Lines or Tanks	Any Metals or Alloys
Sulfate Pulping Operations – All Units	Any
Sulfite Pulping Operations – All Units	Any

(Amended June 7, 2000)

**SCHEDULE G-3**  
(Adopted June 18, 1980)

<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
Furnaces – Electric Arc	Any Metals or Alloys
Furnaces – Electric Induction	Any Metals or Alloys
Incinerators – Medical Waste, excluding units burning pathological waste exclusively (see G-1 for Pathological Waste Incinerators)	Any Medical or Infectious Wastes
Loading and/or Unloading Operations – Marine Berths	Any Organic Materials
Petroleum Refining – Cracking Units including hydrocrackers and excluding thermal or fluid catalytic crackers (see G-4 for Thermal Crackers and Catalytic Crackers)	Any Hydrocarbons
Petroleum Refining – Distillation Units (crude oils) including any unit with a capacity greater than 1000 barrels/hour (see G-1 for other distillation units)	Any Petroleum Crude Oils
Phosphoric Acid Manufacturing – All Units (by any process)	Phosphoric Acid

(Amended 5/19/82; Amended and renumbered 6/6/90; Amended 6/7/00; 6/15/05; 5/2/07)

**SCHEDULE G-4**  
(Adopted June 6, 1990)

<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
Acid Regeneration Units	Sulfuric or Hydrochloric Acid only
Annealing Lines (continuous only)	Metals and Alloys
Calcining Kilns (see G-1 for Calcining Kilns processing other materials)	Cement, Lime, or Coke only
Fluidized Bed Combustors	Solid Fuels only
Nitric Acid Manufacturing – Any Ammonia Oxidation Processes	Ammonia or Ammonia Compounds
Petroleum Refining - Coking Units including fluid cokers, delayed cokers, flexicokers, and coke kilns	Petroleum Coke and Coke Products
Petroleum Refining - Cracking Units including fluid catalytic crackers and thermal crackers and excluding hydrocrackers (see G-3 for Hydrocracking Units)	Any Hydrocarbons
Petroleum Refining - Sulfur Removal including any Claus process or any other process requiring caustic reactants	Any Petroleum Refining Gas
Sulfuric Acid Manufacturing – Any Chamber or Contact Process	Any Solid, Liquid or Gaseous Fuels Containing Sulfur

(Amended June 7, 2000)



**SCHEDULE G-5**

<b>Equipment or Process Description</b>	<b>Materials Processed or Produced</b>
Petroleum Refinery Flares (subject to Regulation 12, Rule 11)	Any Petroleum Vent Gas (as defined in section 12-11-210 and section 12-12-213)

(Adopted May 2, 2007)

**SCHEDULE H**  
**SEMICONDUCTOR AND RELATED OPERATIONS**  
(Adopted May 19, 1982)

All of the equipment within a semiconductor fabrication area will be grouped together and considered one source. The fee shall be as indicated:

1. INITIAL FEE:

- a. The minimum fee per source is: \$416453
- b. The maximum fee per source is: \$33,26936,263

The initial fee shall include the fees for each type of operation listed below, which is performed at the fabrication area:

- c. SOLVENT CLEANING OPERATIONS, such as usage of:  
Solvent Sinks (as defined in Regulation 8-30-214);  
Solvent Spray Stations (as defined in Regulation 8-30-221);  
Solvent Vapor Stations (as defined in Regulation 8-30-222); and  
Wipe Cleaning Operation (as defined in Regulation 8-30-225).

The fee is based on the gross throughput of organic solvent processed through the solvent cleaning operations on an annual basis (or anticipated to be processed, for new sources):

- i. If gross throughput is not more than 3,000 gallons/year: \$416453
- ii. If gross throughput is more than 3,000 gallons/year: \$281-306 per 1,000 gallon

- d. COATING OPERATIONS, such as application of:

Photoresist (as defined in Regulation 8-30-215); other wafer coating;  
Solvent-Based Photoresist Developer (as defined in Regulation 8-30-219); and other miscellaneous solvent usage.

The fee is based on the gross throughput of organic solvent processed through the coating operations on an annual basis (or anticipated to be processed, for new sources):

- i. If gross throughput is not more than 1,000 gallons/year: \$416453
- ii. If gross throughput is more than 1,000 gallons/year: \$836-911 per 1,000 gallon

2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.

