

11/24/2010 12:53 PM

DRAFT

MEETING, DECEMBER 3, 2010

A meeting of the South Coast Air Quality Management District Board will be held at 9:00 a.m., in the Auditorium at AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California.

The agenda and documents in the agenda packet will be made available upon request in appropriate alternative formats to assist persons with a disability. Disability-related accommodations will also be made available to allow participation in the Board meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please telephone the Clerk of the Boards Office at (909) 396-2500 from 7:00 a.m. to 5:30 p.m. Tuesday through Friday.

All documents (i) constituting non-exempt public records, (ii) relating to an item on the agenda, and (iii) having been distributed to at least a majority of the Governing Board after the agenda is posted, are available prior to the meeting for public review at the South Coast Air Quality Management District Clerk of the Boards Office, 21865 Copley Drive, Diamond Bar, CA 91765.

Please note: This is a draft agenda and is subject to change.

CALL TO ORDER

- Pledge of Allegiance

- Opening Comments: William A. Burke, Ed.D., Chair
Other Board Members
Barry R. Wallerstein, D. Env., Executive Officer

- Recognize Employees with Twenty-Five, Thirty, Thirty-Five and Forty Years of Service **Burke**

Staff/Phone (909) 396-

CONSENT CALENDAR (Items 1 through 24)

Note: Consent Calendar items held for discussion will be moved to Item No. 25

1. Approve Minutes of November 5, 2010 Board Meeting **McDaniel/2500**

2. Set Public Hearing January 7, 2011 to Consider Amendments and/or Adoption to AQMD Rules and Regulations **Wallerstein/3131**

Adopt Proposed Rule 1315 – Federal New Source Review Tracking System

Proposed Rule 1315 was developed to maintain AQMD's ability to issue permits to major sources that require offsets, but obtain offset credits from the AQMD's Priority Reserve under Rule 1309.1 and/or that are exempt from offsets under AQMD Rule 1304 through December 31, 2030. The rule will also memorialize in rule form the procedures to be followed to both establish the equivalency of AQMD's NSR program with federal NSR offset requirements for such major sources and demonstrate that sufficient emission reductions, including previously-untracked emission reductions, exist beyond regulatory requirements under federal law to be used as offset credits to establish that AQMD's NSR program is equivalent with federal NSR offset requirements for those major sources. The rule includes provisions designed to ensure equivalency with federal offset requirements is achieved and additional backstop provisions to ensure the actual impacts of implementing the proposed rule do not exceed the impacts analyzed in the CEQA process. (Reviewed: Stationary Source Committee, November 19, 2010)

Budget/Fiscal Impact

3. Execute Contract for Consulting Services on Transportation and Goods Movement Strategies **Abarca/3242**

At the September 10, 2010 meeting, the Board approved the release of an RFP to solicit qualified firms to represent and advise AQMD on goods movement and broader transportation issues involving air quality. The Board has placed a high priority on addressing mobile source emission reductions from the transportation sector. Three responses were received from this solicitation and reviewed by a panel. This action is to execute a contract with Germania Governmental Services Corporation for consultation regarding transportation and goods movement strategies for a one-year period, beginning January 2011, with options for two one-year extensions, upon satisfactory performance, at the Board's discretion. Total expenditures for the contract shall be up to \$100,000 for the initial one-year period. (Reviewed: Administrative Committee, November 12, 2010; Less than a quorum was present; the Committee Members present expressed their concurrence that this item be recommended for approval by the Board.)

4. Amend Existing Contracts for Legislative Representation in Washington, D.C. **Wallerstein/3131**

The current contracts for legislative and regulatory representation in Washington D.C. will expire on January 14, 2011 for Kadesh & Associates, LLC and on December 31, 2010 for B&D Consulting. Staff is satisfied with their performance and continued representation in Washington, D.C. is necessary to further AQMD policy positions at the federal level. The current contracts have an option for two one-year extensions. This action is to approve the first one-year extension of the existing contracts for legislative and regulatory consulting services in Washington, D.C. for Calendar Year 2011. Total contract amounts for Kadesh & Associates and for B&D Consulting is proposed to be the current contract amounts plus a Consumer Price Index increase. (Reviewed: Legislative Committee, November 12, 2010; Recommended for Approval)

5. Amend Contracts for Legislative Representation in Sacramento, California **Wallerstein/3131**

The current contracts for legislative representation in Sacramento expire on December 31, 2010 for Joe A. Gonsalves & Son, Gonzalez Public Affairs, and Sloat Higgins Jensen & Associates. Staff is satisfied with their performance and continued representation in Sacramento is necessary to further AQMD policy positions at the state level. The current contracts have options for two one-year extensions. This action is to approve the first one-year extension of the existing contracts for legislative consulting services in Sacramento for Calendar Year 2011. Total contract amounts for Joe A. Gonsalves & Son, Gonzalez Public Affairs, and for Sloat Higgins Jensen & Associates are proposed to be the current contract amounts plus a Consumer Price Index increase. (Reviewed: Legislative Committee, November 12, 2010; Recommended for Approval)

6. **Reappropriate Funds from Undesignated Fund Balance to Executive Office FY 2010-11 Budget for Activities Relating to AQMD's CBS-2 TV Weather Sponsorship** **Atwood/3687**

On March 5, 2010, the Board approved AQMD's sponsorship of air quality forecasts during news weather segments on CBS-2 TV in an amount not to exceed \$66,300. The sponsorship began May 24 and continued through August 2010. Funding for the sponsorship was included in the FY 2009-10 Budget, but activities relating to contract execution with CBS-2 TV went beyond the FY 2009-10 Budget year and left these funds unspent. Subsequently, the unspent funds reverted to the Undesignated Balance Fund. This action is to reappropriate \$66,300 from the Undesignated Balance Fund to the Executive Office FY 2010-11 Budget for the CBS-2 TV weather sponsorship as originally approved by the Board. (Reviewed: Administrative Committee, November 12, 2010; Recommended for Approval)

7. **Amend Contract with Cordoba Corporation to Add Four Air Quality Institute Briefings and Issue RFP for Continuation of AQI in 2011** **Ganguli/3185**

Since January 2006, the Board has authorized the implementation of several Air Quality Institute (AQI) programs to disseminate information and educate community, business and industry leaders and elected officials on air quality issues. On January 8, 2010, the Board approved the continued implementation of the AQI program through a contract with the Cordoba Corporation that expires on January 31, 2011. This action is to amend the existing contract with Cordoba Corporation to implement an additional four (4) AQI briefings to be completed by June 2011, at a cost not to exceed \$68,000, and to also issue an RFP to select a contractor to continue the AQI program for a one-year period at a cost not to exceed \$135,300, with options for two one-year extensions, upon satisfactory performance, at the Board's discretion. (Reviewed: Administrative Committee, November 12, 2010; Recommended for Approval)

8. **Establish List of Prequalified Vendors to Provide Automotive Mechanical Repair and Service for AQMD's Fleet Vehicles** **Johnson/3018**

On July 9, 2010, the Board approved release of an RFQ for automotive mechanical repair and service for AQMD's vehicle fleet. This action is to establish a list of prequalified vendors that will be used for the next three years to purchase these services and supplies. Funding has been included in the FY 2010-11 Budget, and will be requested in successive fiscal years. (Reviewed: Administrative Committee, November 12, 2010; Recommended for Approval)

9. **Modify HEROS II Program Elements and Execute Sole Source Contract to Implement HEROS II, Sign Memorandum of Agreement to Assist Implementation of Unocal Settlement Program, Recognize Revenues and Adopt Resolution to Implement AB 118 Enhanced Fleet Modernization Program, and Reimburse the Carl Moyer Fund from the Clean Fuels Fund** **Hogo/3184**

There is a need to modify the original Phase II High Emitter Repair or Scrap (HEROS) Program as approved by the Board on October 2, 2009. This action is to 1) rescind the prior contract awards and to execute a sole source contract with the Foundation for California Community Colleges in an amount not to exceed \$668,410 and rescind prior allocation of \$1,900,000 from AB 923 Fund, 2) create the HEROS II Special Revenue Fund, and 3) transfer \$1,866,240 from Moyer Fund 32, \$56,915 from the AB 923 Fund, and \$189,855 from the Clean Fuels Fund to the HEROS II Special Revenue Fund to implement Phase II HEROS. CARB has requested the AQMD to implement the AB 118 Enhanced Fleet Modernization Program. This action is to adopt a resolution to recognize up to \$2,708,000 for the implementation of the vehicle replacement voucher component of the Enhanced Fleet Modernization Program. Lastly, this action is to reimburse the Carl Moyer Fund with \$308,339 from the Clean Fuels Fund to cover administrative costs from the first HEROS Program. (Reviewed: Technology Committee, November 19, 2010; Recommended for Approval)

10. **Execute Contracts for In-Use Emissions Testing and Demonstration of Retrofit Technology of On-Road Heavy-Duty Engines** **Miyasato/3249**

In July 2010, the Board released an RFP to conduct in-use emissions testing of on-road heavy-duty engines, and based on these emissions tests, develop and evaluate the performance and emission-reduction potential of retrofit technology for control of on-road heavy-duty engines. Three proposals were received in response to the RFP. This action is to award contracts to West Virginia University and the University of California, Riverside to conduct the in-use testing, at a total cost not to exceed \$1,424,484 from the Clean Fuels Program Fund. (Reviewed: Technology Committee, November 19, 2010; Recommended for Approval)

11. **Execute Contract for Expansion of Hydrogen Fueling Infrastructure** **Miyasato/3249**

On October 21, 2010, the California Energy Commission released a Notice of Proposed Award recommending funding for eight projects that will develop hydrogen fueling infrastructure within the South Coast Air Basin. Additional funds are needed to offset high initial costs and investment for production and distribution of hydrogen for these projects. The eight stations are strategically located and will play a significant role by providing hydrogen in Southern California in areas with high vehicle densities. This action is to execute a contract with Air Products and Chemicals, Inc., in an amount not to exceed \$1,000,000 from the Clean Fuels Fund for expansion of hydrogen fueling infrastructure. (Reviewed: Technology Committee, November 19, 2010; Recommended for Approval)

12. **Change Funding Source in Carl Moyer Program and SOON Provision Contracts and Awards Between AB 923 and SB 1107 Funds** **Liu/2105**

The Carl Moyer Program and the SOON Provision projects funded either with the Carl Moyer Program SB 1107 or AB 923 funds are all evaluated under the same criteria, and AB 923 funds may be used as match to SB 1107 funds. After consultations with CARB it was agreed that marine vessel and locomotive projects funded with AB 923 funds should instead be funded with on- and off-road projects using SB 1107 funds so that all the projects funded with AB 923 funds can be claimed as match. This action is to change the Funding Source in selected Carl Moyer and SOON Program awards and contracts between the Carl Moyer Program AB 923 funding and SB 1107 funding to meet the program's match funding requirement. (Reviewed: Technology Committee, November 19, 2010; Recommended for Approval)

13. **Recognize Funds, Approve School Bus Replacement Grants and Issue Program Announcement for School Bus Retrofits** **Liu/2105**

U.S. EPA has awarded \$1,065,465 to the AQMD for assistance with school bus replacement projects. Furthermore, AQMD has now received the remaining balance of the Proposition 1B-School Bus Program funds. These actions are to recognize funds from the U.S. EPA, approve awards for 128 CNG and 18 propane school bus replacements in an amount not to exceed \$23,769,072 from the Proposition 1B and the AB 923 funds and to issue a Program Announcement to provide funding assistance for retrofit of school buses with PM trap filters. (Reviewed: Technology Committee, November 19, 2010; Recommended for Approval)

14. Recognize Funds and Approve Additional Truck Projects under Proposition 1B - Goods Movement Program **Liu/2105**

CARB has informed the AQMD that additional "Year 1" Proposition 1B-Goods Movement Program funds are available from the Ports' drayage trucks grant. All the project contracts with these funds must be fully executed by the end of this year. These actions are to recognize the additional funds and approve truck replacement projects with the remaining balance of the "Year 1" Proposition 1B-Goods Movement Program funds. (No Committee Review; Ongoing item previously approved to go directly to the Board.)

15. Renew AQMD's Membership in CaFCP for Calendar Year 2011, Provide Office Space for CaFCP, and Receive and File California Fuel Cell Partnership Steering Team Meeting Summary and Quarterly Update **Liu/2105**

The AQMD has been a member of the California Fuel Cell Partnership (CaFCP) since March 17, 2000. This action is to renew AQMD's membership in the CaFCP in an amount not to exceed \$87,800 for calendar year 2011 and cofund 50 percent of the CaFCP Regional Coordinator position located at the AQMD, in addition to office space and utilities, in an amount not to exceed \$50,000. Further actions are to continue providing in-kind office space and utilities for CaFCP employees in 2011 in an effort to educate the public and increase CaFCP's presence in Southern California. Finally, this action is to receive and file the CaFCP Steering Team Meeting Summary and Quarterly Update. (Reviewed: Technology Committee, November 19, 2010; Recommended for Approval)

16. Execute Sole Source Contract to Purchase and Implement Contact Database of E-mail Addresses **Marlia/3148**

To communicate in a more interactive, cost-effective and time-sensitive manner with residents in the AQMD's jurisdiction, staff proposes to contract for an initial database of more than 900,000 contacts including e-mail addresses. CHMB Consulting Firm has the requisite knowledge, skills and experience for this effort, as they are proprietors of, and have invested substantial efforts into amassing and reviewing the information in the existing database. Categories included in the database would facilitate targeted contact with educators, health professionals, small business owners, advocates and supporters of environmental issues, and other core groups that might have interest in AQMD issues and activities. This action is to execute a sole source contract with CHMB Consulting Firm to purchase a database in an amount not to exceed \$100,000, and for consulting services for the implementation and other technical services in an additional amount not to exceed \$20,000. (Reviewed: Stationary Source Committee, November 19, 2010; Recommended for Approval)

17. Approve Issuance of RFP for Development, Hosting and Maintenance of New Website and Approve Work Program Elements for FY 2010-11 AB 2766 Discretionary Fund Work Program **Winterbottom**

The MSRC approved the elements and funding allocations totaling more than \$22 million for its FY 2010-11 AB 2766 Discretionary Work Program as well as an RFP for one element of the Work Program. The MSRC seeks AQMD Board approval of the FY 2010-11 Work Program elements as well as issuance of one RFP for a new website at this time. Additional solicitations will be brought forward for approval in the near future. (Reviewed: Mobile Source Air Pollution Reduction Review Committee, November 18, 2010; Recommended for Approval)

Items 18 through 24 -- Information Only/Receive and File

18. Legislative & Public Affairs Report **Abarca/3242**

This report highlights the October 2010 outreach activities of Legislative & Public Affairs, which include Environmental Justice Update, Community Events/Public Meetings, Business Assistance, and Outreach to Business and Federal, State and Local Government. (No Committee Review)

19. Hearing Board Report **Camarena/2500**

This reports the action taken by the Hearing Board during the period of October 1 through October 31, 2010. (No Committee Review)

20. Civil Filings and Civil Penalties Report **Wiese/3460**

This reports the monthly penalties from September 1 through September 30, 2010, and legal actions filed by the District Prosecutor during October 1 through October 31, 2010. An Index of District Rules is attached with the penalty report. (No Committee Review)

21. Rule and Control Measure Forecast **Chang/3186**

This report highlights AQMD rulemaking activity and public workshops potentially scheduled for the year 2011. (No Committee Review)

22. **Lead Agency Projects and Environmental Documents Received by AQMD** **Chang/3186**

This report provides, for the Board's consideration, a listing of CEQA documents received by the AQMD between October 1, 2010 and October 31, 2010, and those projects for which the AQMD is acting as lead agency pursuant to CEQA. (Reviewed: Mobile Source Committee, November 19, 2010)

23. **Annual Audited Financial Statements for FY Ended June 30, 2010** **O'Kelly/2828**

This agenda item transmits the annual audited financial statements of the AQMD. The AQMD has received an unqualified opinion (the highest obtainable) on its financial statements. (Reviewed: Administrative Committee, November 12, 2010)

24. **Status Report on Major Projects for Information Management Scheduled to Start During First Six Months of FY 2010-11** **Marlia/3148**

Information Management is responsible for data systems management services in support of all AQMD operations. This action is to provide the monthly status report on major automation contracts and projects to be initiated by Information Management during the first six months of FY 2010-11. (No Committee Review)

25. **Items Deferred from Consent Calendar**

BOARD CALENDAR

26. **Administrative Committee (Receive & File)** **Chair: Burke** **Wallerstein/3131**

27. **Investment Oversight Committee (Receive & File)** **Chair: Antonovich** **O'Kelly/2828**

28. **Legislative Committee** **Chair: Carney** **Abarca/3242**

The Committee deliberated on agenda items for Board consideration and recommended the following action:

Agenda Item

2011 Legislative Goals & Objectives

Recommended Action

Will be Approved through approval of this Committee Report

- | | | | |
|-----|---|---------------------------|---------------|
| 29. | Mobile Source Committee (Receive & File) | Chair: Loveridge | Chang/3186 |
| 30. | Stationary Source Committee (Receive & File) | Chair: Yates | Nazemi/2662 |
| 31. | Technology Committee (Receive & File) | Chair: Gonzales | Liu/2105 |
| 32. | Mobile Source Air Pollution Reduction Review Committee (Receive & File) | Board Liaison: Antonovich | Hogo/3184 |
| 33. | California Air Resources Board Monthly Report (Receive & File) | Board Rep: Loveridge | McDaniel/2500 |

PUBLIC HEARINGS

- | | | |
|-----|--|----------------|
| 34. | Amend Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents | Tisopulos/3123 |
|-----|--|----------------|

The amendment will propose an exemption for artist solvents and thinners that will make the rule more consistent with the state consumer products regulation by: (1) exempting artist solvents and thinners that are properly labeled and sold in containers that are one liter or less from applicable VOC limits; (2) defining artist solvents and thinners; (3) making changes to the rule to clarify that all exempt products shall be subject to recordkeeping and reporting; and (4) making changes to the rule to clarify that the sell-through provisions for the final VOC limit do not apply to products that do not meet the interim VOC limit. The proposed amendment will result in 114 pounds of VOC emission reductions foregone per day. This action is to adopt the resolution: 1) Certifying the Final Supplemental Environmental Assessment for Proposed Amended Rule 1143; and 2) Amending Rule 1143. (Reviewed: Stationary Source Committee, October 15, 2010)

35. Amend Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems, and Adopt Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems

Tisopulos/3123

The proposed amendments to Rule 1415 expand the scope of the rule to include provisions for reducing emissions of high global warming potential refrigerants utilized in stationary air conditioning systems and other administrative changes. Staff is also proposing a new rule, Rule 1415.1, to incorporate provisions for reducing emissions of certain high global warming potential refrigerants that will be consistent with CARBs statewide rule for stationary refrigeration systems. The proposed new rule will consolidate all other emission control requirements for stationary refrigeration systems currently in Rule 1415. This action is to adopt the resolution: 1) Certifying the Final Environmental Assessment for the proposed rules; 2) Amending Rule 1415; and 3) Adopting Rule 1415.1. (Reviewed: Stationary Source Committee, November 19, 2010)

PUBLIC COMMENT PERIOD – (Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3)

BOARD MEMBER TRAVEL – (No Written Material)

Board member travel reports have been filed with the Clerk of the Boards, and copies are available upon request.

