

Air Quality Update

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AMENDMENT'S TO CARB'S GREENHOUSE GAS MANDATORY REPORTING REGULATION

On July 15th, 2011, the California Air Resources Board (CARB) held a public workshop to discuss further amendments to the Greenhouse Gas Mandatory Reporting Regulation (GHG MRR). The proposed amendments were posted on July 25th, 2011 and were available for comment through August 11th, 2011. These revisions further address outstanding issues from the December 16th, 2010 CARB Board Meeting where CARB approved the amendments to the GHG MRR. These proposed amendments will go to the CARB Board for their approval no later than the October 20th, 2011 Board Meeting.

The December 16th, 2010 amendments to the GHG MRR decrease the entity reporting threshold from 25,000 metric tons (MT) of CO₂ to 10,000 MT of carbon dioxide equivalent (CO₂e) and adds fuel suppliers (suppliers of transportation fuels, suppliers of natural gas, natural gas liquids, and liquefied petroleum gas) and suppliers of carbon dioxide. The changes expand the categories required to report emissions to coincide with the U.S EPA GHG MRR and eliminate the reporting requirements for fugitive methane emissions from livestock waste, landfills, and agricultural irrigation pumps. To limit reporting of transportation fuels to those resulting in emissions in California, the regulation would require reporting by

fuel owners at terminal racks and refineries, along with importers of petroleum products and biofuels.

The amended regulation also includes requirements for emissions reporting by facilities in the oil and gas exploration and production sector. The amended GHG MRR no longer requires power plants and cogeneration facilities emitting between 2,500 and 10,000 metric tons of CO₂e to submit a report. Some industrial sectors, such as cement, glass production, nitric acid production, and refineries, would also report their process emissions, which occur from chemical or other non-combustion activities. The CO₂ emissions from biomass-derived fuels would be counted toward reporting thresholds, but separately identified during reporting to facilitate their exclusion (in most cases) from a cap and trade compliance obligation. The December 2010 amendments are scheduled to go in effect in 2012 for reporting 2011 GHG emissions.

The July 15th, 2011 proposed amendments to the GHG MRR delay the reporting requirements for facilities emitting between 10,000 and 25,000 MT of CO₂e to June 1st, 2013 for reporting 2012 GHG emissions. In addition, the reporting requirements for the petroleum and natural gas were modified to harmonize with the U.S. EPA GHG Reporting Rule for the Oil and Natural Gas Systems (Subpart W). There were also changes to include language to specify which source categories in the U.S EPA GHG MRR are excluded from reporting under CARB GHG MRR (i.e., electronics manufacturing, coal

mines, lead production, fluorinated gas production, etc.). Language was added to reporting requirements for biomass fuels and to specify the accuracy requirements for fuel measurements.

Air Quality Tip...

When you are providing information for air permitting, be cautious about the information you provide! That information will be used to develop the emissions and permit conditions. For instance, process throughputs, operational hours, outputs, fuel usage rates, etc. are likely to end up on the permit as limits. Generally, it is best to permit for maximum operational flexibility by providing well thought out operating parameters that still meet the regulatory requirement.

Upcoming Training Offered by UCI or Yorke Engineering:

- Bay Area Air Quality Permitting and Compliance Seminar: October 4th, 2011
<http://www.yorkeengr.com/classes.htm>
- UCI AB32 and US EPA GHG Reporting and Permitting: Fall 2011
<https://unex.uci.edu/courses>
(under Environmental Management)

Upcoming Due Dates:

- Title V – SAM; Every 6 months, due 30 days after reporting period
- Title V – Compliance Cert.; annually, due 30 days after reporting period
- See Boiler dates on back page
- SB-14 (DTSC report) 9/1
- Title V – Application for Permit Renewal due 180 days prior to permit expiration.

BAY AREA AQMD RULE CHANGES ADOPTED

For full details on rule development calendar go to:

<http://www.baaqmd.gov/Divisions/Planning-and-Research/Rule-Development/Regulatory-Calendar.aspx>

- Regulation 9, Rule 7: *Nitrogen Oxides and Carbon Monoxide from Industrial, Institutional and Commercial Boilers, Steam Generators and Process Heaters* - The rule was amended to extend some compliance dates for new and

existing devices rated between 2 and 10 MMBtu/hr, extend the stack gas temperature limit compliance dates for two years, simplify the certification process, and allow additional certification methods to be established for new, natural gas-fired devices. The new emission limits and compliance dates are summarized in the table below.

This summary only highlights some of the amendments of Regulation 9, Rule 7. A copy of the complete rule can be found at:

<http://www.baaqmd.gov/~media/Files/Planning%20and%20Research/Rules%20and%20Regs/reg%2009/r0907.ashx?la=en>

- Regulation 1: *General Provisions and Definitions* New and Modified Stationary Source Review – This rule was amended to clarify that equipment subject to permit requirements is exempt from registration.
- Regulation 11, Rule 17: *Limited Use Stationary Compression Ignition (Diesel) Engines in Agricultural Use*. - This new rule applies to stationary compression ignition (diesel) engines used in agricultural operations with greater than 50 HP rating that operate within the district. The rule requires these engines to either comply with the Stationary Compression Ignition Engine Airborne Toxic Control Measure (ATCM) or comply with an Alternative Compliance Plan (ACP), provided that the engine meets the low-use ACP engine criteria. Engines approved for APC may continue to operate for an extended period. Below is the proposed extended deadline for ACP approved engines:

Table 1 Regulation 9 Rule 7 – Final Emission Limits

Emission Limit	Rated Heat Input (MMBtu/hr)	Fuel	NO _x Limit (ppmv, dry at 3% oxygen)	CO Limit (ppmv, dry at 3% oxygen)
7-307.1	>2 to 5	gaseous, except landfill or digester gas	30	400
7-307.2	>5 to <10		15	400
7-307.3	10 to <20		15	400
7-307.4	20 or more, load-following unit		15	400
7-307.5	20 to <75		9	400
7-307.6	75 or more		5	400
7-307.7	1 or more	landfill or digester gas	30	400
7-307.8	1 or more	non-gaseous	40	400
7-307.9	1 or more	multiple-fuels	Heat-input weighted average limit	400

Engine Tier	Compliance Deadline
Tier 0	December 31, 2020
Tier 1	December 31, 2020
Tier 2	December 31, 2025

Request for an ACP must be submitted to BAAQMD through the District's Agricultural Diesel Engine Registration Program after July 1, 2011, and by December 31, 2011.

Table 2 Regulation 9 Rule 7 –Compliance Schedule

Applicable NOX Limit	At least 33% at a single facility	At least 66% at a single facility	At least 100% at a single facility
7-307.1 7-307.2	Effective Date: January 1, 2013	One year after Effective Date	Two years after Effective Date
7-307.3 thru .6	Effective Date: January 1, 2012	One year after Effective Date	Two years after Effective Date
7-307.7 7-307.8 7-307.9	Effective Date: January 1, 2013 for devices with rated input < 10 MMBtu/hr; July 30, 2008 for devices with rated input ≥ 10 MMBtu/hr	One year after Effective Date	Two years after Effective Date