- a. RSF for first TAC source in application: \$416-428 plus initial fee
- b. Minimum RSF for first TAC source: \$832881
- c. RSF for each additional TAC source: equal to initial fee \*
- d. Minimum RSF per additional TAC source: \$416453 \*
- e. Maximum RSF per source is: \$33,26936,263

\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1

3. PERMIT TO OPERATE FEE:

- a. The minimum fee per source is: \$301328
- b. The maximum fee per source is: \$16,63218,129

The permit to operate fee shall include the fees for each type of operation listed below, which is performed at the fabrication area:

c. SOLVENT CLEANING OPERATIONS, such as usage of:

Solvent Sinks (as defined in Regulation 8-30-214);  
Solvent Spray Stations (as defined in Regulation 8-30-221);  
Solvent Vapor Stations (as defined in Regulation 8-30-222); and  
Wipe Cleaning Operation (as defined in Regulation 8-30-225).

The fee is based on the gross throughput of organic solvent processed through the solvent cleaning operations on an annual basis (or anticipated to be processed, for new sources):

- i. If gross throughput is not more than 3,000 gal/year: \$304,328
- ii. If gross throughput is more than 3,000 gallons/year: \$144,154 per 1,000 gallon

d. COATING OPERATIONS, such as application of:

Photoresist (as defined in Regulation 8-30-215); other wafer coating;  
Solvent-Based Photoresist Developer (as defined in Regulation 8-30-219); and other  
miscellaneous solvent usage.

The fee is based on the gross throughput of organic solvent processed through the coating operations on an annual basis (or anticipated to be processed, for new sources):

- i. If gross throughput is not more than 1,000 gal/year: \$304,328
- ii. If gross throughput is more than 1,000 gallons/year: \$446,453 per 1,000 gallon

4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.

5. The fee for each source will be rounded to the whole dollar. Fees for sources will be rounded up to the nearest dollar for 51 cents and above, and amounts 50 cents and lower will be rounded down to the nearest dollar.

(Amended 1/9/85; 6/5/85; 6/4/86; 7/3/91; 6/15/94; 10/8/97; 7/1/98; 5/19/99; 10/20/99; 6/7/00; 6/6/01; 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)

**SCHEDULE I  
 DRY CLEANERS**  
 (Adopted July 6, 1983)

For dry cleaners, the fee shall be computed based on each cleaning machine, except that machines with more than one drum shall be charged based on each drum, regardless of the type or quantity of solvent, as follows:

1. INITIAL FEE FOR A DRY CLEANING MACHINE (per drum):
  - a. If the washing or drying capacity is no more than 100 pounds: \$427448
  - b. If the washing or drying capacity exceeds 100 pounds: \$427,448 plus  
 For that portion of the capacity exceeding 100 pounds: \$12.7613.40 per pound
  
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
  - a. RSF for first TAC source in application: \$416,428 plus initial fee
  - b. Minimum RSF for first TAC source: \$843876
  - c. RSF for each additional TAC source: equal to initial fee \*
  - d. Minimum RSF per additional TAC source: \$427448 \*

\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
  
3. PERMIT TO OPERATE FEE FOR A DRY CLEANING MACHINE (per drum):
  - a. If the washing or drying capacity is no more than 100 pounds: \$310326
  - b. If the washing or drying capacity exceeds 100 pounds: \$310,326 plus  
 For that portion of the capacity exceeding 100 pounds: \$6.416.73 per pound
  
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.
  
5. Fees for each source will be rounded to the nearest dollar. The fee for sources will be rounded up to the nearest dollar for 51 cents and above, and amounts 50 cents and lower will be rounded down to the nearest dollar.  
 (Amended 10/17/84; 6/5/85; 6/4/86; 7/3/91; 6/15/94; 10/8/97; 7/1/98; 5/19/99; 6/7/00; 6/6/01; 5/1/02; 5/21/03; 6/02/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)

**SCHEDULE K  
SOLID WASTE DISPOSAL SITES**  
(Adopted July 15, 1987)

1. INITIAL FEE:
  - a. Landfill (Decomposition Process) \$2,8533.110
  - b. Active Landfill (Waste and Cover Material Dumping Process) \$4,4271.555
  - c. Active Landfill (Excavating, Bulldozing, and Compacting Processes) \$4,4271.555
  