CLOSED SESSION - (No Written Material)

Wiese/3460

It is necessary for the Board to recess to closed session pursuant to Government Code section 54956.9(a) to confer with its counsel regarding pending litigation which has been initiated formally and to which the District is a party. The actions are:

- NRDC, et al. v. SCAQMD, et al., U.S. District Court Case No. CV08-05403 GW (PLAx) and United States Court of Appeals, 9th Circuit, Case No. 09-57064;
- CCAT, et al. v. State of California; SCAQMD, et al., Los Angeles Superior Court Case No. BS124264 and California Court of Appeal, Second District, Case No. B226692;
- Petition Before the Administrator of the U.S. Environment Protection Agency In the Matter of Alleged Failure of California to Comply with Mandatory Procedures to Amend SIP Regarding Internal Bank Offset Credits Held by the South Coast Air Quality Management District (filed December 10, 2009);

- NPCA v. SCAQMD, Court of Appeal, 4th Appellate District, Division Three, Case No. G040122 and Supreme Court of California Case No. S177823;
- Association of American Railroads, et al. v. SCAQMD, et al., U. S. District Court Case No. CV06-1416 JFW (PLAx) and United States Court of Appeals, 9th Circuit, Case No. 07-55804;
- W.M. Barr & Company, Inc. v. SCAQMD, Los Angeles Superior Court Case No. BS127359;
- Southern California Gas Company v. SCAQMD, Los Angeles Superior Court Case No. BS122004;
- Communities for a Better Environment v. South Coast Air Quality Management District, et al., Los Angeles Superior Court Case No. BS091275, and Carlos Valdez, et al. v. South Coast Air Quality Management District, et al., Los Angeles Superior Court Case No. BS091276, Court of Appeal of the State of California Case No. B193500, and Supreme Court of California Case No. S161190;
- Voices of the Wetlands v. California State Water Resources Control Board, et al., California Supreme Court, Case No. S160211;
- Robert Sarvey v. North Coast Unified Air Quality Management District, et al., Humboldt Superior Court, Case No. CV 100303;
- South Coast Air Quality Management District v. Rimpo & Associates, Los Angeles Superior Court Case No. BC432208;
- Natural Resources Defense Council, et al. v. EPA, United States Court of Appeals, 9th Circuit, Case No. 08-72288;
- Pacific Merchant Shipping Association v. Goldstene, United States District Court, Eastern, Case No. 09-01151, U.S. Court of Appeals, 9th Circuit, Case No. 09-17765; and
- Neenah Enterprises, Inc., et al, United States Bankruptcy Court for the District of Delaware, Case No. 10-10360 (MFW) [Neenah Enterprises is the parent of Gregg Industries].

It is also necessary for the Board to recess to closed session under Government Code section 54956.9(c) to consider initiation of litigation (two cases).

ADJOURNMENT

*****PUBLIC COMMENTS*****

Members of the public are afforded an opportunity to speak on any listed item before or during consideration of that item. Please notify the Clerk of the Board, (909) 396-2500, if you wish to do so. All agendas are posted at AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the meeting. At the end of the agenda, an opportunity is also provided for the public to speak on any subject within the AQMD's authority. Speakers may be limited to three (3) minutes each.

Note that on items listed on the Consent Calendar and the balance of the agenda any motion, including action, can be taken (consideration is not limited to listed recommended actions). Additional matters can be added and action taken by two-thirds vote, or in the case of an emergency, by a majority vote. Matters raised under Public Comments may not be acted upon at that meeting other than as provided above.

Written comments will be accepted by the Board and made part of the record, provided 25 copies are presented to the Clerk of the Board. Electronic submittals to cob@aqmd.gov of 10 pages or less including attachment, in MS WORD, plain or HTML format will also be accepted by the Board and made part of the record if received no later than 5:00 p.m., on the Tuesday prior to the Board meeting.

ACRONYMS

AQIP = Air Quality Investment Program	NESHAPS = National Emission Standards for Hazardous Air Pollutants
AVR = Average Vehicle Ridership	NGV = Natural Gas Vehicle
BACT = Best Available Control Technology	NO _x = Oxides of Nitrogen
Cal/EPA = California Environmental Protection Agency	NSPS = New Source Performance Standards
CARB = California Air Resources Board	NSR = New Source Review
CEMS = Continuous Emissions Monitoring Systems	PAMS = Photochemical Assessment Monitoring Stations
CEQA = California Environmental Quality Act	PAR = Proposed Amended Rule
CE-CERT =College of Engineering-Center for Environmental Research and Technology	PM ₁₀ = Particulate Matter ≤ 10 microns
CNG = Compressed Natural Gas	PM _{2.5} = Particulate Matter ≤ 2.5 microns
CO = Carbon Monoxide	PR = Proposed Rule
CPI = Consumer Price Index	RFP = Request for Proposals
CTG = Control Techniques Guideline	RFQ = Request for Quotations
DERA = Diesel Emissions Reduction Act	SCAG = Southern California Association of Governments
EV = Electric Vehicle	SIP = State Implementation Plan
FY = Fiscal Year	SO _x = Oxides of Sulfur
GHG = Greenhouse Gas	SULEV = Super Ultra Low Emission Vehicle
HRA = Health Risk Assessment	TCM = Transportation Control Measure
IAIC = Interagency AQMP Implementation Committee	ULEV = Ultra Low Emission Vehicle
IGA = Intergovernmental Affairs	U.S. EPA = United States Environmental Protection Agency
LEV = Low Emission Vehicle	VMT = Vehicle Miles Traveled
LNG = Liquefied Natural Gas	VOC = Volatile Organic Compound
MATES = Multiple Air Toxics Exposure Study	ZEV = Zero Emission Vehicle
MOU = Memorandum of Understanding	
MSERCs = Mobile Source Emission Reduction Credits	
MSRC = Mobile Source (Air Pollution Reduction) Review Committee	

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the November 5, 2010 meeting.

RECOMMENDED ACTION:

Approve Minutes of the November 5, 2010 Board Meeting.

Sandra McDaniel,
Clerk of the Boards

sm:dp

FRIDAY, NOVEMBER 5, 2010

Notice having been duly given, the regular meeting of the South Coast Air Quality Management District Board was held at District Headquarters, 21865 Copley Drive, Diamond Bar, California. Members present:

William A. Burke, Ed.D., Chairman
Speaker of the Assembly Appointee

Mayor Dennis R. Yates, Vice Chairman
Cities of San Bernardino County

Supervisor Michael D. Antonovich
County of Los Angeles

Supervisor John J. Benoit
County of Riverside

Councilmember Michael A. Cacciotti
Cities of Los Angeles County . Eastern Region

Ms. Jane W. Carney
Senate Rules Committee Appointee

Dr. Joseph K. Lyou
[garbled text]

Councilmember Judith Mitchell
Cities of Los Angeles County . Western Region

Councilmember Jan Perry
City of Los Angeles

Members Absent:

Supervisor Bill Campbell
County of Orange

Supervisor Josie Gonzales
County of San Bernardino

Mayor Ronald O. Loveridge
Cities of Riverside County

Mayor Miguel A. Pulido
Cities of Orange County

CALL TO ORDER: Chairman Burke called the meeting to order at 9:15 a.m.

€ Pledge of Allegiance: Led by Dr. Lyou.

€ Opening Comments

Dr. Lyou. Announced that he appreciated the opportunity to tour the Exxon and BP refineries in early October with regard to the proposed RECLAIM Regulation; on October 6, 2010 he attended a WSPA Conference and served on a panel to discuss electrification of the transportation infrastructure and, subsequently, attended a demonstration project for a zero-emission cargo transport rail system at General Atomics which exhibited the progress that has been made in magnetic technology; and on October 29, 2010 he chaired the Environmental Justice Advisory Group Meeting in which a discussion took place regarding the positioning of schools near freeways and heavily traveled roadways.

Councilman Cacciotti. Thanked the Board Members who have met with leaders in various faith communities through the Community of Faith Partnerships, which is an effort to encourage faith communities and congregations to be good stewards of the environment.

€ Presentation of Retirement Award to Martha Lucero

Chairman Burke presented a retirement award to Martha Lucero in recognition of her 22 years of dedicated District service.

CONSENT CALENDAR

1. Minutes of October 1, 2010 Board Meeting and Minutes of October 29, 2010 Special Board Meeting
2. Set Public Hearings December 3, 2010 to Consider Amendments and/or Adoption to AQMD Rules and Regulations
 - (A). Amend Rule 1415 . Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems, and Adopt Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems

- (B). Amend Rule 1143 - Consumer Paint Thinners & Multi-Purpose Solvents

Budget/Fiscal Impact

3. Advertising and Public Outreach Initiative to Chinese-American Communities to Increase Awareness of Impacts of Air Pollution
4. Execute Contract for Security Guard Services at Diamond Bar Headquarters
5. Authorize Executive Officer to Waive Late Fees Incurred by State Agencies Due to Delay in Adoption of State Budget
6. Execute Contract for Biennial Audit of Motor Vehicle Registration Revenues for FYs 2007-08 and 2008-09
7. Appropriate Funds for PAMS and Lead Monitoring Programs from U.S. EPA Section 105, Recognize and Appropriate Funds for Section 103 Monitoring Programs, and Authorize Purchases and Release of RFQ Under These Programs
8. Execute Contracts to Conduct Conceptual Feasibility Studies for Reduction of Near Roadway Pollutant Exposures
9. Execute Contract To Provide Technical Assistance for Alternative-Fueled Trucks Funded Under AQMD's Heavy-Duty Diesel Truck Replacement Program
10. Execute Sole Source Contract for Buy-Down Incentive Program for CNG Home Refueling Appliance
11. Execute Contracts to Support Electric Charging Infrastructure
12. Authorize Purchase of Desktop Computer Hardware Upgrades
13. Authorize Purchase of Ingres Relational Database Management System Software Support
14. Issue RFP for Greenhouse Gas Reduction Projects

15. Appropriate Funds from Designation for Litigation and Enforcement and Authorize Amending/Initiating Contracts with Outside Counsel
16. Approve Contract Modifications and Award under FYs 2003-04, 2008-09 and 2010-11 AB 2766 Discretionary Fund Work Programs

Action Item/No Fiscal Impact

17. Establish Board Meeting Schedule for Calendar Year 2011

Information Only/Receive and File

18. Legislative & Public Affairs Report
19. Hearing Board Report
20. Civil Filings and Civil Penalties Report
21. Rule and Control Measure Forecast
22. Lead Agency Projects and Environmental Documents Received by AQMD
23. Status Report on Major Projects for Information Management Scheduled to Start During First Six Months of FY 2010-11

Dr. Lyou announced his abstention on Item No. 8 due to U.C. Riverside being a potential source of income to him, and Item No. 16 due to Los Angeles Freightliner being a potential source of income to him. In regards to Item 16, Supervisor Benoit noted that he is a Member of the Riverside County Transportation Commission.

Agenda item 14 was withheld for discussion.

MOVED BY PERRY, SECONDED BY CACCIOTTI, AGENDA ITEMS 1 THROUGH 13 AND 15 THROUGH 23 APPROVED AS RECOMMENDED, ADOPTING RESOLUTION NO. 10-28, SETTING THE TIME AND PLACE OF REGULAR BOARD MEETINGS FOR CALENDAR YEAR 2011, BY THE FOLLOWING VOTE:

AYES: Antonovich, Benoit, Burke, Cacciotti, Carney, Lyou (*except Items #8 and #16*), Mitchell, Perry and Yates.

NOES: None.

ABSTAIN: Lyou (*Items #8 and #16 only*).

ABSENT: Campbell, Gonzales, Loveridge and Pulido.

24. Items Deferred from Consent Calendar

14. Issue RFP for Greenhouse Gas Reduction Projects

Ms. Carney asked staff to describe the GHG reduction protocols that are currently in place and whether there are new protocols being developed.

Jill Whynot, Director of Strategic Initiatives, explained that the protocols that are currently approved under Regulation XXVII Climate Change include forestry, urban tree planting, methane digesters and boiler efficiency. She noted other protocols that are being investigated include refrigerant replacement and lawn mowers and leaf blowers; and added that staff will present the developed protocols to the Board when the development process is complete.

MOVED BY CARNEY, SECONDED BY YATES, AND UNANIMOUSLY CARRIED (Absent: Campbell, Gonzales, Loveridge and Pulido), AGENDA ITEM 14 APPROVED, AS RECOMMENDED BY STAFF.

BOARD CALENDAR

- 25. Administrative Committee
- 26. Climate Change Committee
- 27. Legislative Committee
- 28. Mobile Source Committee
- 29. Refinery Committee
- 30. Stationary Source Committee
- 31. Technology Committee
- 32. Mobile Source Air Pollution Reduction Review Committee
- 33. California Air Resources Board Monthly Report

MOVED BY YATES, DULY SECONDED, THE BOARD APPROVED AGENDA ITEMS 25 THROUGH 33 AS RECOMMENDED, RECEIVING AND FILING THE BOARD COMMITTEES, MSRC, AND CARB REPORTS, ~~AND ADOPTING THE POSITIONS ON LEGISLATION AS SET FORTH BELOW, BY THE FOLLOWING VOTE:~~ IN FUTURE DISCUSSIONS REGARDING SB 375, AND ADOPTING THE POSITIONS ON LEGISLATION AS SET FORTH BELOW, BY THE FOLLOWING VOTE:

AYES: Antonovich, Benoit, Burke, Cacciotti, Carney, Lyou, Mitchell, Perry and Yates.
 NOES: None.
 ABSENT: Campbell, Gonzales, Loveridge and Pulido.

Bill/Title	Recommended Position
H.R. 6291 (Richardson) Freight FOCUS Act of 2010	Support with Amendments

PUBLIC HEARINGS

34. Adopt Proposed Rule 1420.1 - Emissions Standard for Lead From Large Lead-acid Battery Recycling Facilities

(Continued from October 1, 2010 Board Meeting)

Ms. Carney recused herself from Agenda Item No. 34 because of U.S. Battery being a source of income to her, and left the room.

Susan Nakamura, Planning and Rules Manager, gave the staff presentation. An errata sheet containing modifications to paragraph (h)(8) and the addition of subdivision (o) to the Proposed Rule, as well as modifications to the Resolution, was distributed to Board members and copies made available to the public.

In response to Dr. Lyou, Ms. Nakamura confirmed that the current monitoring stations will stay in place under the monitoring provision in the proposed rule.

Dr. Lyou asked what considerations go into the feasibility of investing penalty funds into the community impacted by violations, which was requested in comments from community groups.

Dr. Wallerstein replied that a variety of factors are considered, including the availability of projects in the community and also taking into account the extent of the impact to the exposed populations.

The public hearing was opened, and the following individuals addressed the Board on Agenda Item 34.

THOMAS LOHFF, Resident near Quemetco facility

Expressed a concern that sampling should be linked to the processing that facilities perform in order to determine how much they are polluting; and stressed that the rule should specify what type of feed materials should be used during processing in order to determine the true effect of processing on the community. (Submitted Written Comments)

Dr. Elaine Chang, DEO/Planning, Rule Development and Area Sources, responded that the proposed rule only addresses lead and the issues regarding total toxic emissions that Mr. Lohff raised are covered under other rules and legislation. She commented that with respect to testing, the proposed rule includes two tests; the source test from the point sources and also the ambient monitoring that captures all emissions.

Mr. Lohff raised the concern that the testing consists of averages throughout a 24-hour period and does not reflect the burst occurrences when the facilities add the processing materials.

Dr. Wallerstein responded that the ambient sampling is compiled over the course of a month and the results allow staff to look at the exposure over the full term, which results in an indication of true exposure.

DUNCAN McKEE, Resident near the Quemetco facility

Expressed support for the benefits the rule will provide but urged the Board to strengthen the rule by defining that the feed material used during testing will be indicative of that which is normally processed. He placed photographs of the stacks at the Quemetco facility on the overhead projector to illustrate his concern that the tests are being conducted when normal processing is not taking place; and when normal processing is taking place, there are visible emissions coming from the stacks. He also noted that the timing of the monitoring, every three days, is not ideal to obtain the true emission outputs. (Provided photographs for Board Members review)

Dr. Wallerstein replied that staff will be conducting additional source tests of the Quemetco facility and they will ensure that the tests will be completed during normal operating conditions. He added that, with respect to monitoring, the facilities are also required to keep records of the amount of materials they are processing, which can then be cross-referenced if staff notices a peak in the ambient monitoring data in order to possibly correlate what part of the production would have caused a spike in the outdoor measurement.

JOE DOWD, Exide Technologies

Expressed support for the original proposal, but disagreed with the amendments that have been made, specifically, with regard to the feasibility study requirement concerning the 0.003 pounds-per-hour mass emission rate. He explained that the company submitted a plan to the District detailing nine significant projects that they plan to pursue in order to obtain the NAAQS standard of 0.15 micrograms per cubic meter of air (mg/m³). The cost associated with further technology implementations may be too burdensome for them to continue operations in California. They feel that Exide does not fit into the same categories as others in the industry because they utilize different technology, and, therefore, should not necessarily be subject to the same standard.

Dr. Wallerstein explained that the Board received a request from Quemetco to contemplate putting an emission limitation of 0.003 pounds per hour into the rule. The request was made in response to a request from the District that the 0.003 not be written into the rule at this time as a stack limitation, but the rate should be as originally proposed at 0.045 pounds per hour. The health data shows that there is no absolute safe level for lead, so the District is trying to balance the level required for the NAAQS while taking that into account potential

health impacts. A feasibility study would be triggered if either company exceeds 0.12 mg/m³, where they would provide the Board with an analysis of the technical, economic and physical feasibility of achieving a total facility mass lead emission rate of 0.003 pounds per hour from all lead point sources. He U.S. EPA changed the characterization of our region from attainment to non-attainment. Since Quemetco has been able to achieve the acceptable level of control and health concerns have been raised by neighboring workers and residents, staff believes it is reasonable to require a feasibility study from Exide if they exceed 0.12 mg/m³.

LUIS CABRALES, Coalition for Clean Air

Expressed support for the most stringent emission levels possible through this regulation; and offered suggestions regarding the importance of gaining input from stakeholders during the analysis of a feasibility study.

Mayor Yates noted that the concerns and comments received from stakeholders through a series of meetings and town hall gatherings were taken into account by staff and the Stationary Source Committee members in developing the current proposal.

JOCELYN VIVAR, East Yard Communities for Environmental Justice

Expressed appreciation that the comments made by their organization and the community have been taken into account; and acknowledged the positive step forward that this rule will make for reducing emissions.

MIKE BUCKANTZ, Quemetco, Inc.

Expressed support for the proposed rule; and explained that they have taken steps to reduce emissions and will continue to do so to meet the tough, yet achievable, requirements of the rule.

Dr. Lyou brought up the question of the various feed stock that could cause differences in emission output readings.

Mr. Buckantz responded that Quemetco submits a testing plan to the District which indicates that testing will be performed with the feed stock that produces the highest level of lead emissions; so, staff is aware that it represents the maximum possible emissions based on full operational capabilities.

Dr. Chang replied that the Title V permits for the facilities specify the feed materials that they can feed into their furnaces and also the monitoring takes place throughout the day and night in order to obtain accurate data.

Monsignor John Moretta, Pastor of Resurrection Church

Expressed concern for the communities and children who continued to be effected by Exide; and urged the Board to enforce controls to the maximum point of the law.

There being no further public testimony on this item, the public hearing was closed.

Written Comments Submitted By:

Sheppard Mullin on behalf of Exide Technologies, Inc.
Howard Berman, Quemetco, Inc.

Mayor Yates explained that because of Exide being slow to take action in the past, he felt it necessary to include a provision in the rule for the feasibility study to be conducted if adequate progress is not being made by the measures detailed in the aggressive plan that they submitted to staff.

Councilwoman Mitchell commented that the Board must frequently balance environmental issues against economic impact considerations and this proposal accomplishes that with incremental changes that allow some flexibility to entities in reaching the final goal.

MOVED BY YATES, SECONDED BY CACCIOTTI,
AND UNANIMOUSLY CARRIED (Absent:
Campbell, Carney, Gonzales, Loveridge and
Pulido), AGENDA ITEM 34 APPROVED,
ADOPTING RESOLUTION NO. 10-29 CERTIFYING
THE FINAL ENVIRONMENTAL ASSESSMENT
AND ADOPTING RULE 1420.1, AS
RECOMMENDED BY STAFF, WITH THE
MODIFICATION TO PARAGRAPH (h)(8), THE
ADDITION OF SUBDIVISION (o) AND THE
MODIFICATION TO THE RESOLUTION AS SET
FORTH IN THE ERRATA SHEET AND NOTED
BELOW.

Modify paragraph (h)(8) of Proposed Rule 1420.1:

~~QD) DQ aae A^ { [caA -Ae ^ A^ ae~~
lead-containing material, including
sludge, from the entire surface area of any surface impoundment
pond or reservoir holding storm water runoff or spent water from
housekeeping activities within 1 hour after the water level is ≤ 1
inch at any point above the bottom of the pond or reservoir.
**Removal of lead-containing material is required to be
completed as soon as possible, and no later than six
calendar days after the time initiation of the removal was
required.** Thereafter, surfaces shall be washed down weekly in
a manner that does not general fugitive lead-dust until the pond
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Add new subdivision (o) to Proposed Rule 1420.1:

~~%o) On and after July 1, 2011, if emissions are discharged into
the atmosphere which contribute to ambient air concentrations of
lead that ex&^^âAEEGA * D Hæ^!æ^âA ç^!Ae ^ AEA }•^& çA^A
days, determined by monitors pursuant to subdivision (j) or at
any District-installed monitor, the owner or operator of a large
lead-acid battery recycling facility shall submit a study
addressing the technical, economic and physical feasibility of
achieving a total facility mass lead emission rate of 0.003 pounds
per hour from all lead point sources. The study shall be
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averaged over any 30 consecutive days.+~~

Modify Resolution to add:

~~%E IT FURTHER RESOLVED, that if a facility is required to
submit a study that addresses the technical, economic and
physical feasibility of achieving a total facility mass lead emission
rate of 0.003 pounds per hour from all lead point sources, the
AQMD staff shall, within 90 days after receipt of the study,
present the findings to the Governing Board and seek guidance
on whether to amend Rule 1420.1 to lower the total facility lead
point source emission rate; and+~~

35. 2010 Clean Communities Plan

Susan Nakamura, Planning and Rules Manager, gave the staff presentation.

Councilwoman Perry asked what the process was for selecting the first two demonstration cities.

Dr. Wallerstein explained that staff considered several factors in selecting the initial template communities, including the unique types of pollution sources that are present in the community, as well as the ethnic mix and economic difficulties in the area. He described that the City of San Bernardino is

essentially an inland port with rail yards and warehouse operations, and the lessons learned there can be applied to similar communities in the Basin. Staff had conducted community meetings in Boyle Heights and was aware of the negative impacts they face as a community which neighbors the industrial City of Vernon, as well as rail yards and freeways. He added that staff did not select Wilmington as one of the initial projects because there is already a plan in progress which is addressing the issues that are specific to Wilmington and other resources are being directed into the community.

Councilwoman Perry suggested that the second round of projects could include cities that are located between the ports and Boyle Heights, where studies indicate high incidents of respiratory diseases and a high level of pollution. She added that the City of Vernon could be a desirable candidate due to the unique circumstances present there.

Dr. Wallerstein confirmed that staff will take that suggestion into consideration when selecting future projects after the pilot studies are underway.

Dr. Lyou expressed concern that the pilot study is not far-reaching enough and suggested conducting the study in Wilmington concurrently. He pointed to the results of the MATES III study which found that while the health risk in the rest of the Basin improved, the ports continued to get worse.

Dr. Wallerstein commented that staff is sensitive to the issues in Wilmington and continues to actively put considerable resources into the community including the work on the ports Clean Air Plan and the development of a backstop regulation. In addition to individual rule makings to make improvements, there are District funds and settlement funds going towards improvements such as installing filters in schools in the port area as well as conducting special monitoring studies in the Wilmington area.

Dr. Burke agreed that improvements that have been made in Wilmington are not helping enough and it would be prudent to work to include Wilmington in the project.

Councilwoman Perry added that she hopes as staff goes through the development of the Boyle Heights plan, they will recognize the interconnectedness of issues to Wilmington and remember that what is done in one area will benefit the next one. She questioned whether the study will result in a compliance and enforcement strategy for the area.

Dr. Wallerstein confirmed that a set of actions for implementation will result from the studies.

The public hearing was opened, and the following individuals addressed the Board on Agenda Item 35.

RAFAEL YANEZ, Boyle Heights citizen

Encouraged by the plan to use Boyle Heights in the pilot study and to get a better idea of the effects of the various pollutant sources to their community and neighboring cities.

CYNTHIA BABICH, Del Amo Action Committee

Expressed support for the Plan and her belief that the Community Exposure Reduction Plan will be a very useful tool, but would have rather seen different environmental justice communities chosen as the pilot areas. They are optimistic for the success of the plan as a result of the neighborhood walks, the potential of creating buffer zones and the enforcement component.

ANGELO LOGAN, East Yard Communities for Environmental Justice

Expressed support of the Clean Communities Plan and thanked staff for the work completed in its development; urged the Board to approve the plan and move as quickly as possible into implementation; and urged the Board to address cumulative impacts through the permitting process in the future.

BILL QUINN, California Council for Environmental and Economic Balance

Expressed their appreciation for the collaboration with staff that was positioning of new facilities in an effort to avoid creating new environmental justice communities.

MONSIGNOR JOHN MORETTA, Pastor of Resurrection Church

Explained that his parish is located in Boyle Heights, and they have been subject to many unwanted projects and businesses throughout the years; so, they are thankful that Boyle Heights will be a template for better controlling or eliminating the pollution they are exposed to.

BILL LAMARR, California Small Business Alliance

Explained that as a member of the Clean Communities Plan Working Group he has been involved in the development of the Plan; however he cannot support it in its present form because it is not a plan to build a cleaner and healthier community, but rather a plan that makes it even more difficult for small businesses to operate in small neighborhoods that would benefit from the jobs and tax revenue provided. Expressed concern with the neighborhood walks detailed in the plan that will be conducted for the sole purposes of investigating

• [{ ^ [] ^ q Á [{] | æ] • Á æ [~ Á Á ~ • ã ^ • • Á by assembling a group of stakeholders and then marching on the business to view the alleged violations, rather than having staff first check the operating and compliance history of the business to see if the business is operating within the conditions of their permit before assembling a crowd just outside their business. He suggested creating a plan that identifies and praises employers who are in compliance with regulations and have reduced health risks in their communities through innovation and investment in technology; and urged the Board to consider putting these exemplary businesses on a preferred vendors list and encouraging the community to utilize their services in order to improve relations, contribute to economic growth and produce overall positive results in local communities. (Submitted Written Comments)

Dr. Wallerstein clarified that staff took into account comments from community members from town hall meetings and the working group regarding going into the communities and walking with individuals in order to view any issues that they believe are problematic; and he explained that staff would not be marching on businesses, but simply expanding on what is currently done when the District receives complaints, which involves a visit to the area to see firsthand whether there are issues that may need to be addressed. Staff then researches those issues to determine whether there is a need for further action. He added that this element of the Plan will help to increase public awareness of what constitutes a valid concern, and will allow staff to better analyze a complaint and determine whether there is a problem or not. He extended the opportunity for Mr. LaMarr to join staff on the first walk in order to see what is involved and how the walks will be conducted.

Dr. Lyou shared his experience working with a community group that had a concern about auto dismantlers in their community. They researched the industry and a partnership was eventually formed between the auto dismantlers and the group, and they both benefited from a healthier environment. The District recognize small business efforts and suggested adding a category to the Clean Air Awards for small businesses.

Supervisor Benoit questioned the due process rights available to small business if they are identified in a neighborhood walk as a result of an issue, and expressed concern that they would be branded with a negative mark for being identified as a result, even if they were eventually found to be in compliance.

Dr. Wallerstein indicated that during the walks there will be instances where staff will be knowledgeable enough on the spot to say that the particular concern is not a problem and explain why; and, then, there will be other instances where staff would need to research that business or industry before responding to the concern. If the determination is made that there is a violation of District rules, the business would then be contacted through the normal procedure that is in place. He added that currently, when someone calls the

1-800-CUT-SMOG line and makes a complaint about odor or the observation of pollutant emissions, an inspector goes out and observes what is occurring; the walk will simply expand on that process and allow interested parties to have more participation in the process. He expressed that this will be a joint educational opportunity for the community as well as business leaders in order to demystify certain aspects of air pollution and what constitutes a risk. He reminded the Board of a past pilot program that is similar to the grades given to restaurants, where the District could recognize those businesses that are in compliance and working within the community to address air pollution.

JESSE N. MARQUEZ, Coalition for a Safe Environment

Stressed the importance of educating individuals about what pollution issues they should be looking out for, as well as educating the business community about what requirements apply to them in regards to District regulations and also advising them of the availability of funds through the Carl Moyer Program and other similar efforts that will reduce the cost to the small businesses; urged the Board to approve rules and regulations and programs and projects that will, at some point, reduce all emissions to less than significant and include a health risk assessment that has a requirement of less than one in a million impact; and illustrated the unique concerns that face Wilmington, not only because of the proximity to the ports, but to the refineries as well. (Submitted Written Comments)

There being no further public testimony on this item, the public hearing was closed.

Dr. Wallerstein expressed a concern that incorporating additional cities during the pilot stage could result in diffusing the strength of the resources which will be deployed to San Bernardino and Boyle Heights.

Ms. Carney recognized staff's choice of San Bernardino even though the Board does not receive high participation from individuals or community groups there. She suggested that staff go forward with two pilot projects as proposed and then add two more at the conclusion.

Dr. Wallerstein indicated that staff could start working on the next phase of the project prior to the conclusion of the pilot studies in order to address the concerns raised by the Board Members regarding port cities.

Councilman Cacciotti proposed the addition of language to the Resolution that would establish a recognition program for the businesses community.

MOVED BY LYOU, SECONDED BY BURKE, AND UNANIMOUSLY CARRIED (Absent: Campbell, Gonzales, Loveridge, Perry and Pulido), AGENDA ITEM 35 APPROVED, ADOPTING RESOLUTION NO. 10-30 APPROVING THE 2010 CLEAN COMMUNITIES PLAN, AS RECOMMENDED BY STAFF WITH THE MODIFICATION TO THE ADOPTING RESOLUTION AS NOTED BELOW.

Insert between the first and second paragraphs on page 2 of the adopting Resolution:

NOW, THEREFORE BE IT RESOLVED, that the AQMD staff will develop, with input from the local residential and business community, as part of the Clean Communities Plan, a recognition program for local small and large businesses who exemplify the best available control technologies and practices that reduce exposure to air toxics.

36. Adopt Proposed Rule 1714 - Prevention of Significant Deterioration for Greenhouse Gases, and Amend Regulation XXX . Title V Permits

Jill Whynot, Director of Strategic Initiatives, gave the staff presentation.

The public hearing was opened, and the following individuals addressed the Board on Agenda Item 36.