2. RISK SCREENING FEE (RSF) is only applicable for new and modified sources of toxic air contaminants (TACs) for which a health risk screening analysis is required under Regulation 2-5-401.
  - a. RSF for first TAC source in application: \$416.428 plus initial fee
  - b. RSF for each additional TAC source: equal to initial fee \*

\* RSF for additional TAC sources is only applicable to those sources that emit one or more TACs at a rate that exceeds a trigger level listed in Table 2-5-1
  
3. PERMIT TO OPERATE FEE:
  - a. Landfill (Decomposition Process) \$4,4271.555
  - b. Active Landfill (Waste and Cover Material Dumping Process) \$743777
  - c. Active Landfill (Excavating, Bulldozing, and Compacting Processes) \$743777
  
4. TOXIC SURCHARGE is only applicable for a source that emits one or more TACs at a rate that exceeds a chronic trigger level listed in Table 2-5-1: the permit to operate fee shall be raised by ten percent. This fee shall not be assessed for TACs not listed in Table 2-5-1.
  
5. Evaluation of Reports and Questionnaires:
  - a. Evaluation of Solid Waste Air Assessment Test Report as required by Health & Safety Code Section 41805.5(g) \$4,5731.715
  - b. Evaluation of Inactive Site Questionnaire as required by Health & Safety Code Section 41805.5(b) \$789860
  - c. Evaluation of Solid Waste Air Assessment Test Report in conjunction with evaluation of Inactive Site Questionnaire as required by Health & Safety Code Section 41805.5(b) \$789860
  - d. Evaluation of Initial or Amended Design Capacity Reports as required by Regulation 8, Rule 34, Section 405 \$579631
  - e. Evaluation of Initial or Periodic NMOC Emission Rate Reports as required by Regulation 8, Rule 34, Sections 406 or 407 \$4,6591.808
  - f. Evaluation of Closure Report as required by Regulation 8, Rule 34, Section 409 \$579631
  - g. Evaluation of Annual Report as required by Regulation 8, Rule 34, Section 411 \$4,4521.583
  
6. Fees for each source will be rounded off to the nearest dollar. The fee for sources will be rounded up or down to the nearest dollar.
  
7. For the purposes of this fee schedule, landfill shall be considered active, if it has accepted solid waste for disposal at any time during the previous 12 months or has plans to accept solid waste for disposal during the next 12 months.  
(Amended 7/3/91; 6/15/94; 10/8/97; 7/1/98; 5/19/99; 10/6/99; 6/7/00; 6/6/01; 5/1/02; 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)

**SCHEDULE L**  
**ASBESTOS OPERATIONS**  
(Adopted July 6, 1988)

1. Asbestos Operations conducted at single family dwellings are subject to the following fees:
  - a. OPERATION FEE: \$142155 for amounts 100 to 500 square feet or linear feet.  
\$523570 for amounts 501 square feet or linear feet to 1000 square feet or linear feet.  
\$764829 for amounts 1001 square feet or linear feet to 2000 square feet or linear feet.  
\$40451,139 for amounts greater than 2000 square feet or linear feet.
  - b. Cancellation: \$6975 of above amounts non-refundable for notification processing.
2. Asbestos Operations, other than those conducted at single family dwellings, are subject to the following fees:
  - a. OPERATION FEE: \$403439 for amounts 100 to 159 square feet or 100 to 259 linear feet or 35 cubic feet  
\$584633 for amounts 160 square feet or 260 linear feet to 500 square or linear feet or greater than 35 cubic feet.  
\$845921 for amounts 501 square feet or linear feet to 1000 square feet or linear feet.  
\$1,2471,359 for amounts 1001 square feet or linear feet to 2500 square feet or linear feet.  
\$1,7771,937 for amounts 2501 square feet or linear feet to 5000 square feet or linear feet.  
\$2,4392,659 for amounts 5001 square feet or linear feet to 10000 square feet or linear feet.  
\$31033,382 for amounts greater than 10000 square feet or linear feet.
  - b. Cancellation: \$494208 of above amounts non-refundable for notification processing.
3. Demolitions (including zero asbestos demolitions) conducted at a single-family dwelling are subject to the following fee:
  - a. OPERATION FEE: \$6975
  - b. Cancellation: \$6975 (100% of fee) non-refundable, for notification processing.
4. Demolitions (including zero asbestos demolitions) other than those conducted at a single family dwelling are subject to the following fee:
  - a. OPERATION FEE: \$286312
  - b. Cancellation: \$494208 of above amount non-refundable for notification processing.
5. Asbestos operations with less than 10 days prior notice (excluding emergencies) are subject to the following additional fee:
  - a. OPERATION FEE: \$476519
6. Asbestos demolition operations for the purpose of fire training are exempt from fees.
7. Floor mastic removal using mechanical buffers and solvent is subject to the following fee:
  - a. OPERATION FEE: \$286312
  - b. Cancellation: \$494208 of above amount non-refundable for notification processing.