MIKE CARROLL, Latham & Watkins, LLP

Expressed understanding that the agency is faced with a difficult decision between implementing an ill-conceived federal mandate or finding itself potentially in violation of federal requirements; explained that the proposal is problematic because no one knows what will be required to demonstrate compliance with these requirements; and asked the Board to remain mindful of the stakeholder concerns when decisions regarding this issue come up in the future. (Submitted Written Comments)

Dr. Wallerstein noted that he would gladly meet with Mr. Carroll to discuss his concerns, as staff has developed a good relationship with U.S. EPA and he is now on the Board of Directors for the National Association of Clean Air Agencies that periodically gets briefed by U.S. EPA staff on these various issues that Mr. Carroll raised.

HARVEY EDER, Public Solar Power Coalition

Expressed his support for an even stricter regulation as the State moves toward solar renewables to reduce GHG emissions.

There being no further public testimony on this item, the public hearing was closed.

Ms. Carney asked staff if the U.S. EPA has not established what constitutes BACT in a particular circumstance, does the District have the ability to not enforce the requirement. She also questioned how this rule would coordinate with the CARB GHG regulatory program.

Mr. Wallerstein's obligation is to go forward with BACT until U.S. EPA provides guidance in the future; added that BACT evolves over time, so the District will be working closely with the facilities, CARB and with U.S. EPA on making appropriate determinations. His initial draft rule had a very low threshold that would have triggered these requirements for many facilities, but they were responsive to comments from AQMD and other air agencies and decided to start with a very high threshold so there will now be a very limited number of projects. This will allow staff to learn and to improve the process before it applies to a large number of facilities. In regards to the coordination with the CARB GHG regulations, he replied that staff would have to look at the requirements of each rule and hopefully compliance

BACT standards in the absence of federal guidelines, Dr. Wallerstein explained that currently, the District has to make an independent determination on every permit issued for traditional air pollutants, but the process involves the air districts coordinating with CARB and U.S. EPA to develop some general understanding of what is the BACT for different types of equipment and industries.

development, Ms. Whynot replied that there is a Clean Air Act Advisory Working Group that has been working to come up with BACT; and, before the end of the year, they are going to provide guidelines for some of the major categories of equipment, such as boilers, turbines and heaters. In most instances the BACT for a greenhouse gas combustion source would be energy efficiency, so it will require staff to balance the most efficient equipment that can also meet BACT for criteria pollutants. In many cases, however, BACT for greenhouse gases is not an add-on control technology that will need to be implemented.

Councilwoman Mitchell asked how the Rule will affect the entities that the District regulates, aside from the Title V and PSD programs.

Ms. Whynot replied that, in the future, if there are federal GHG requirements that would apply to these facilities, those would be incorporated on their Title V permits. Currently, the only federal requirement is the mandatory reporting of GHG; however, U.S. EPA does not require that information to be included in a Title V permit. She added that if a federal standard or federal cap-

and-trade program were put in place, then that information would be in the Title V permit.

questioning regarding working with entities to make sure whatever BACT impositions are placed on them now will be coordinated with future GHG requirements, Dr. Wallerstein noted that the Board established a BACT working group which reviews various issues concern before an item goes to the Stationary Source Committee and finally to the Board. He suggested that the District use a similar structure for GHG requirements.

Supervisor Benoit raised a concern that with legal issues pending and challenges being made to the basic premise of federal regulation of greenhouse gases, the Board is moving too fast with implementing regulations.

Dr. Wallerstein acknowledged that while there is continuing litigation over the endangerment finding issue, if the District does not implement this regulation, U.S. EPA will implement PSD and Title V, and then serve the District with a deficiency notice. Therefore, it is ideal to have more control over the issue at this point to avoid consequences that will potentially be worse.

In response to a request from Ms. Carney, Dr. Wallerstein confirmed that staff will provide a report to the Board relative to the position the Board might take on legislation or litigation relative to this issue. He urged the Board to put the regulation in place prior to January to avoid ill-effects as a result of the U.S. EPA instituting requirements; clarified that this does not conflict with the CARB cap-and-trade program because it does not require permits; and assured the Board that staff will monitor developments on the matter and provide a report as necessary.

MOVED BY YATES, SECONDED BY CACCIOTTI, AGENDA ITEM 36 APPROVED, ADOPTING RESOLUTION NO. 10-31 CERTIFYING THE FINAL ENVIRONMENTAL ASSESSMENT AND ADOPTING RULE 1714, AS RECOMMENDED BY STAFF, BY THE FOLLOWING VOTE:

AYES: Burke, Cacciotti, Carney, Lyou, Mitchell, Perry, and Yates.

NOES: Benoit.

ABSENT: Antonovich, Campbell, Gonzales, Loveridge, and Pulido.

37. Amend Regulation XX - RECLAIM Program

Dr. Laki Tisopulos, Assistant DEO/Planning, Rule Development and Area Sources, gave the staff presentation. An errata sheet containing modifications to Appendix E of the final PEA for Proposed Amended Regulation XX was distributed to Board members and copies made available to the public.

The public hearing was opened, and the following individuals addressed the Board on Agenda Item 37.

CATHERINE REHEIS BOYD, Western States Petroleum Association (WSPA)

Acknowledged the cooperative working relationship established with staff in developing the proposal and the challenging, costly requirements associated with it; recognized that the proposal is a result of many years of development; underscored the importance of maintaining jobs; and expressed support for the staff proposal.

ROD SPACKMAN, Chevron Corporation

Expressed support for the proposal, indicating that the rule will provide significant long term air quality benefits in the region; and commented that Chevron already performs to a very high standard to control SOx emissions and they are prepared to take on this next challenge and to further improve air quality for neighboring communities.

ADRIAN MARTINEZ, Natural Resources Defense Council

Acknowledged the benefits that will be seen as a result of this rule; and asked for clarification regarding the subsequent submission of 1.7 tons per day at a later date.

MARK LANDRE, Employee at Tesoro Refinery

Expressed concern with the costly effects of the new guidelines, especially after expensive changes were made in 2007 to reduce SOx to meet the requirements at that time. While he understands the need for clean air, he believes these new regulations will result in jobs being lost.

Chairman Burke commented that ten people die each day in the South Coast Air Basin as a result of the negative impacts of air pollution. The District staff and Refinery Committee members worked to strike a balance between protecting public health and minimizing the negative economic impact of imposing stricter limits.

JESSICA DUBOFF, Los Angeles Chamber of Commerce

Expressed support for the staff proposal on behalf of the LA Chamber of Commerce in conjunction with the South Bay Association Chamber of Commerce, the Long Beach Chamber and the Harbor Association of Industry and Commerce.

DEAN HARRIS, Owens Brockway

Explained that they were concerned with the technology and permitting issues associated with the proposal, and they feel that staff has done a good job of addressing those concerns.

CHARLES MEEKS, Employee at Tesoro Refinery

Stressed the importance of guaranteeing the safety of jobs within the refineries given the added expenses to the industry.

Dr. Burke explained that the Board Members recognize the importance of small and big business to the economy, so they are trying to make the best compromise and do not intend to cause a burden on refineries that would require them to lay off employees.

LUIS CABRALES, Coalition for Clean Air

Expressed support for the proposal and requested clarification on how the additional 1.7 tons of emission reductions will be addressed.

There being no further public testimony on this item, the public hearing was closed.

Written Comments Submitted By:

Robert D. Byerley, Valero Refinery
Melissa Manke Fimbres, Valero Refinery
John C. Fragua
Ronald Stein, PTS Staffing Solutions
Los Angeles County Business Federation
Future Ports
Lee Wolff, Valero
Torrance Chamber of Commerce
Bingham McCutchen LLP on behalf of Rhodia, Inc.
George Kivett, South Bay Association of Chambers of Commerce
Randy Gordon, Long Beach Area Chamber of Commerce
Tabb Bubbier, Harbor Association of Industry & Commerce

Supervisor Antonovich commented that he recognizes the significant emission reductions that are being made as a result of this action, and he understands the substantial compliance cost it will have; and urged Board

Members and staff to be mindful of the huge steps that the refineries have taken during the development of the next AQMP.

Dr. Lyou asked for clarification from staff regarding the comments about the 1.7 tons submittal.

Dr. Wallerstein responded that the early reductions are put into the SIP because once it is in the SIP, it is hard to make a modification if needed; and since this regulation goes above and beyond what was in the AQMP commitment, the remaining tons will be submitted into the SIP at a later time as may be needed.

Dr. Lyou recognized the significance of the accomplishment that has been made in developing a proposal that protects public health and helps grow a green economy.

Ms. Carney expressed her gratitude towards staff, WSPA and other stakeholders whom she worked with during the arduous development of the Rule, as Chair of the Refinery Committee.

Councilwoman Mitchell acknowledged the complexity of the subject matter and thanked staff for tirelessly working to ensure she had the information necessary to participate in the discussions as a Refinery Committee member. She is proud that there is a resolution that works for both the environment and the economy while ensuring the refineries can undertake this project and reduce the emissions without losing any jobs or having a negative impact on the economy.

Supervisor Benoit commented that the Rule is a compromise that was necessitated by U.S. EPA, and commended staff and the industry for working to make refineries in Southern California further stand out amongst the cleanest refineries in the world.

Mayor Yates expressed confidence in the compromise that has been reached as a result of many meetings and consultations with stakeholders.

MOVED BY CARNEY, SECONDED BY YATES,
AND UNANIMOUSLY CARRIED (Absent:
Campbell, Loveridge, Gonzales and Pulido),
AGENDA ITEM 37 APPROVED, ADOPTING
RESOLUTION NO. 10-32 CERTIFYING THE FINAL
PROGRAM ENVIRONMENTAL ASSESSMENT
(PEA) AND AMENDING REGULATION XX - RULE
2002, AS RECOMMENDED BY STAFF, WITH THE
MODIFICATION OF REPLACING APPENDIX E OF
THE FINAL PEA AS SET FORTH IN THE ERRATA
SHEET.

- 38. Amend Rule 1175 . Control of Emissions from the Manufacture of Polymeric Cellular (Foam) Products

Staff waived the oral presentation on Item No. 38.

The public hearing was opened and, there being no requests from the public to comment on this item, the public hearing was closed.

Written Comments Submitted By:
Ben Bacon, Western Region Pactiv Corporation

MOVED BY LYOU, SECONDED BY YATES, AND UNANIMOUSLY CARRIED (Absent: Campbell, Loveridge, Gonzales and Pulido), AGENDA ITEM 38 APPROVED, ADOPTING RESOLUTION NO. 10-33 CERTIFYING THE NOTICE OF EXEMPTION AND ADOPTING RULE 1175, AS RECOMMENDED BY STAFF.

OTHER BUSINESS

- 39. Overview of Cap-and-Trade Regulation with

Dr. Wallerstein introduced the item indicating that CARB recently released the draft cap-and-trade regulations and directives to staff are not reflected in the State proposal. Staff would, therefore, like further direction in order for the Executive Officer to testify at CARB on this issue in November.

Jill Whynot, Director of Strategic Initiatives, gave the staff presentation explaining that staff was poised to perform various roles to assist with the cap-and-trade program, but the proposed rules that were recently released from CARB provide a disappointing outlook with respect to staff actually being able to perform any of these functions. Staff requested the Board direct staff to meet with CARB and Cal/EPA; testify at workshops and the initial CARB Board discussion in November; prepare a comment letter and report back to the Board at the December 3, 2010 meeting with the status of the communication with CARB.

Dr. Burke commented that this draft regulation is a good start and that there is a desire for input from the District.

The consensus of the Board, as a result of the request and to direct the Executive Officer to express displeasure and non-responsiveness with regard to the cap-and-trade program as well as other issues that have been before the Board.

The following individuals addressed the Board to comment on Item 39.

Harvey Eder, commented that one of the reasons CARB may be slighting the District is that they were worried about a proposition halting AB 32 passing and then they would be out of ammunition.

Trisha Amaron, asked if she could receive a copy of the staff presentation as there was no written material for Item 39.

Staff made contact with Ms. Amaron to provide her with the requested information.

PUBLIC COMMENT PERIOD (Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3)

There was no public comment on non-agenda items.

CLOSED SESSION

The Board recessed to closed session at 12:15 p.m., pursuant to Government Code section 54956.9(a) to confer with its counsel regarding pending litigation which has been initiated formally and to which the District is a party, as follows:

“ South Coast Air Quality Management District v. Rimpo & Associates, Los Angeles Superior Court Case No. BC432208.

It was also necessary for the Board to recess to closed session under Government Code section 54956.9(c) to consider initiation of litigation (one case).

Following closed session, General Counsel Kurt Wiese announced that a report of any reportable actions taken in closed session will be filed with the Clerk of the Board and made available upon request.

ADJOURNMENT

There being no further business, the meeting was adjourned by General Counsel Kurt Wiese at 12:35 p.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on November 5, 2010.

Respectfully Submitted,

Denise Pupo
Senior Deputy Clerk

Date Minutes Approved: _____

Dr. William A. Burke, Chairman

ACRONYMS

AQMP = Air Quality Management Plan
BACT = Best Available Control Technologies
Cal/EPA = California Environmental Protection Agency
CARB = California Air Resources Board
CNG = Compressed Natural Gas
FY = Fiscal Year
GHG = Greenhouse Gas
MSRC = Mobile Source (Air Pollution Reduction) Review Committee
NAAQS = National Ambient Air Quality Standard
PEA = Final Program Environmental Assessment
PSD = Prevention of Significant Deterioration
RECLAIM = Regional Clean Air Incentives Market
RFP = Request for Proposals
RFQ = Request for Quotations
SIP = State Implementation Plan
SO_x = Oxides of Sulfur
U.S. EPA = United States Environmental Protection Agency
WSPA = Western States Petroleum Association

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 2

PROPOSAL: Set Public Hearing January 7, 2011 to Consider Amendments and/or Adoption to AQMD Rules and Regulations:

Adopt Proposed Rule 1315 – Federal New Source Review Tracking System. Proposed Rule 1315 was developed to maintain AQMD's ability to issue permits to major sources that require offsets, but obtain offset credits from the AQMD's Priority Reserve under Rule 1309.1 and/or that are exempt from offsets under AQMD Rule 1304 through December 31, 2030. The rule will also memorialize in rule form the procedures to be followed to both establish the equivalency of AQMD's NSR program with federal NSR offset requirements for such major sources and demonstrate that sufficient emission reductions, including previously-untracked emission reductions, exist beyond regulatory requirements under federal law to be used as offset credits to establish that AQMD's NSR program is equivalent with federal NSR offset requirements for those major sources. The rule includes provisions designed to ensure equivalency with federal offset requirements is achieved and additional backstop provisions to ensure the actual impacts of implementing the proposed rule do not exceed the impacts analyzed in the CEQA process. (Review: Stationary Source Committee, November 19, 2010)

The complete text of the proposed rule, staff report, and other supporting documents will be available from the District's Public Information Center, (909) 396-2550, and on the Internet (www.aqmd.gov) on December 7, 2010.

RECOMMENDED ACTION:

Set Public Hearing January 7, 2011 to adopt Proposed Rule 1315.

Barry R. Wallerstein, D.Env.
Executive Officer

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 3

PROPOSAL: Execute Contract for Consulting Services on Transportation and Goods Movement Strategies

SYNOPSIS: At the September 10, 2010 meeting, the Board approved release of an RFP to solicit qualified firms to represent and advise AQMD on goods movement and broader transportation issues involving air quality. The Board has placed a high priority on addressing mobile source emission reductions from the transportation sector. Three responses were received from this solicitation and reviewed by a panel. This action is to execute a contract with Germania Governmental Services Corporation for consultation regarding transportation and goods movement strategies for a one-year period beginning January 2011, with options for two one-year extensions, upon satisfactory performance, at the Board's discretion. Total expenditures for the contract shall be up to \$100,000 for the initial one-year period.

COMMITTEE: Administrative, November 12, 2010. Less than a quorum was present; the Committee Members present expressed their concurrence that this item be recommended for approval by the Board.

RECOMMENDED ACTION:

Authorize the Chairman to execute a contract with Germania Governmental Services Corporation for consultation regarding goods movement strategies, and broader transportation issues for one year, beginning in January 2011, for an amount not to exceed \$100,000, with options for up to two one-year contract renewals.

Barry R. Wallerstein, D.Env.
Executive Officer

Background

Over the past few decades, air quality in Southern California has improved considerably, but the region still continues to be impacted by the poorest air quality in the nation. The Board has adopted stringent but innovative policies and programs that have greatly reduced stationary source emissions, so that currently 80% of emissions are generated by mobile sources, including more than 11 million gasoline vehicles and over 300,000 diesel vehicles. Therefore, it is necessary to reduce emissions drastically from the transportation and goods movement sector for Southern California to attain the federal clean air standards by the given timeframes. Both technology advancements and transportation funding and policies play an important role in cleaning up pollution from mobile sources.

Because of the need to achieve 75-90 percent additional NO_x reductions by 2030 in order to meet new federal Clean Air standards, the District needs to work with transportation agencies and other regional stakeholders to implement a freight transport system that meets the region's long-term needs for transportation, mobility, air quality, and clean energy. Furthermore, it will be necessary to move towards broad-deployment of low-emission and near zero-emission technologies in the near future for realization of these goals.