Amended 9/5/90; 1/5/94; 8/20/97; 10/7/98; 7/19/00; 8/1/01; 6/5/02; 7/2/03; 6/2/04; 6/6/07; 5/21/08; 5/20/09; 6/16/10; 6/15/11; 6/6/12

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**SCHEDULE M**  
**MAJOR STATIONARY SOURCE FEES**  
(Adopted June 6, 1990)

For each major stationary source emitting 50 tons per year or more of Organic Compounds, Sulfur Oxides, Nitrogen Oxides, and/or PM<sub>10</sub>, the fee shall be based on the following:

- |    |                   |                  |
|----|-------------------|------------------|
| 1. | Organic Compounds | \$105.81 per ton |
| 2. | Sulfur Oxides     | \$105.81 per ton |
| 3. | Nitrogen Oxides   | \$105.81 per ton |
| 4. | PM <sub>10</sub>  | \$105.81 per ton |

Emissions calculated by the APCO shall be based on the data reported for the most recent 12-month period prior to billing. In calculating the fee amount, emissions of Organic Compounds, Sulfur Oxides, Nitrogen Oxides, or PM<sub>10</sub>, if occurring in an amount less than 50 tons per year, shall not be counted.

(Amended 7/3/91; 6/15/94; 7/1/98; 5/9/99; 6/7/00; 6/6/01, 5/1/02, 5/21/03; 6/2/04;  
6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10)

**SCHEDULE N  
TOXIC INVENTORY FEES**  
(Adopted October 21, 1992)

For each stationary source emitting substances covered by California Health and Safety Code Section 44300 *et seq.*, the Air Toxics "Hot Spots" Information and Assessment Act of 1987, which have trigger levels listed in Table 2-5-1, a fee based on the weighted emissions of the facility shall be assessed based on the following formulas:

1. A fee of \$5 for each gasoline product dispensing nozzle in the facility, if the facility is a Gasoline Dispensing Facility; or
2. A fee of \$82 if the facility has emissions in the current Toxic Emissions Inventory which are greater than or equal to 50 weighted pounds per year and less than 1000 weighted pounds per year; or
3. A fee of \$82 +  $S_L \times (w_j - 1000)$  if the facility has emissions in the current Toxic Emissions Inventory which are greater than or equal to 1000 weighted pounds per year;

where the following relationships hold:

$w_i$  = facility weighted emissions for facility  $j$ ; where the weighted emission for the facility shall be calculated as a sum of the individual emissions of the facility multiplied by either the inhalation cancer potency factor (CPF, in kilogram-day/milligram) for the substance times 28.6 if the emission is a carcinogen, or by the reciprocal of the inhalation chronic reference exposure level (REL<sub>c</sub>) for the substance (in cubic meters/microgram) if the emission is not a carcinogen [use CPF and REL as listed in Table 2-5-1]:

$w_j$  = Facility Weighted Emission =  $\sum_{i=1}^n E_i * Q_i$  where

$n$  = number of toxic substances emitted by facility  
 $E_i$  = amount of substance  $i$  emitted by facility in lbs/year  
 $Q_i$  = 28.6 \* CPF, if  $i$  is a carcinogen; or  
 $Q_i$  = [REL]<sup>-1</sup>, if  $i$  is not a carcinogen

$F_T$  = Total amount of fees to be collected by the District to cover District and State of California AB 2588 costs as most recently adopted by the Board of Directors of the California Environmental Protection Agency, Air Resources Board, and set out in the most recently published "Amendments to the Air Toxics "Hot Spots" Fee Regulation," published by that agency.

$N_L$  = Number of facilities with emissions in current District Toxic Emissions Inventory greater than 1000 weighted pounds per year.

$N_S$  = Number of facilities with emissions in current District Toxic Emissions Inventory greater than 50 weighted pounds per year and less than 1000 weighted pounds per year.

$N_{NOZ}$  = Number of gasoline-product-dispensing nozzles in currently permitted Gasoline Dispensing Facilities.