Throughout 2011 and possibly beyond, much attention will be focused on the federal surface transportation authorization legislation, and successive state implementation bills, which will dictate transportation policies and priorities for years to come. There has been increasing interest in addressing goods movement in the federal bill, in order to ensure that the goods movement sector has a sustainable funding source to expand and maintain our freight delivery system and continue to grow in the cleanest way possible, under certain constraints.

In recognition of these challenges, the Board had previously authorized the hiring of consultants with expertise in transportation and air quality issues to assist and augment staff efforts. AQMD consultants have helped staff reach out to key individuals and organizations, secure membership in several transportation organizations, and develop and implement strategies to integrate the Board's air quality priorities in transportation policies and programs. AQMD consultants have also assisted staff to build coalitions with local transportation policy leaders, state officials and other stakeholders to advance AQMD's agenda. This effort, which is far-reaching and trend-setting for an environmental agency, is not complete yet and needs to be sustained both locally and nationally. It is thus necessary to continue to utilize the services of qualified consultants.

Outreach

In accordance with AQMD's Procurement Policy and Procedure, a public notice advertising the RFP/RFQ and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County Press Enterprise newspapers to leverage the most cost-effective method of outreach to the entire South Coast Basin.

Additionally, twenty-three RFP notification letters were mailed to firms across the nation (with 11 of those sent to firms within the South Coast Air Basin), and an electronic copy was placed on the Internet at AQMD's Web site (<http://www.aqmd.gov>). Information was also available on the AQMD bidder's 24-hour telephone message line (909) 396-2724.

Bid Evaluation

Three proposals were received in response to the RFP. The proposals were evaluated and scored by a four-member evaluation panel. Only one of the three proposals evaluated was deemed to be technically qualified. The firm that was deemed technically qualified is Germania Governmental Services Corporation; therefore, it is recommended that a contract be executed with this firm in an amount not to exceed \$100,000 for a one-year period starting January 2011, to utilize their services regarding goods movement strategies and broader transportation issues. The attached matrix presents the scores and total proposal cost for the proposals.

Panel Composition

The evaluation panel consisted of two AQMD Assistant Deputy Executive Officers, one Senior Policy Advisor, and one association of governments' Director of Community Resources; three Asian and one Caucasian; three male and one female.

Resource Impacts

Funding for this contract is available in the Legislative and Public Affairs FY 2010-11 Budget. Funding for the two optional one-year extensions is contingent upon Board approval of the Budget for the respective fiscal years.

Attachment

RFP #P2011-07 Scores and Costs Matrix

RFP # P2011-07 SCORES AND COSTS MATRIX

Firm Name	Technical Score	Additional Points	Cost Points	Total Points	Total Cost
ITERIS*	51	~	~	~	\$ 99,830
GERMANIA	64	15**	30	109	\$ 99,312
TRANSTECH*	40	~	~	~	\$ 98,775

* Not qualified per RFP evaluation criteria.

**10 pts. Small Business/SBJV; 5 pts Local Business; self-certified

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 4

PROPOSAL: Amend Existing Contracts for Legislative Representation in Washington, D.C.

SYNOPSIS: The current contracts for legislative and regulatory representation in Washington D.C. will expire on January 14, 2011 for Kadesh & Associates, LLC and on December 31, 2010 for B&D Consulting. Staff is satisfied with their performance and continued representation in Washington, D.C. is necessary to further AQMD policy positions at the federal level. The current contracts have an option for two one-year extensions. This action is to approve the first one-year extension of the existing contracts for legislative and regulatory consulting services in Washington, D.C. for Calendar Year 2011. Total contract amounts for Kadesh & Associates and for B&D Consulting is proposed to be the current contract amounts plus a Consumer Price Index increase.

COMMITTEE: Legislative, November 12, 2010, Recommended for Approval

RECOMMENDED ACTION:

1. Authorize the Chairman to approve the first one-year extension of the contracts with Kadesh & Associates, and with B&D Consulting, in a total amount not to exceed \$427,518, for a one-year period, which includes a Consumer Price Index (CPI) increase.
2. Appropriate \$236,018 from the District's Undesignated Fund Balance to Legislative & Public Affairs FY 2010-11 budget, Account 67450 – Professional & Special Services.

Barry R. Wallerstein, D.Env.
Executive Officer

Background

After a competitive process with multiple firms responding to a request for proposals, the Board selected B&D Consulting and Kadesh & Associates, LLC, for legislative and regulatory representation in Washington, D.C. for 2010. The contract with Kadesh & Associates, LLC expires on January 14, 2011. The contract with B&D Consulting expires on December 31, 2010.

The firms have been effective in working with the Board and staff to maintain a continued and noticeable presence to advance the Board's agenda for federal legislative and regulatory issues. They have organized successful Board trips and meetings with key offices that have resulted in stronger or new relationships with the Administration, Congress and other stakeholders in Washington, D.C. This year the consultants worked diligently with staff and the impacted public to seek a solution to the Clean Air Act Section 185 fee issue which was a Board priority item. The consultants have also worked hard to secure \$5 million in DERA funding and they have also assisted staff with ARRA funding and other federal grants. Furthermore, policy successes are reflected in the inclusion of key items for the District in the Kerry-Lieberman bill, the leading Climate Change bill in 2010. Similarly, their efforts helped result in the inclusion of several AQMD recommendations in the Surface Transportation Reauthorization Legislation. The consultants have represented AQMD well and continued representation in Washington, D.C. is necessary to further AQMD's policy objectives in the future.

Proposal

Staff is satisfied with the performance of the two firms and wishes to retain them during calendar year 2011. Continuity of representation will help build on past relationships and policy initiatives to help increase the successful outcomes on AQMD policy objectives in 2011. Items anticipated to be on the agenda in 2011 include the legislative or administrative resolution of the federal Clean Air Act Section 185 fines that threaten businesses in the South Coast; New Source Review offsets; locomotive and marine vessel emissions; Surface Transportation Reauthorization; and appropriation requests. Legislative and regulatory advocacy is also needed to support new policy initiatives at the District. Finally, there will be many new legislators and perhaps new legislative leadership that will require targeted outreach and education efforts.

The present contracts, based on a competitive selection process, have options for two one-year extensions that may be exercised at the Board's discretion pursuant to the original RFP. This proposal is to approve the first one-year extension of these contracts.

Resource Impacts

Legislative & Public Affairs budget for FY 2010-11 contains insufficient funds for Legislative Advocacy in Washington, D.C., and additional funding is necessary in an amount of \$236,018 to cover the cost of these contract renewals. Therefore it is recommended that \$236,018 be appropriated from Undesignated Fund Balance to the Legislative & Public Affairs FY 2010-2011 Budget, Account 67450 – Professional and Special Services.

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 5

PROPOSAL: Amend Contracts for Legislative Representation in Sacramento, California

SYNOPSIS: The current contracts for legislative representation in Sacramento expire on December 31, 2010 for Joe A. Gonsalves & Son, Gonzalez Public Affairs, and Sloat Higgins Jensen & Associates. Staff is satisfied with their performance and continued representation in Sacramento is necessary to further AQMD policy positions at the state level. The current contracts have options for two one-year extensions. This action is to approve the first one-year extension of the existing contracts for legislative consulting services in Sacramento for Calendar Year 2011. Total contract amounts for Joe A. Gonsalves & Son, Gonzalez Public Affairs, and for Sloat Higgins Jensen & Associates are proposed to be the current contract amounts plus a Consumer Price Index increase.

COMMITTEE: Legislative, November 12, 2010, Recommended for Approval

RECOMMENDED ACTION:

1. Authorize the Chairman to approve the first one-year extension of the contracts with Joe A. Gonsalves & Son, Gonzalez Public Affairs and Sloat Higgins Jensen & Associates in a total amount not to exceed \$456,750, for a one-year term, beginning January 2011, which includes a Consumer Price Index (CPI) increase.
2. Appropriate \$91,750 from Undesignated Fund Balance to Legislative & Public Affairs budget, Account 67450 – Professional & Special Services.

Barry R. Wallerstein, D.Env.
Executive Officer

Background

Joe A. Gonsalves & Son, Gonzalez Public Affairs, and Sloat Higgins Jensen & Associates have focused on moving the Board's legislative agenda forward. Their support and active involvement have helped ensure the progress of our priority legislation such as SB 1479 by the Committee on Public Employment and Retirement which will save AQMD approximately \$1 million per year in retirement funding. Similarly, all three firms have participated and led productive efforts in 2010 to protect AQMD's regulatory authority in many areas, pursue solutions for the Clean Air Act Section 185 fees, and investigate ways to allow AQMD access to Intellectual Property rights for projects funded through AQMD. It is important that this momentum be maintained in the coming year to increase the chances of successful outcomes on air quality related legislation and AQMD policy priorities.

Proposal

The contracts with the three firms are due to expire on December 31, 2010. AQMD staff is satisfied with the performance of the three firms and recommends that the Board retain them for Calendar Year 2011. Continuity and past relationships provide forward momentum that need to be preserved for legislative successes. Efforts need to be redoubled at the State level in 2011 to seek authority for addressing long-term pension reform for AQMD's future retirement obligations as well as providing access to Intellectual Property rights for projects co-funded by the District. Other outstanding issues that need legislative and /or regulatory solutions may include offsets, and substitute funding to meet federal Clean Air Act section 185 fees facing South Coast businesses. Legislative and regulatory advocacy is also needed to support new policy initiatives at the District. Finally, there will be a new Administration and dozens of new legislators that will require targeted outreach and education efforts.

The present contracts, based on a competitive selection process, have options for two one-year extensions that may be exercised at the Board's discretion pursuant to the original RFP. This proposal is to approve the first one-year extension for each of the contracts.

Resource Impacts

Legislative & Public Affairs budget for FY 2010-11 contains insufficient funds for Legislative Advocacy in Sacramento, and additional funding is necessary in an amount of \$91,750 to cover the cost of these contract renewals. Therefore it is recommended that \$91,750 be appropriated from Undesignated Fund Balance to the Legislative & Public Affairs FY 2010-2011 Budget, Account 67450 – Professional and Special Services.

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 6

PROPOSAL: Reappropriate Funds from Undesignated Fund Balance to the Executive Office FY 2010-11 Budget for Activities Relating to AQMD's CBS-2 TV Weather Sponsorship

SYNOPSIS: On March 5, 2010, the Board approved AQMD's sponsorship of air quality forecasts during news weather segments on CBS-2 TV in an amount not to exceed \$66,300. The sponsorship began May 24 and continued through August 2010. Funding for the sponsorship was included in the FY 2009-10 Budget, but activities relating to contract execution with CBS-2 TV went beyond the FY 2009-10 Budget year and left these funds unspent. Subsequently, the unspent funds reverted to the Undesignated Balance Fund. This action is to reappropriate \$66,300 from the Undesignated Balance Fund to the Executive Office FY 2010-11 Budget for the CBS-2 TV weather sponsorship as originally approved by the Board.

COMMITTEE: Administrative, November 12, 2010, Recommended for Approval

RECOMMENDED ACTION:

Reappropriate \$66,300 from the Undesignated Fund Balance to the Executive Office FY 2010-11 Budget.

Barry R. Wallerstein, D.Env.
Executive Officer

SA

Background

On March 5, 2010, the Board approved a 13-week sponsorship of weather reports on CBS-2 TV in an amount not to exceed \$66,300 to further promote AQMD's Air Quality Index (AQI) Initiative, which encourages Southern Californians to be aware of the air quality in their areas and sign up for daily "Air Alerts". The sponsorship began on May 24 and continued until the end of August. The program effort was highly successful. Funding for the sponsorship was included in the FY 2009-10 Executive Office Budget.

While the sponsorship was with the local CBS affiliate, CBS required that the contract be approved by its national office. Due to unanticipated delays in the contract process,

funds appropriated for this sponsorship went unspent in FY 2009-10 and subsequently reverted to the Undesignated Fund Balance at the end of the fiscal year.

Proposal

The weather sponsorship is now complete and funds initially appropriated in FY 2009-10 Budget for this sponsorship must now be reappropriated in the FY 2010-11 Budget to compensate CBS-2 TV for the sponsorship. This action is to transfer \$66,300 from the Undesignated Fund Balance to the Executive Office FY 2010-11 Budget for this purpose.

Resource Impacts

Sufficient funding (i.e., the original funds) is available in the Undesignated Fund Balance account for this program.

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 7

PROPOSAL: Amend Contract with Cordoba Corporation to Add Four Air Quality Institute Briefings and Issue RFP for Continuation of AQI in 2011

SYNOPSIS: Since January 2006, the Board has authorized the implementation of several Air Quality Institute (AQI) programs to disseminate information and educate community, business and industry leaders and elected officials on air quality issues. On January 8, 2010, the Board approved the continued implementation of the AQI program through a contract with the Cordoba Corporation that expires on January 31, 2011. This action is to amend the existing contract with Cordoba Corporation to implement an additional four (4) AQI briefings to be completed by June 2011, at a cost not to exceed \$68,000, and to also issue an RFP to select a contractor to continue the AQI program for a one-year period at a cost not to exceed \$135,300, with options for two one-year extensions, upon satisfactory performance, at the Board's discretion.

COMMITTEE: Administrative, November 12, 2010, Recommended for Approval

RECOMMENDED ACTIONS:

1. Appropriate \$68,000 from the Undesignated Fund Balance to the Legislative & Public Affairs FY 2010-11 budget, Services and Supplies Major Object Account 67450 – Professional and Special Services.
2. Authorize the Chairman to amend the existing contract with Cordoba Corporation to add four (4) additional briefings to be completed by June 2011, at a cost not to exceed \$68,000.

3. Approve the issuance of RFP #P2011-11 to solicit proposals for consulting services regarding the continuation of the AQI, at a cost not to exceed \$135,300 for a one-year period, with options for two one-year extensions, upon satisfactory performance, at the Board's discretion.

Barry R. Wallerstein, D.Env.
Executive Officer

OA:AG:WS:RAR

Background

Since 2006, the Board has authorized the implementation of several Air Quality Institute (AQI) briefings for education and outreach to community organizations, business and industry leaders, and elected officials on air quality issues. Since then, many meetings and briefings have been successfully held to increase public participation and knowledge in health and air quality issues. On January 8, 2010, the Board authorized the latest series of eight (8) AQI briefings for 2010. These sessions have been instrumental in disseminating information on the Board's initiatives and priorities with emphasis on the critical need to reduce mobile source emissions, as well as other related health and air quality issues. The present contract with Cordoba Corporation expires on January 31, 2011.

The objective of the AQI is to educate and inform the public, and, in particular, first-tier opinion leaders and policy makers, including, but not limited to, elected and appointed officials, business and community leaders, editorial boards, media representatives, and faith-based organizations, about relevant air quality policy issues.

The curriculum for the AQI included discussions on ports and goods movement as it relates to air quality impact and solutions; air quality health studies including, MATES III, the USC Children's Health Study; health effects of diesel exposure; environmental justice issues; advanced technology solutions, energy issues; wildfire response; and other key Board initiatives. The AQIs have also provided the attendees with information and tools for action necessary to support our clean air mission at the policy level.

The AQI briefings have been highly successful. Participants included federal, state and local elected officials, education and community leaders, faith leaders, labor leaders, health care professionals, and hundreds of business representatives. Discussions at these meetings were at the policy level, extensive and in-depth, leading to many important discussions being established between AQMD Board members, staff and important stakeholders.

Over the course of the program, many briefings were held in Los Angeles, Orange, San

Bernardino, and Riverside counties as well as in Sacramento and Washington, D.C, delivering our messages to more than 1,000 leaders across the region. These briefings have led to the establishment of relationships with various organizations and individuals who have been beneficial in helping AQMD move its state and federal policy priorities forward.

From its inception, the AQI briefings have not only provided AQMD the opportunity to educate these individuals, and to build relationships with them and their organizations, but attendees have also alerted AQMD to various air quality issues of concern in their communities or organizations. Thus, the briefings have established a means of engaging in a dialogue with the leadership of the communities served by AQMD.

Proposal

1) Amend existing contract

Staff recommends amending the existing contract with Cordoba Corporation to augment the current program with an additional four (4) briefings to be completed by June 2011 at a cost not to exceed \$68,000. The immediate need for an additional four AQI briefings is multifold. First, the round of briefings contemplated in the current contract have already been completed or programmed. Second, should the Board authorize the issuance of an RFP to continue the program, the additional briefings allow for the continued momentum of the AQI program. Third, the additional briefings allow the District to educate various policy leaders, including new state and federal legislators and their staff, early in 2011 while the elected officials are still setting their policy agendas.

2) Request for Proposal

Staff also recommends the Board authorize the release of Request for Proposals to solicit bids for consulting services regarding the continuation of the AQI program in 2011, at a cost not to exceed \$135,300. The objective of the AQI is to continue the development of partnerships with community leaders, elected officials and stakeholder groups to provide high-level informational and educational briefings with the intent of working together towards mutual public policy goals of importance to AQMD. Such partnerships are intended to facilitate movement towards the Board's strategic policy objectives as related to air quality, climate change and public health.

Resource Impacts

Funds for the amendment of the existing contract with Cordoba Corporation will be appropriated from the Undesignated Fund Balance to Legislative & Public Affairs' FY 2010-11 budget, Services and Supplies Major Object, Professional and Special Services Account in an amount of \$68,000. The anticipated new contract resulting from the RFP will also be funded out of the Undesignated Fund Balance. Sufficient funds are available in the Undesignated Fund Balance.

Attachment

Request for Proposals #P2011-11 – Continuation of the Air Quality Institute

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

REQUEST FOR PROPOSALS FOR THE CONTINUATION OF THE AIR QUALITY INSTITUTE

#P2011-11

The South Coast Air Quality Management District (AQMD) requests proposals for the following purpose according to terms and conditions attached. In the preparation of this Request for Proposals (RFP) the words "Proposer," "Contractor," and "Consultant" are used interchangeably.

PURPOSE

Since 2006, the Board has authorized the implementation of several Air Quality Institute (AQI) briefings for education and outreach to community organizations, business and industry leaders, and elected officials on air quality issues. These sessions have been instrumental in disseminating information on the Board's initiatives and priorities with emphasis on the critical need to reduce mobile source emissions, as well as related health and air quality issues. The intent of this RFP is to contract with an outside representative knowledgeable in education, outreach and air quality issues to provide assistance to continue with the policy outreach and conducting these briefings during a one year period.

The selected firm will be expected to provide a variety of services outlined in the work statement, and consistent with AQMD directions. Funding for the initial year shall not exceed \$135,300. The contract will include options for two annual renewals, contingent upon satisfactory performance and approval of subsequent budgets, and at the discretion of the SCAQMD Governing Board.

INDEX - The following are contained in this RFP:

Section I	Background/Information
Section II	Contact Person
Section III	Schedule of Events
Section IV	Participation in the Procurement Process
Section V	Statement of Work/Schedule of Deliverables
Section VI	Required Qualifications
Section VII	Proposal Submittal Requirements
Section VIII	Proposal Submission
Section IX	Proposal Evaluation/Contractor Selection Criteria
Section X	Funding
Section XI	Draft Contract

Attachment A - Certifications and Representations

SECTION I: BACKGROUND/INFORMATION

Since 2006, the Board has authorized the implementation of several Air Quality Institute (AQI) briefings for education and outreach to community organizations, business and industry leaders, and elected officials on air quality issues. Since then, the briefings have been successfully executed and have increased public knowledge and participation in health and air quality issues. On January 8, 2010, the Board authorized the latest series of eight (8) AQI briefings for 2010. These sessions have been instrumental in disseminating information on the Board's initiatives and priorities with emphasis on the critical need to reduce mobile source emissions, as well as related health and air quality issues.

The objective of the AQI is to educate and inform the public, and, in particular, first-tier opinion leaders and policy makers, including, but not limited to, elected and appointed officials, business and community leaders, editorial boards, media representatives, and faith-based organizations, about relevant air quality policy issues.

The curriculum for the AQI included discussions on ports and goods movement as it relates to air quality impact and solutions; air quality health studies including, MATES III, the USC Children's Health Study, health effects of diesel exposure, environmental justice issues, advanced technology solutions, energy issues, wildfire response, and other key Board policy initiatives. The AQIs have also provided the attendees with information and tools for action necessary to support our clean air mission at the policy level.

The AQI briefings have been highly successful. Participants included federal, state and local elected officials, education and community leaders, faith leaders, labor leaders, health care professionals, and hundreds of business representatives. Discussions at these meetings were at the policy level, extensive and in-depth, leading to many important relationships being established between AQMD Board members, staff and important stakeholders.

From its inception, the AQI briefings have not only provided AQMD the opportunity to educate these individuals, and to build relationships with them and their organizations, but attendees have also alerted AQMD to various air quality issues of concern in their communities or organizations. Thus, the briefings have established a means of engaging in a dialogue with the leadership of the communities served by AQMD.

A Board of Counselors for the Institute has been established to guide this effort. They review the progress made in reaching the stated goals, suggest new approaches or ideas for more effective interaction, and assist with implementation, as appropriate.

SECTION II: CONTACT PERSON:

Questions regarding the content or intent of this RFP or on procedural matters should be addressed to:

William Sanchez
Senior Public Affairs Manager
SCAQMD
21865 Copley Drive
Diamond Bar, CA 91765-4178
(909) 396-3203

SECTION III: SCHEDULE OF EVENTS

December 3, 2010	RFP Released
January 14, 2011	Proposals Due No Later Than 5:00 PM
January 18-28, 2011	Proposal Evaluations
March 11, 2011	Administrative Committee Approval
April 1, 2011	Governing Board Approval
April 29, 2011	Anticipated Contract Execution

SECTION IV: PARTICIPATION IN THE PROCUREMENT PROCESS

A. It is the policy of the South Coast Air Quality Management District to ensure that all businesses including minority business enterprises, women business enterprises, disabled veteran business enterprises and small businesses have a fair and equitable opportunity to compete for and participate in AQMD contracts.

B. Definitions:

The definition of minority or women business enterprise set forth below is included for purposes of determining compliance with the affirmative steps requirement described in Paragraph F below on procurements funded in whole or in part with EPA grant funds which involve the use of subcontractors. The definition provided for disabled veteran business enterprise, local business, small business enterprise, low-emission vehicle business and off-peak hours delivery business are provided for purposes of determining eligibility for point or cost considerations in the evaluation process.

1. "Minority-or-women business enterprise" as used in this policy means a business enterprise that meets all the following criteria:

- a. a business that is at least 51 percent owned by one or more minority persons or women, or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more minority persons or women.

- b. a business whose management and daily business operations are controlled by one or more minority persons or women.
 - c. a business which is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business.
2. "Minority person" for purposes of this policy, means a Black American, Hispanic American, Native American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian American (including a person whose origins are from India, Pakistan, and Bangladesh), Asian-Pacific American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, and Taiwan).
3. "Disabled veteran" as used in this policy is a United States military, naval, or air service veteran with at least 10 percent service-connected disability who is a resident of California.
4. "Disabled veteran business enterprise" as used in this policy means a business enterprise that meets all of the following criteria:
 - a. is a sole proprietorship or partnership of which is at least 51 percent owned by one or more disabled veterans or, in the case of a publicly owned business, at least 51 percent of its stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture's management and control and earnings are held by one or more disabled veterans.
 - b. the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.
 - c. is a sole proprietorship, corporation, or partnership with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.
5. "Local business" as used in the Procurement Policy and Procedure means a company that has an ongoing business within the boundaries of the South Coast AQMD at the time of bid application and performs 90% of the work related to the contract within the boundaries of the AQMD and satisfies the requirements of Paragraph I below.
6. "Small business" as used in this policy means a business that meets the following criteria:
 - a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
 - A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or

- A manufacturer with 100 or fewer employees.
- b. Manufacturer means a business that is both of the following:
- 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
 - 2) Classified between Codes 311000 and 339000, inclusive, of the North American Industrial Classification System (NAICS) Manual published by the United States Office of Management and Budget, 2007 edition.
7. "Joint ventures" as defined in this policy pertaining to certification means that one party to the joint venture is a DVBE or a small business and owns at least 51 percent of the joint venture.
8. "Low-Emission Vehicle Business" as used in this policy means a company or contractor that uses low-emission vehicles in conducting deliveries to the AQMD. Low-emission vehicles include vehicles powered by electric, compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG), ethanol, methanol, hydrogen and diesel retrofitted with particulate matter (PM) traps.
9. "Off-Peak Hours Delivery Business" as used in this policy means a company or contractor that commits to conducting deliveries to the AQMD during off-peak traffic hours defined as between 10:00 a.m. and 3:00 p.m.
- C. Under Request for Quotations (RFQ), DVBEs, DVBE business joint ventures, small businesses, and small business joint ventures shall be granted a preference in an amount equal to 5% of the lowest cost responsive bid. Low-Emission Vehicle Businesses shall be granted a preference in an amount equal to 5 percent of the lowest cost responsive bid. Off-Peak Hours Delivery Businesses shall be granted a preference in an amount equal to 2 percent of the lowest cost responsive bid. Local businesses (if the procurement is not funded in whole or in part by EPA grant funds) shall be granted a preference in an amount equal to 2% of the lowest cost responsive bid.
- D. Under Request for Proposals, DVBEs, DVBE joint ventures, small businesses, and small business joint ventures shall be awarded ten (10) points in the evaluation process. A non-DVBE or large business shall receive seven (7) points for subcontracting at least twenty-five (25%) of the total contract value to a DVBE and/or small business. Low-Emission Vehicle Businesses shall be awarded five (5) points in the evaluation process. On procurements which are not funded in whole or in part by EPA grant funds local businesses shall receive five (5) points. Off-Peak Hours Delivery Businesses shall be awarded two (2) points in the evaluation process.
- E. AQMD will ensure that discrimination in the award and performance of contracts does not occur on the basis of race, color, sex, national origin, marital status, sexual preference, creed, ancestry, medical condition, or retaliation for having filed a discrimination complaint in the performance of AQMD contractual obligations.
- F. AQMD requires Contractor to be in compliance with all state and federal laws and regulations with respect to its employees throughout the term of any awarded contract, including state minimum wage laws and OSHA requirements.

- G. When contracts are funded in whole or in part by EPA grant funds and if subcontracts are to be let, the Contractor must comply with the steps listed below, which demonstrate a good faith effort to solicit minority and women owned enterprises. Contractor shall submit a certification signed by an authorized official affirming compliance with the steps below at the time of proposal submission. The AQMD reserves the right to request documentation demonstrating compliance with these steps prior to contract execution.
1. Place qualified small-and-minority businesses and women's business enterprises on solicitation lists;
 2. Ensure that small-and-minority businesses, and women's business enterprises are solicited whenever they are potential sources including advertising at least ten days in advance of the bid in a variety of media directed to minority-and women-owned business audiences;
 3. Divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small-and-minority business, and women's business enterprises;
 4. Establish delivery schedules, where requirements permit, which encourage participation by small-and-minority business, and women's business enterprises; and
 5. Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
- H. To the extent that any conflict exists between this policy and any requirements imposed by federal and state law relating to participation in a contract by a certified MBE/WBE/DVBE as a condition of receipt of federal or state funds, the federal or state requirements shall prevail.
- I. When contracts are not funded in whole or in part by EPA grant funds, a local business preference will be awarded. For such contracts that involve the purchase of commercial off-the-shelf products, local business preference will be given to suppliers or distributors of commercial off-the-shelf products who maintain an ongoing business within the geographical boundaries of the AQMD. However, if the subject matter of the RFP or RFQ calls for the fabrication or manufacture of custom products, only companies performing 90% of the manufacturing or fabrication effort within the geographical boundaries of the AQMD shall be entitled to the local business preference.
- J. In compliance with federal fair share requirements set forth in 40 CFR 35.6580, the AQMD shall establish a fair share goal annually for expenditures covered by its procurement policy.

SECTION V: STATEMENT OF WORK/SCHEDULE OF DELIVERABLES

A. Statement of Work

Under the direction of the AQMD Executive Officer or Deputy Executive Officer/Legislative & Public Affairs, the contractor shall design, organize and implement eight (8) Air Quality Institute briefing sessions (at least six (6) courses will be held within the four county area) to ensure that newly elected and appointed officials, as well as business and community leaders and agency staff, become familiar

with the Governing Board's initiatives and priorities, with an in-depth focus on the critical need to reduce emissions from mobile sources.

The Air Quality Institute will strive to attract 1st tier policy makers and strengthen relationships with AQMD, as well as serve as a tool for educating area leaders on AQMD's policies and goals. The program will regularly convene and update the Board of Counselors to seek its input and guidance. The briefings are to deliver targeted policy information on current and relevant topics to high level legislators, business and community leaders, and Administration and agency officials.

The selected Contractor will perform services including but not necessarily limited to the following:

1. Preparation Phase:
 - Convene regular meetings of the Board of Counselors
 - Identify Materials and Update Programs, as required
 - Identification of appropriate co-sponsors of the AQI briefings
2. Implementation Phase:
 - Identifying Speakers, Co-Sponsors, and Topics for briefings
 - Inviting and Enrolling Briefing Participants
 - Event Organization and Logistics
 - Creating detailed surveys and program summary
3. Follow-up Phase:
 - Periodic feedback on briefings held to Board of Counselors
 - Follow up on action items and requests generated at briefings
 - Continued nurturing of participants and sponsors of AQI briefings

Specific Deliverables:

1. Convene Board of Counselors quarterly and deliver minutes
2. Prepare and implement briefing program
3. Identify speakers, co-sponsors, and topics for briefings
4. Identify and secure site location for courses
5. Coordinate Outreach, Invitation/Registration of participants
6. Organize eight courses for officials, business and community leaders of which at least 6 shall be within the AQMD's 4 county region
7. Prepare detailed surveys
8. Follow up with past AQI participants and staff for action items or pending issues
9. Establish periodic contact and nurture connections with past AQI participants
10. Prepare Final Report to AQMD with recommendations for the future

SECTION VI: REQUIRED QUALIFICATIONS

- A. Persons or firms proposing to bid on this proposal must demonstrate extensive experience and expertise in the following areas:

1. Ability to coordinate and host an outreach event that encompasses a variety of special activities and events.
2. Ability to implement an outreach effort to improve communication and participation in a specific program.
3. Ability to define message, engage key constituencies and work with these groups to develop knowledge of and support for critical air quality issues
4. Ability to execute programs targeting state and federal legislators, elected officials, major responsible government agency heads, business and community leaders, timely and effectively .

B. Proposer must submit the following:

1. Resumes or similar statement of qualifications of person or persons who will be designated as representatives on behalf of the AQMD.
2. List of references. Reference list shall include a minimum of three present or past clients, with address, telephone number, and contact person identified.
3. Summary of Proposer's general qualifications to meet required qualifications and fulfill statement of work.

SECTION VII: PROPOSAL SUBMITTAL REQUIREMENTS

Submitted proposals must follow the format outlined below and all requested information must be supplied. Failure to submit proposals in the required format will result in elimination from proposal evaluation.

Each proposal must be submitted in three separate volumes:

§ Volume I - Technical Proposal

§ Volume II - Cost Proposal

§ Volume III - Certifications and Representations included in Attachment A to this RFP should be executed by an authorized official of the Contractor.

A separate cover letter including the name, address, and telephone number of the contractor, and signed by the person or persons authorized to represent the firm should accompany the proposal submission. Firm contact information as follows should also be included in the cover letter:

1. Address and telephone number of office in, or nearest to, Diamond Bar, California.
2. Name and title of firm's representative designated as contact.

A separate Table of Contents should be provided for Volumes I and II.

VOLUME I - TECHNICAL PROPOSAL

DO NOT INCLUDE ANY COST INFORMATION IN THE TECHNICAL VOLUME

Summary (Section A) - State overall approach to meeting the objectives and satisfying the scope of work to be performed, the sequence of activities, and a description of methodology or techniques to be used.

Program Schedule (Section B) - Provide projected milestones or benchmarks for submitting reports within the total time allowed.

Project Organization (Section C) - Describe the proposed management structure, program monitoring procedures, and organization of the proposed team.

Qualifications (Section D) - Describe the technical capabilities of the firm. Provide references of other similar studies performed during the last five years demonstrating ability to successfully complete the project. Include contact name, title, and telephone number for any references listed. Provide a statement of your firm's background and experience in performing similar projects for other governmental organizations.

Assigned Personnel (Section E) - Provide the following information on the staff to be assigned to this project:

1. List all key personnel assigned to the project by level and name. Provide a resume or similar statement of the qualifications of the lead person and all persons assigned to the project. Substitution of project manager or lead personnel will not be permitted without prior written approval of AQMD.
2. Provide a spreadsheet of the labor hours proposed for each labor category at the task level.
3. Provide a statement indicating whether or not 90% of the work will be performed within the geographical boundaries of the AQMD.
4. Provide a statement of the education and training program provided by, or required of, the staff identified for participation in the project, particularly with reference to management consulting, governmental practices and procedures, and technical matters.
5. Provide a summary of your firm's general qualifications to meet required qualifications and fulfill statement of work, including additional firm personnel and resources beyond those who may be assigned to the project.

Subcontractors (Section F) - This project may require expertise in multiple technical areas. List any subcontractors that may be used and the work to be performed by them.

Conflict of Interest (Section G) - Address possible conflicts of interest with other clients affected by actions performed by the firm on behalf of AQMD. Although the Proposer will not be automatically disqualified by reason of work performed for such firms, AQMD reserves the right to consider the nature and extent of such work in evaluating the proposal.

Additional Data (Section H) - Provide other essential data that may assist in the evaluation of this proposal.

VOLUME II - COST PROPOSAL

Name and Address - The Cost Proposal must list the name and complete address of the Proposer in the upper left-hand corner.