$S_L$  = Surcharge per pound of weighted emissions for each pound in excess of 1000 weighted pounds per year, where  $S_L$  is given by the following formula:

$$S_L = \frac{F_T - (82 \times N_S) - (82 \times N_L) - (5 \times N_{NOZ})}{\sum_{j=1}^{N_L} (w_j - 1000)}$$

(Amended 12/15/93; 6/15/05; 5/2/07; 6/16/10; 5/4/11)



**SCHEDULE P**  
**MAJOR FACILITY REVIEW FEES**  
(Adopted November 3, 1993)

1. MFR / SYNTHETIC MINOR ANNUAL FEES

Each facility, which is required to undergo major facility review in accordance with the requirements of Regulation 2, Rule 6, shall pay annual fees (1a and 1b below) for each source holding a District Permit to Operate. These fees shall be in addition to and shall be paid in conjunction with the annual renewal fees paid by the facility. However, these MFR permit fees shall not be included in the basis to calculate Alternative Emission Control Plan (bubble) or toxic air contaminant surcharges. If a major facility applies for and obtains a synthetic minor operating permit, the requirement to pay the fees in 1a and 1b shall terminate as of the date the APCO issues the synthetic minor operating permit.

- a. MFR SOURCE FEE .....\$~~497-542~~ per source
- b. MFR EMISSIONS FEE..... \$~~19-6021.36~~ per ton of regulated air pollutants emitted

Each MFR facility and each synthetic minor facility shall pay an annual monitoring fee (1c below) for each pollutant measured by a District-approved continuous emission monitor or a District-approved parametric emission monitoring system.

- c. MFR/SYNTHETIC MINOR MONITORING FEES\$~~4,9775.425~~ per monitor per pollutant

2. SYNTHETIC MINOR APPLICATION FEES

Each facility that applies for a synthetic minor operating permit or a revision to a synthetic minor operating permit shall pay application fees according to 2a and either 2b (for each source holding a District Permit to Operate) or 2c (for each source affected by the revision). If a major facility applies for a synthetic minor operating permit prior to the date on which it would become subject to the annual major facility review fee described above, the facility shall pay, in addition to the application fee, the equivalent of one year of annual fees for each source holding a District Permit to Operate.

- a. SYNTHETIC MINOR FILING FEE ..... \$~~693-755~~ per application
- b. SYNTHETIC MINOR INITIAL PERMIT FEE ..... \$~~486-530~~ per source
- c. SYNTHETIC MINOR REVISION FEE..... \$~~486-530~~ per source modified

3. MFR APPLICATION FEES

Each facility that applies for or is required to undergo: an initial MFR permit, an amendment to an MFR permit, a minor or significant revision to an MFR permit, a reopening of an MFR permit or a renewal of an MFR permit shall pay, with the application and in addition to any other fees required by this regulation, the applicable fees according to 3a-h below. The fees in 3b and 3g apply to each source in the initial or renewal permit, while the fees in 3d-f apply to each source affected by the revision or reopening.

- a. MFR FILING FEE ..... \$~~693-755~~ per application
- b. MFR INITIAL PERMIT FEE..... \$~~674-731~~ per source
- c. MFR ADMINISTRATIVE AMENDMENT FEE ..... \$~~196-214~~ per application
- d. MFR MINOR REVISION FEE ..... \$~~984-1,073~~ per source modified
- e. MFR SIGNIFICANT REVISION FEE ..... \$~~1,8362,001~~ per source modified
- f. MFR REOPENING FEE ..... \$~~602-656~~ per source modified
- g. MFR RENEWAL FEE..... \$~~292-318~~ per source

Each facility that requests a permit shield or a revision to a permit shield under the provisions of Regulation 2, Rule 6 shall pay the following fee for each source (or group of sources, if the requirements for these sources are grouped together in a single table in the MFR permit) that is

covered by the requested shield. This fee shall be paid in addition to any other applicable fees.

h. MFR PERMIT SHIELD FEE ..... \$1,0361,129 per shielded source or group of sources

4. MFR PUBLIC NOTICE FEES

Each facility that is required to undergo a public notice related to any permit action pursuant to Regulation 2-6 shall pay the following fee upon receipt of a District invoice.