Cost Proposal – AQMD anticipates awarding a fixed price contract. Cost information must be provided as listed below:

1. Detail must be provided by the following categories:
 - A. Labor - List the total number of hours and the hourly billing rate for each level of professional staff. A breakdown of the proposed billing rates must identify the direct labor rate, overhead rate and amount, fringe benefit rate and amount, General and Administrative rate and amount, and proposed profit or fee. Provide a basis of estimate justifying the proposed labor hours and proposed labor mix.
 - B. Subcontractor Costs - List subcontractor costs and identify subcontractors by name. Itemize subcontractor charges per hour or per day.
 - C. Travel Costs - Indicate amount of travel cost and basis of estimate to include trip destination, purpose of trip, length of trip, airline fare or mileage expense, per diem costs, lodging and car rental.
 - D. Other Direct Costs -This category may include such items as postage and mailing expense, printing and reproduction costs, etc. Provide a basis of estimate for these costs.

VOLUME III - CERTIFICATIONS AND REPRESENTATIONS (see Attachment A to this RFP)

{CERTIFICATIONS AND REPRESENTATIONS MUST BE INCLUDED IN YOUR RFP}

SECTION VIII: PROPOSAL SUBMISSION

All proposals must be submitted according to specifications set forth in the section above. Failure to adhere to these specifications may be cause for rejection of proposal.

Signature - All proposals should be signed by an authorized representative of the Proposer.

Due Date - The Proposer shall submit eight (8) complete copies of the proposal in a sealed envelope, plainly marked in the upper left-hand corner with the name and address of the Proposer and the words "Request for Proposals #P2011-11" All proposals are due no later than 5:00 p.m., January 14, 2011, and should be directed to:

Procurement Unit
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178
(909) 396-3520

Late bids/proposals will not be accepted under any circumstances. Any correction or resubmission done by the Proposer will not extend the submittal due date.

Grounds for Rejection - A proposal may be immediately rejected if:

- § It is not prepared in the format described, or
- § It is signed by an individual not authorized to represent the firm.

Disposition of Proposals - AQMD reserves the right to reject any or all proposals. All responses become the property of AQMD. One copy of the proposal shall be retained for AQMD files. Additional copies and materials will be returned only if requested and at the proposer's expense.

Modification or Withdrawal - Once submitted, proposals cannot be altered without the prior written consent of AQMD. All proposals shall constitute firm offers and may not be withdrawn for a period of ninety (90) days following the last day to accept proposals.

SECTION IX: PROPOSAL EVALUATION/CONTRACTOR SELECTION CRITERIA

- A. Proposals will be evaluated by a panel of three to five AQMD staff members or external reviewers familiar with the subject matter of the project. The panel shall be appointed by the Executive Officer or his designee, and may include such outside public sector or academic community expertise as deemed desirable by the Executive Officer. The panel will make a recommendation to the Executive Officer and/or the Governing Board of the AQMD for final selection of a contractor and negotiation of a contract.
- B. Each member of the evaluation panel shall be accorded equal weight in his or her rating of proposals. The evaluation panel members shall evaluate the proposals according to the specified criteria and numerical weightings set forth below.

1. Sample Proposal Evaluation Criteria

(a) Technical Evaluation Points

Understanding the Problem	20
Technical/Management Approach	15
Contractor Qualifications	15
Previous Experience on Similar Projects	20
Cost	<u>30</u>
TOTAL	100

(b) Additional Points

Small Business or Small Business Joint Venture	10
DVBE or DVBE Joint Venture	10
Use of DVBE or Small Business Subcontractors	7
Low-Emission Vehicle Business	5

Local Business (Non-EPA Funded Projects Only)	5
Off-Peak Hours Delivery Business	2

The cumulative points awarded for small business, DVBE, use of small business or DVBE subcontractors, low-emission vehicle business, local business, and off-peak hours delivery business shall not exceed 15 points.

Note: The award of these additional points shall be contingent upon Proposer completing the Self-Certification section of Attachment A – Certifications and Representations and/or inclusion of a statement in the proposal self-certifying that Proposer qualifies for additional points as detailed above.

2. To receive additional points in the evaluation process for the categories of Small Business or Small Business Joint Venture, DVBE or DVBE Joint Venture or Local Business (for non-EPA funded projects), the proposer must submit a self-certification or certification from the State of California Office of Small Business Certification and Resources at the time of proposal submission certifying that the proposer meets the requirements set forth in Section III. To receive points for the use of DVBE and/or Small Business subcontractors, at least 25 percent of the total contract value must be subcontracted to DVBEs and/or Small Businesses. To receive points as a Low-Emission Vehicle Business, the proposer must demonstrate to the Executive Officer, or designee, that supplies and materials delivered to the AQMD are delivered in vehicles that operate on either clean-fuels or if powered by diesel fuel, that the vehicles have particulate traps installed. To receive points as an Off-Peak Hours Delivery Business, the proposer must submit, at proposal submission, certification of its commitment to delivering supplies and materials to AQMD between the hours of 10:00 a.m. and 3:00 p.m. The cumulative points awarded for small business, DVBE, use of Small Business or DVBE Subcontractors, Local Business, Low-Emission Vehicle Business and Off-Peak Hour Delivery Business shall not exceed 15 points.

The Procurement Section will be responsible for monitoring compliance of suppliers awarded purchase orders based upon use of low-emission vehicles or off-peak traffic hour delivery commitments through the use of vendor logs which will identify the contractor awarded the incentive. The purchase order shall incorporate terms which obligate the supplier to deliver materials in low-emission vehicles or deliver during off-peak traffic hours. The Receiving department will monitor those qualified supplier deliveries to ensure compliance to the purchase order requirements. Suppliers in non-compliance will be subject to a two percent of total purchase order value penalty. The Procurement Manager will adjudicate any disputes regarding either low-emission vehicle or off-peak hour deliveries.

3. For procurement of Research and Development (R & D) projects or projects requiring technical or scientific expertise or special projects requiring unique

knowledge and abilities, technical factors including past experience shall be weighted at 70 points and cost shall be weighted at 30 points. A proposal must receive at least 56 out of 70 points on R & D projects and projects requiring technical or scientific expertise or special projects requiring unique knowledge and abilities, in order to be deemed qualified for award.

4. The lowest cost proposal will be awarded the maximum cost points available and all other cost proposals will receive points on a prorated basis. For example if the lowest cost proposal is \$1,000 and the maximum points available are 30 points, this proposal would receive the full 30 points. If the next lowest cost proposal is \$1,100 it would receive 27 points reflecting the fact that it is 10% higher than the lowest cost (90% of 30 points = 27 points).
- C. During the selection process the evaluation panel may wish to interview some proposers for clarification purposes only. No new material will be permitted at this time.
 - D. The Executive Officer or Governing Board may award the contract to a proposer other than the proposer receiving the highest rating in the event the Governing Board determines that another proposer from among those technically qualified would provide the best value to AQMD considering cost and technical factors. The determination shall be based solely on the Evaluation Criteria contained in the Request for Proposal (RFP), on evidence provided in the proposal and on any other evidence provided during the bid review process. Evidence provided during the bid review process is limited to clarification by the Proposer of information presented in his/her proposal.
 - E. Selection will be made based on the above-described criteria and rating factors. The selection will be made by and is subject to Executive Officer or Governing Board approval. All proposers will be notified of the results by letter.
 - F. The Executive Officer or Governing Board may award contracts to more than one proposer if in (his or their) sole judgment the purposes of the (contract or award) would best be served by selecting multiple proposers.
 - G. If additional funds become available, the Executive Officer or Governing Board may increase the amount awarded. The Executive Officer or Governing Board may also select additional proposers for a grant or contract if additional funds become available.
 - H. Upon mutual agreement of the parties of any resultant contract from this RFP, the original contract term may be extended.

SECTION X: FUNDING

The total funding for the work contemplated by this RFP will be a maximum \$135,300/year for a 12-month term, with an option to extend the contract for up to two additional one-year terms. Funding for extension of the contract is contingent upon future Budgets and is contingent upon Board approval.

SECTION XI: DRAFT CONTRACT (Provided as a sample only)



**South Coast
Air Quality Management District**

This Contract consists of *** pages.

1. **PARTIES** - The parties to this Contract are the South Coast Air Quality Management District (referred to here as "AQMD") whose address is 21865 Copley Drive, Diamond Bar, California 91765-4178, and *** (referred to here as "CONTRACTOR") whose address is ***.

2. **RECITALS**
 - A. AQMD is the local agency with primary responsibility for regulating stationary source air pollution in the South Coast Air Basin in the State of California. AQMD is authorized to enter into this Contract under California Health and Safety Code Section 40489. AQMD desires to contract with CONTRACTOR for services described in Attachment 1 - Statement of Work, attached here and made a part here by this reference. CONTRACTOR warrants that it is well-qualified and has the experience to provide such services on the terms set forth here.
 - B. CONTRACTOR is authorized to do business in the State of California and attests that it is in good tax standing with the California Franchise Tax Board.
 - C. All parties to this Contract have had the opportunity to have this Contract reviewed by their attorney.
 - D. CONTRACTOR agrees to obtain the required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and pay all applicable fees.

3. **PERFORMANCE REQUIREMENTS**
 - A. CONTRACTOR warrants that it holds all necessary and required licenses and permits to provide these services. CONTRACTOR further agrees to immediately notify AQMD in writing of any change in its licensing status.
 - B. CONTRACTOR shall submit reports to AQMD as outlined in Attachment 1 - Statement of Work. All reports shall be submitted in an environmentally friendly format: recycled paper; stapled, not bound; black and white, double-sided print; and no three-ring, spiral, or plastic binders or cardstock covers. AQMD reserves the right to review, comment, and request changes to any report produced as a result of this Contract.
 - C. CONTRACTOR shall perform all tasks set forth in Attachment 1 - Statement of Work, and shall not engage, during the term of this Contract, in any performance of work that is in direct or indirect conflict with duties and responsibilities set forth in Attachment 1 - Statement of Work.
 - D. CONTRACTOR shall be responsible for exercising the degree of skill and care customarily required by accepted professional practices and procedures subject to AQMD's final approval which AQMD will not unreasonably withhold. Any costs incurred due to the failure to meet the foregoing standards, or otherwise defective services which require re-performance, as directed by AQMD, shall be the responsibility of CONTRACTOR. CONTRACTOR's failure to achieve the performance goals and objectives stated in Attachment 1- Statement of Work, is not a basis for requesting re-performance unless work conducted by CONTRACTOR is deemed by AQMD to have failed the foregoing standards of performance.
 - E. CONTRACTOR shall ensure, through its contracts with any subcontractor(s), that employees and agents performing under this Contract shall abide by the requirements set forth in this clause.

4. TERM - The term of this Contract is from the date of execution by both parties (or insert date) to ***, unless further extended by amendment of this Contract in writing. No work shall commence until this Contract is fully executed by all parties.

5. TERMINATION

- A. In the event any party fails to comply with any term or condition of this Contract, or fails to provide services in the manner agreed upon by the parties, including, but not limited to, the requirements of Attachment 1 – Statement of Work, this failure shall constitute a breach of this Contract. The non-breaching party shall notify the breaching party that it must cure this breach or provide written notification of its intention to terminate this contract. Notification shall be provided in the manner set forth in Clause 11. The non-breaching party reserves all rights under law and equity to enforce this contract and recover damages.
- B. AQMD reserves the right to terminate this Agreement, in whole or in part, without cause, upon thirty (30) days' written notice. Once such notice has been given, CONTRACTOR shall, except as and to the extent or directed otherwise by AQMD, discontinue any Work being performed under this Agreement and cancel any of CONTRACTOR's orders for materials, facilities, and supplies in connection with such Work, and shall use its best efforts to procure termination of existing subcontracts upon terms satisfactory to AQMD. Thereafter, CONTRACTOR shall perform only such services as may be necessary to preserve and protect any Work already in progress and to dispose of any property as requested by AQMD.
- C. CONTRACTOR shall be paid in accordance with this Agreement for all work performed before the effective date of termination under Clause 5.B. Before expiration of the thirty (30) days' written notice, CONTRACTOR shall promptly deliver to AQMD all copies of documents and other information and data prepared or developed by CONTRACTOR under this Agreement with the exception of a record copy of such materials, which may be retained by CONTRACTOR.

6. INSURANCE

- A. CONTRACTOR shall furnish evidence to AQMD of workers' compensation insurance for each of its employees, in accordance with either California or other states' applicable statutory requirements prior to commencement of any work on this Contract.
- B. CONTRACTOR shall furnish evidence to AQMD of general liability insurance with a limit of at least \$1,000,000 per occurrence, and \$2,000,000 in a general aggregate prior to commencement of any work on this Contract. AQMD shall be named as an additional insured on any such liability policy, and thirty (30) days written notice prior to cancellation of any such insurance shall be given by CONTRACTOR to AQMD.
- C. CONTRACTOR shall furnish evidence to AQMD of automobile liability insurance with limits of at least \$100,000 per person and \$300,000 per accident for bodily injuries, and \$50,000 in property damage, or \$1,000,000 combined single limit for bodily injury or property damage, prior to commencement of any work on this Contract. AQMD shall be named as an additional insured on any such liability policy, and thirty (30) days written notice prior to cancellation of any such insurance shall be given by CONTRACTOR to AQMD.
- D. CONTRACTOR shall furnish evidence to AQMD of Professional Liability Insurance with an aggregate limit of not less than \$5,000,000. [OPTIONAL FOR PROFESSIONAL SERVICES]
- E. If CONTRACTOR fails to maintain the required insurance coverage set forth above, AQMD reserves the right either to purchase such additional insurance and to deduct the cost thereof from any payments owed to CONTRACTOR or terminate this Contract for breach.
- F. All insurance certificates should be mailed to: AQMD Risk Management, 21865 Copley Drive, Diamond Bar, CA 91765-4178. **The AQMD Contract Number must be included on the face of the certificate.**

G. CONTRACTOR must provide updates on the insurance coverage throughout the term of the Contract to ensure that there is no break in coverage during the period of contract performance. Failure to provide evidence of current coverage shall be grounds for termination for breach of Contract.

7. **INDEMNIFICATION** - CONTRACTOR agrees to hold harmless and indemnify AQMD, its officers, employees, agents, representatives, and successors-in-interest against any and all loss, damage, cost, lawsuits, demands, judgments, legal fees or any other expenses which AQMD, its officers, employees, agents, representatives, and successors-in-interest may incur or be required to pay by reason of any injury or property damage arising from the negligent or intentional conduct or omission of CONTRACTOR, its employees, its subcontractors, or its agents in the performance of this Contract.

8. **PAYMENT**

[FIXED PRICE]-use this one or the T&M one below.

- A. AQMD shall pay CONTRACTOR a fixed price of *** Dollars (\$***) for work performed under this Contract in accordance with Attachment 2 - Payment Schedule, attached here and included here by reference. Payment shall be made by AQMD to CONTRACTOR within thirty (30) days after approval by AQMD of an invoice prepared and furnished by CONTRACTOR showing services performed and referencing tasks and deliverables as shown in Attachment 1 - Statement of Work, and the amount of charge claimed. Each invoice must be prepared in duplicate, on company letterhead, and list AQMD's Contract number, period covered by invoice, and CONTRACTOR's social security number or Employer Identification Number and submitted to: South Coast Air Quality Management District, Attn: ***.
- B. An amount equal to ten percent (10%) shall be withheld from all charges paid until satisfactory completion and final acceptance of work by AQMD. *[OPTIONAL]*
- C. AQMD reserves the right to disallow charges when the invoiced services are not performed satisfactorily in AQMD sole judgment.

[T & M]-use this one or the Fixed Price one above.

- A. AQMD shall pay CONTRACTOR a total not to exceed amount of *** Dollars (\$***), including any authorized travel-related expenses, for time and materials at rates in accordance with Attachment 2 – Cost Schedule, attached here and included here by this reference. Payment of charges shall be made by AQMD to CONTRACTOR within thirty (30) days after approval by AQMD of an itemized invoice prepared and furnished by CONTRACTOR referencing line item expenditures as listed in Attachment 2 and the amount of charge claimed. Each invoice must be prepared in duplicate, on company letterhead, and list AQMD's Contract number, period covered by invoice, and CONTRACTOR's social security number or Employer Identification Number and submitted to: South Coast Air Quality Management District, Attn: ***.
- B. CONTRACTOR shall adhere to total tasks and/or cost elements (cost category) expenditures as listed in Attachment 2. Reallocation of costs between tasks and/or cost category expenditures is permitted up to One Thousand Dollars (\$1,000) upon prior written approval from AQMD. Reallocation of costs in excess of One Thousand Dollars (\$1,000) between tasks and/or cost category expenditures requires an amendment to this Contract.
- C. AQMD's payment of invoices shall be subject to the following limitations and requirements:
 - i) Charges for equipment, material, and supply costs, travel expenses, subcontractors, and other charges, as applicable, must be itemized by CONTRACTOR. Reimbursement for equipment, material, supplies, subcontractors, and other charges shall be made at actual cost. Supporting documentation must be provided for all individual charges (with the exception of direct labor charges provided by CONTRACTOR). AQMD's reimbursement of travel expenses and requirements for supporting documentation are listed below.

ii) CONTRACTOR's failure to provide receipts shall be grounds for AQMD's non-reimbursement of such charges. AQMD may reduce payments on invoices by those charges for which receipts were not provided.

iii) AQMD shall not pay interest, fees, handling charges, or cost of money on Contract.