MFR PUBLIC NOTICE FEE ..... Cost of Publication

5. MFR PUBLIC HEARING FEES

If a public hearing is required for any MFR permit action, the facility shall pay the following fees upon receipt of a District invoice.

a. MFR PUBLIC HEARING FEE ..... Cost of Public Hearing not to exceed \$10,968

b. NOTICE OF PUBLIC HEARING FEE ..... Cost of distributing Notice of Public Hearing

6. POTENTIAL TO EMIT DEMONSTRATION FEE

Each facility that makes a potential to emit demonstration under Regulation 2-6-312 in order to avoid the requirement for an MFR permit shall pay the following fee:

a. PTE DEMONSTRATION FEE ..... \$118-129 per source, not to exceed \$11,64312,691

(Amended 6/15/94; 10/8/97; 7/1/98; 5/19/99; 6/7/00; 6/6/01; 5/1/02, 5/21/03; 6/2/04; 6/15/05; 6/7/06; 5/2/07; 5/21/08; 5/20/09; 6/16/10; 5/4/11; 6/6/12)

**SCHEDULE Q**  
**EXCAVATION OF CONTAMINATED SOIL AND**  
**REMOVAL OF UNDERGROUND STORAGE TANKS**  
(Adopted January 5, 1994)

1. Persons excavating contaminated soil or removing underground storage tanks subject to the provisions of Regulation 8, Rule 40, Section 401, 402, 403 or 405 are subject to the following fee:
  - a. OPERATION FEE: \$157  
(Amended 7/19/00; 8/1/01; 6/5/02; 7/2/03; 6/2/04; 6/6/07; 5/21/08; 5/20/09; 6/16/10; 6/15/11; 6/6/12)

**SCHEDULE R  
EQUIPMENT REGISTRATION FEES**

1. Persons operating commercial cooking equipment who are required to register equipment as required by District rules are subject to the following fees:
  - a. Conveyorized Charbroiler REGISTRATION FEE: \$421-459 per facility
  - b. Conveyorized Charbroiler ANNUAL RENEWAL FEE: \$117-128 per facility
  - c. Under-fired Charbroiler REGISTRATION FEE: \$421-459 per facility
  - d. Under-fired Charbroiler ANNUAL RENEWAL FEE: \$117-128 per facility
  
2. Persons operating non-halogenated dry cleaning equipment who are required to register equipment as required by District rules are subject to the following fees:
  - a. Dry Cleaning Machine REGISTRATION FEE: \$240229
  - b. Dry Cleaning Machine ANNUAL RENEWAL FEE: \$446159
  
3. Persons operating diesel engines who are required to register equipment as required by District or State rules are subject to the following fees:
  - a. Diesel Engine REGISTRATION FEE: \$144154
  - b. Diesel Engine ANNUAL RENEWAL FEE: \$94102
  - c. Diesel Engine ALTERNATIVE COMPLIANCE PLAN FEE (for each plan submitted under District Regulation 11-17-402): \$144154
  
4. Persons operating boilers, steam generators and process heaters who are required to register equipment by District Regulation 9-7-404 are subject to the following fees:
  - a. Each facility operating a boiler, steam generator or process heater subject to Regulation 9-7-404  
REGISTRATION FEE \$496-541 per facility
  - b. Each boiler, steam generator or process heater subject to Regulation 9-7-404, after the first  
REGISTRATION FEE \$59-64 per device
  - c. ANNUAL RENEWAL FEE: \$65-71 per device
  
5. Persons owning or operating graphic arts operations who are required to register equipment by District Regulation 8-20-408 are subject to the following fees:
  - a. REGISTRATION FEE: \$252275
  - b. ANNUAL RENEWAL FEE: \$158172
  
6. Persons owning or operating mobile refinishing operations who are required to register by District Regulation 8-45-4 are subject to the following fees:
  - a. REGISTRATION FEE \$117128
  - b. ANNUAL RENEWAL FEE \$7076  
(Adopted 7/6/07; Amended 12/5/07; 5/21/08; 7/30/08; 11/19/08; 12/3/08; 5/20/09; 6/16/10; 6/15/11; 6/6/12)

**SCHEDULE S**  
**NATURALLY OCCURRING ASBESTOS OPERATIONS**

1. ASBESTOS DUST MITIGATION PLAN PROCESSING FEE:

Any person submitting an Asbestos Dust Mitigation Plan (ADMP) for review of a Naturally Occurring Asbestos (NOA) project shall pay the following fee (including NOA Discovery Notifications which would trigger an ADMP review): \$348,379

2. AIR MONITORING PROCESSING FEE:

NOA projects requiring an Air Monitoring component as part of the ADMP approval are subject to the following fee in addition to the ADMP fee: \$3,090,368

3. INSPECTION FEE:

The owner of any property for which an ADMP is required shall pay fees to cover the costs incurred by the District after July 1, 2012 in conducting inspections to determine compliance with the ADMP on an ongoing basis. Inspection fees shall be invoiced by the District on a quarterly basis, and at the conclusion of dust generating activities covered under the ADMP, based on the actual time spent in conducting such inspections, and the following time and materials rate: \$90-98 per hour

(Adopted 6/6/07; Amended 5/21/08; 5/20/09; 6/16/10; 6/15/11; 6/6/12)

**SCHEDULE T  
GREENHOUSE GAS FEES**

For each permitted facility emitting greenhouse gases, the fee shall be based on the following:

1. Carbon Dioxide Equivalent (CDE) Emissions \$0.048 per metric ton

Emissions calculated by the APCO shall be based on the data reported for the most recent 12-month period prior to billing. The annual emissions of each greenhouse gas (GHG) listed below shall be determined by the APCO for each permitted (i.e., non-exempt) source. For each emitted GHG, the CDE emissions shall be determined by multiplying the annual GHG emissions by the applicable Global Warming Potential (GWP) value. The GHG fee for each facility shall be based on the sum of the CDE emissions for all GHGs emitted by the facility, except that no fee shall be assessed for emissions of biogenic carbon dioxide.

**Direct Global Warming Potential Relative to Carbon Dioxide\***

GHG	GWP**
Carbon Dioxide	1
Methane	21
Nitrous Oxide	310
HCFC-22	1,500
HCFC-123	90
HCFC-124	470
HCFC-142b	1,800
HFC-23	11,700
HFC-32	650
HFC-125	2,800
HFC-134a	1,300
HFC-143a	3,800
HFC-152a	140
HFC-227ea	2,900
HFC-236fa	6,300
HFC-43-10-mee	1,300
PFC-14	6,500
PFC-116	9,200
PFC-218	7,000
PFC-318	8,700
PFC-3-1-10	7,000
PFC-5-1-14	7,400
Sulfur Hexafluoride	23,900

\* Source: Intergovernmental Panel on Climate Change (Second Assessment Report: Climate Change 1995).

\*\* GWPs compare the integrated radiative forcing over a specified period (i.e., 100 years) from a unit mass pulse emission to compare the potential climate change associated with emissions of different GHGs.

(Adopted 5/21/08; Amended 5/20/09; 6/16/10)

**SCHEDULE U  
INDIRECT SOURCE REVIEW FEES**

The applicant for any project deemed an indirect source pursuant to District rules shall be subject to the following fees:

1. APPLICATION FILING FEE

When an applicant files an Air Quality Impact Assessment as required by District rules, the applicant shall pay a non-refundable Application Filing Fee as follows:

- |  |       |
|--|-------|
| a. Residential project:                  | \$560 |
| b. Non-residential or mixed use project: | \$836 |

2. APPLICATION EVALUATION FEE

Every applicant who files an Air Quality Impact Assessment as required by District rules shall pay an evaluation fee for the review of an air quality analysis and the determination of Offsite Emission Reduction Fees necessary for off-site emission reductions. The Application Evaluation fee will be calculated using the actual staff hours expended and the prevailing weighted labor rate. The Application Filing fee, which assumes eight hours of staff time for residential projects and twelve hours of staff time for non-residential and mixed use projects, shall be credited towards the actual Application Evaluation Fee.

3. OFFSITE EMISSION REDUCTION FEE

(To be determined)

(Adopted 5/20/09; Amended 6/16/10)

**SCHEDULE V  
OPEN BURNING**

1. Any prior notification required by Regulation 5, Section 406 is subject to the following fee:

a. OPERATION FEE: \$98

b. The operation fee paid as part of providing notification to the District prior to burning will be determined for each property, as defined in Regulation 5, Section 217, and will be valid for one year from the fee payment date when a given fire is allowed, as specified in Regulation 5, Section 401 for the following fires:

<b>Regulation 5 Section – Fire</b>	<b>Burn Period</b>
401.1 - Disease and Pest	January 1 – December 31
401.2 - Crop Replacement <sup>1</sup>	October 1 – April 30
401.3 - Orchard Pruning and Attrition <sup>2</sup>	November 1 – April 30
401.4 - Double Cropping Stubble	June 1 – August 31
401.6 - Hazardous Material <sup>1</sup>	January 1 – December 31
401.7 - Fire Training	January 1 – December 31
401.8 - Flood Debris	October 1 – May 31
401.9 - Irrigation Ditches	January 1 – December 31
401.10 - Flood Control	January 1 – December 31
401.11 - Range Management <sup>1</sup>	July 1 – April 30
401.12 - Forest Management <sup>1</sup>	November 1 – April 30
401.14 - Contraband	January 1 – December 31

<sup>1</sup> Any Forest Management fire, Range Management fire, Hazardous Material fire not related to Public Resources Code 4291, or any Crop Replacement fire for the purpose of establishing an agricultural crop on previously uncultivated land, that is expected to exceed 10 acres in size or burn piled vegetation cleared or generated from more than 10 acres is defined in Regulation 5, Section 213 as a type of prescribed burning and, as such, is subject to the prescribed burning operation fee in Section 3. below.

<sup>2</sup> Upon the determination of the APCO that heavy winter rainfall has prevented this type of burning, the burn period may be extended to no later than June 30.

c. Any person who provided notification required under Regulation 5, Section 406, who seeks to burn an amount of material greater than the amount listed in that initial notification, shall provide a subsequent notification to the District under Regulation 5, Section 406 and shall pay an additional open burning operation fee prior to burning.

2. Any Marsh Management fire conducted pursuant to Regulation 5, Section 401.13 is subject to the following fee, which will be determined for each property by the proposed acreage to be burned:

a. OPERATION FEE:	\$350	for 50 acres or less
	\$475	for more than 50 acres but less than or equal to 150 acres
	\$600	for more than 150 acres

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b. The operation fee paid for a Marsh Management fire will be valid for a Fall or Spring burning period, as specified in Regulation 5, Subsection 401.13. Any burning subsequent to either of these time periods shall be subject to an additional open burning operation fee.

3. Any Wildland Vegetation Management fire (prescribed burning) conducted pursuant to Regulation 5, Section 401.15 is subject to the following fee, which will be determined for each prescribed burning project by the proposed acreage to be burned:

a. OPERATION FEE:     \$425   for 50 acres or less  
                              \$575   for more than 50 acres but less than or equal to 150  
  acres  
                              \$750   for more than 150 acres

b. The operation fee paid for a prescribed burn project will be valid for the burn project approval period, as determined by the District. Any burning subsequent to this time period shall be subject to an additional open burning operation fee.

4. Any Filmmaking fire conducted pursuant to Regulation 5, Section 401.16 and any Public Exhibition fire conducted pursuant to Regulation 5, Section 401.17 is subject to the following fee:

a. OPERATION FEE:     \$505

b. The operation fee paid for a Filmmaking or Public Exhibition fire will be valid for the burn project approval period, as determined by the District. Any burning subsequent to this time period shall be subject to an additional open burning operation fee.

5. Any Stubble fire conducted pursuant to Regulation 5, Section 401.5 that requires a person to receive an acreage burning allocation prior to ignition is subject to the following fee, which will be determined for each property by the proposed acreage to be burned:

a. OPERATION FEE:     \$250   for 25 acres or less  
                              \$350   for more than 25 acres but less than or equal to 75 acres  
                              \$425   for more than 75 acres but less than or equal to 150  
  acres  
                              \$500   for more than 150 acres

b. The operation fee paid for a Stubble fire will be valid for one burn period, which is the time period beginning September 1 and ending December 31, each calendar year. Any burning subsequent to this time period shall be subject to an additional open burning operation fee.

6. All fees paid pursuant to Schedule V are non-refundable.

7. All fees required pursuant to Schedule V must be paid before conducting a fire.

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BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## **STAFF REPORT**

### **PROPOSED AMENDMENTS TO BAAQMD REGULATION 5: Open Burning APPENDIX C PROPOSED REGULATORY LANGUAGE**

*DRAFT*

**APRIL 29, 2013**

**REGULATION 5**  
**OPEN BURNING**

**Proposed New Reference in Regulation 5 Index:**

5-411 Open Burning Fees

**Proposed New Section in Regulation 5**

**5-411 Open Burning Fees:** Notification, smoke management plans, acreage burning allocations, and petitions as required by the provisions in this regulation will be subject to the fees contained in Regulation 3, Schedule V.

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