D. AQMD shall reimburse CONTRACTOR for travel-related expenses only if such travel is expressly set forth in Attachment 2 – Cost Schedule of this Contract or pre-authorized by AQMD in writing.

i) AQMD's reimbursement of travel-related expenses shall cover lodging, meals, other incidental expenses, and costs of transportation subject to the following limitations:

Air Transportation - Coach class rate for all flights. If coach is not available, business class rate is permissible.

Car Rental - A compact car rental. A mid-size car rental is permissible if car rental is shared by three or more individuals.

Lodging - Up to One Hundred Fifty Dollars (\$150) per night. A higher amount of reimbursement is permissible if pre-approved by AQMD.

Meals - Daily allowance is Fifty Dollars (\$50.00).

ii) Supporting documentation shall be provided for travel-related expenses in accordance with the following requirements:

Lodging, Airfare, Car Rentals - Bill(s) for actual expenses incurred.

Meals - Meals billed in excess of \$50.00 each day require receipts or other supporting documentation for the total amount of the bill and must be approved by AQMD.

Mileage - Beginning each January 1, the rate shall be adjusted effective February 1 by the Chief Financial Officer based on the Internal Revenue Service Standard Mileage Rate

Other travel-related expenses - Receipts are required for all individual items.

E. AQMD reserves the right to disallow charges when the invoiced services are not performed satisfactorily in AQMD sole judgment.

9. INTELLECTUAL PROPERTY RIGHTS - Title and full ownership rights to any software, documents, or reports developed under this Contract shall at all times remain with AQMD. Such material is agreed to be AQMD proprietary information.

A. Rights of Technical Data - AQMD shall have the unlimited right to use technical data, including material designated as a trade secret, resulting from the performance of services by CONTRACTOR under this Contract. CONTRACTOR shall have the right to use technical data for its own benefit.

B. Copyright - CONTRACTOR agrees to grant AQMD a royalty-free, nonexclusive, irrevocable license to produce, translate, publish, use, and dispose of all copyrightable material first produced or composed in the performance of this Contract.

10. NOTICES - Any notices from either party to the other shall be given in writing to the attention of the persons listed below, or to other such addresses or addressees as may hereafter be designated in writing for notices by either party to the other. Notice shall be given by certified, express, or registered mail, return receipt requested, and shall be effective as of the date of receipt indicated on the return receipt card.

AQMD: South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178
Attn: ***

CONTRACTOR: ***

Attn: ***

11. EMPLOYEES OF CONTRACTOR

- A. AQMD reserves the right to review the resumes of any of CONTRACTOR employees, and/or any subcontractors selected to perform the work specified here and to disapprove CONTRACTOR choices. CONTRACTOR warrants that it will employ no subcontractor without written approval from AQMD. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation, vacation replacements, sick leave, severance pay and pay for legal holidays.
- B. CONTRACTOR, its officers, employees, agents, representatives or subcontractors shall in no sense be considered employees or agents of AQMD, nor shall CONTRACTOR, its officers, employees, agents, representatives or subcontractors be entitled to or eligible to participate in any benefits, privileges, or plans, given or extended by AQMD to its employees.
- C. AQMD requires Contractor to be in compliance with all state and federal laws and regulations with respect to its employees throughout the term of this Contract, including state minimum wage laws and OSHA requirements.

12. CONFIDENTIALITY - It is expressly understood and agreed that AQMD may designate in a conspicuous manner the information which CONTRACTOR obtains from AQMD as confidential. CONTRACTOR agrees to:

- A. Observe complete confidentiality with respect to such information, including without limitation, agreeing not to disclose or otherwise permit access to such information by any other person or entity in any manner whatsoever, except that such disclosure or access shall be permitted to employees or subcontractors of CONTRACTOR requiring access in fulfillment of the services provided under this Contract.
- B. Ensure that CONTRACTOR's officers, employees, agents, representatives, and independent contractors are informed of the confidential nature of such information and to assure by agreement or otherwise that they are prohibited from copying or revealing, for any purpose whatsoever, the contents of such information or any part thereof, or from taking any action otherwise prohibited under this clause.
- C. Not use such information or any part thereof in the performance of services to others or for the benefit of others in any form whatsoever whether gratuitously or for valuable consideration, except as permitted under this Contract.
- D. Notify AQMD promptly and in writing of the circumstances surrounding any possession, use, or knowledge of such information or any part thereof by any person or entity other than those authorized by this clause.
- E. Take at CONTRACTOR expense, but at AQMD's option and in any event under AQMD's control, any legal action necessary to prevent unauthorized use of such information by any third party or entity which has gained access to such information at least in part due to the fault of CONTRACTOR.
- F. Take any and all other actions necessary or desirable to assure such continued confidentiality and protection of such information.
- G. Prevent access to such information by any person or entity not authorized under this Contract.
- H. Establish specific procedures in order to fulfill the obligations of this clause.
- I. Notwithstanding the above, nothing herein is intended to abrogate or modify the provisions of Government Code Section 6250 et.seq. (Public Records Act).

13. PUBLICATION

- A. AQMD shall have the right of prior written approval of any document which shall be disseminated to the public by CONTRACTOR in which CONTRACTOR utilized information obtained from AQMD in connection with performance under this Contract.

B. Information, data, documents, or reports developed by CONTRACTOR for AQMD, pursuant to this Contract, shall be part of AQMD public record unless otherwise indicated. CONTRACTOR may use or publish, at its own expense, such information provided to AQMD. The following acknowledgment of support and disclaimer must appear in each publication of materials, whether copyrighted or not, based upon or developed under this Contract.

"This report was prepared as a result of work sponsored, paid for, in whole or in part, by the South Coast Air Quality Management District (AQMD). The opinions, findings, conclusions, and recommendations are those of the author and do not necessarily represent the views of AQMD. AQMD, its officers, employees, contractors, and subcontractors make no warranty, expressed or implied, and assume no legal liability for the information in this report. AQMD has not approved or disapproved this report, nor has AQMD passed upon the accuracy or adequacy of the information contained herein."

C. CONTRACTOR shall inform its officers, employees, and subcontractors involved in the performance of this Contract of the restrictions contained herein and require compliance with the above.

14. NON-DISCRIMINATION - In the performance of this Contract, CONTRACTOR shall not discriminate in recruiting, hiring, promotion, demotion, or termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, or physical or mental disability and shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, Executive Order No. 11246 (30 Federal Register 12319), and all administrative rules and regulations issued pursuant to said Acts and Order. CONTRACTOR shall likewise require each subcontractor to comply with this clause and shall include in each such subcontract language similar to this clause.
15. SOLICITATION OF EMPLOYEES - CONTRACTOR expressly agrees that CONTRACTOR shall not, during the term of this Contract, nor for a period of six months after termination, solicit for employment, whether as an employee or independent contractor, any person who is or has been employed by AQMD during the term of this Contract without the consent of AQMD.
16. PROPERTY AND SECURITY - Without limiting CONTRACTOR obligations with regard to security, CONTRACTOR shall comply with all the rules and regulations established by AQMD for access to and activity in and around AQMD premises.
17. ASSIGNMENT - The rights granted hereby may not be assigned, sold, licensed, or otherwise transferred by either party without the prior written consent of the other, and any attempt by either party to do so shall be void upon inception.
18. NON-EFFECT OF WAIVER - The failure of CONTRACTOR or AQMD to insist upon the performance of any or all of the terms, covenants, or conditions of this Contract, or failure to exercise any rights or remedies hereunder, shall not be construed as a waiver or relinquishment of the future performance of any such terms, covenants, or conditions, or of the future exercise of such rights or remedies, unless otherwise provided for herein.
19. ATTORNEYS' FEES - In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys' fees and costs.
20. FORCE MAJEURE - Neither AQMD nor CONTRACTOR shall be liable or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, strikes, labor disputes, shortages of

suitable parts, materials, labor or transportation, or any similar cause beyond the reasonable control of AQMD or CONTRACTOR.

21. SEVERABILITY - In the event that any one or more of the provisions contained in this Contract shall for any reason be held to be unenforceable in any respect by a court of competent jurisdiction, such holding shall not affect any other provisions of this Contract, and the Contract shall then be construed as if such unenforceable provisions are not a part hereof.
22. HEADINGS - Headings on the clauses of this Contract are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.
23. DUPLICATE EXECUTION - This Contract is executed in duplicate. Each signed copy shall have the force and effect of an original.
24. GOVERNING LAW - This Contract shall be construed and interpreted and the legal relations created thereby shall be determined in accordance with the laws of the State of California. Venue for resolution of any disputes under this Contract shall be Los Angeles County, California.
25. CITIZENSHIP AND ALIEN STATUS
 - A. CONTRACTOR warrants that it fully complies with all laws regarding the employment of aliens and others, and that its employees performing services hereunder meet the citizenship or alien status requirements contained in federal and state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (P.L. 99-603). CONTRACTOR shall obtain from all covered employees performing services hereunder all verification and other documentation of employees' eligibility status required by federal statutes and regulations as they currently exist and as they may be hereafter amended. CONTRACTOR shall have a continuing obligation to verify and document the continuing employment authorization and authorized alien status of employees performing services under this Contract to insure continued compliance with all federal statutes and regulations.
 - B. Notwithstanding paragraph A above, CONTRACTOR, in the performance of this Contract, shall not discriminate against any person in violation of 8 USC Section 1324b.
 - C. CONTRACTOR shall retain such documentation for all covered employees for the period described by law. CONTRACTOR shall indemnify, defend, and hold harmless AQMD, its officers and employees from employer sanctions and other liability which may be assessed against CONTRACTOR or AQMD, or both in connection with any alleged violation of federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Contract.
26. FEDERAL FAIR SHARE POLICY - As a recipient of Environmental Protection Agency (EPA) grant funds, AQMD is required to flow down to all of its contractors the provisions of 40 CFR Section 31.36(e) which addresses affirmative steps for contracting with small-and-minority firms, women's business enterprises, and labor surplus area firms. CONTRACTOR agrees to comply with these provisions.
27. REQUIREMENT FOR FILING STATEMENT OF ECONOMIC INTERESTS - In accordance with the Political Reform Act of 1974 (Government Code Sec. 81000 et seq.) and regulations issued by the Fair Political Practices Commission (FPPC), AQMD has determined that the nature of the work to be performed under this Contract requires CONTRACTOR to submit a Form 700, Statement of Economic Interests for Designated Officials and Employees, for each of its employees assigned to work on this Contract. These forms may be obtained from AQMD's District Counsel's office. [USE IF REQUIRED]

28. COMPLIANCE WITH SINGLE AUDIT ACT REQUIREMENTS *[OPTIONAL - TO BE INCLUDED IN CONTRACTS WITH FOR-PROFIT CONTRACTORS WHICH HAVE FEDERAL PASS-THROUGH FUNDING]* - During the term of the Contract, and for a period of three (3) years from the date of Contract expiration, and if requested in writing by the AQMD, CONTRACTOR shall allow the AQMD, its designated representatives and/or the cognizant Federal Audit Agency, access during normal business hours to all records and reports related to the work performed under this Contract. CONTRACTOR assumes sole responsibility for reimbursement to the Federal Agency funding the prime grant or contract, a sum of money equivalent to the amount of any expenditures disallowed should the AQMD, its designated representatives and/or the cognizant Federal Audit Agency rule through audit exception or some other appropriate means that expenditures from funds allocated to the CONTRACTOR were not made in compliance with the applicable cost principles, regulations of the funding agency, or the provisions of this Contract.

[OPTIONAL - TO BE INCLUDED IN CONTRACTS WITH NON-PROFIT CONTRACTORS WHICH HAVE FEDERAL PASS-THROUGH FUNDING] - Beginning with CONTRACTOR's current fiscal year and continuing through the term of this Contract, CONTRACTOR shall have a single or program-specific audit conducted in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133 (Audits of States, Local Governments and Non-Profit Organizations), if CONTRACTOR expended Five Hundred Thousand Dollars (\$500,000) or more in a year in Federal Awards. Such audit shall be conducted by a firm of independent accountants in accordance with Generally Accepted Government Audit Standards (GAGAS). Within thirty (30) days of Contract execution, CONTRACTOR shall forward to AQMD the most recent A-133 Audit Report issued by its independent auditors. Subsequent A-133 Audit Reports shall be submitted to the AQMD within thirty (30) days of issuance.

CONTRACTOR shall allow the AQMD, its designated representatives and/or the cognizant Federal Audit Agency, access during normal business hours to all records and reports related to the work performed under this Contract. CONTRACTOR assumes sole responsibility for reimbursement to the Federal Agency funding the prime grant or contract, a sum of money equivalent to the amount of any expenditures disallowed should the AQMD, its designated representatives and/or the cognizant Federal Audit Agency rule through audit exception or some other appropriate means that expenditures from funds allocated to the CONTRACTOR were not made in compliance with the applicable cost principles, regulations of the funding agency, or the provisions of this Contract.

29. OPTION TO EXTEND THE TERM OF THE CONTRACT - AQMD reserves the right to extend the contract for a one-year period commencing ***** (enter date) at the (option price or Not-to-Exceed Amount) set forth in Attachment 2. In the event that AQMD elects to extend the contract, a written notice of its intent to extend the contract shall be provided to CONTRACTOR no later than thirty (30) days prior to Contract expiration. [USE IF REQUIRED]
30. KEY PERSONNEL - *insert person's name* is deemed critical to the successful performance of this Contract. Any changes in key personnel by CONTRACTOR must be approved by AQMD. All substitute personnel must possess qualifications/experience equal to the original named key personnel and must be approved by AQMD. AQMD reserves the right to interview proposed substitute key personnel. [USE IF REQUIRED]
31. PREVAILING WAGES – [USE FOR INFRASTRUCTURE PROJECTS] CONTRACTOR is alerted to the prevailing wage requirements of California Labor Code section 1770 et seq. Copies of the prevailing rate of per diem wages are on file at the AQMD's headquarters, of which shall be made available to any interested party on request. Notwithstanding the preceding sentence, CONTRACTOR shall be responsible for determining the applicability of the provisions of California Labor Code and complying with the same, including, without limitation, obtaining from the Director of the Department of Industrial Relations the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work, making the same available to any interested party upon request, paying any applicable prevailing rates, posting copies thereof at the job site and flowing all applicable prevailing wage rate requirements to its subcontractors. CONTRACTOR shall indemnify, defend and hold harmless the South Coast Air Quality Management District against any and all claims, demands, damages, defense costs or liabilities based on failure to adhere to the above referenced statutes.
32. APPROVAL OF SUBCONTRACT
- A. If CONTRACTOR intends to subcontract a portion of the work under this Contract, written approval of the terms of the proposed subcontract(s) shall be obtained from AQMD's Executive Officer or designee prior to execution of the subcontract. No subcontract charges will be reimbursed unless such approval has been obtained.
 - B. Any material changes to the subcontract(s) that affect the scope of work, deliverable schedule, and/or cost schedule shall also require the written approval of the Executive Officer or designee prior to execution.
 - C. The sole purpose of AQMD's review is to insure that AQMD's contract rights have not been diminished in the subcontractor agreement. AQMD shall not supervise, direct, or have control over, or be responsible for, subcontractor's means, methods, techniques, work sequences or procedures or for the safety precautions and programs incident thereto, or for any failure of subcontractor to comply with any local, state, or federal laws, or rules or regulations.
33. ENTIRE CONTRACT - This Contract represents the entire agreement between the parties hereto related to CONTRACTOR providing services to AQMD and there are no understandings, representations, or warranties of any kind except as expressly set forth herein. No waiver, alteration, or modification of any of the provisions herein shall be binding on any party unless in writing and signed by the party against whom enforcement of such waiver, alteration, or modification is sought.

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT ***

By: _____ By: _____
Barry R. Wallerstein, D.Env., Executive Officer Name:
Dr. William A. Burke, Chairman, Governing Board Title:

Date: _____ Date: _____

ATTEST:
Saundra McDaniel, Clerk of the Board

By: _____

APPROVED AS TO FORM:
Kurt R. Wiese, General Counsel

By: _____

ATTACHMENT A

CERTIFICATIONS AND REPRESENTATIONS



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

Business Information Request

Dear SCAQMD Contractor/Supplier:

The South Coast Air Quality Management District (SCAQMD) is committed to ensuring that our contractor/supplier records are current and accurate. If your firm is selected for award of a purchase order or contract, it is imperative that the information requested herein be supplied in a timely manner to facilitate payment of invoices. In order to process your payments, we need the enclosed information regarding your account. **Please review and complete the information identified on the following pages, complete the enclosed W-9 form, remember to sign both documents for our files, and return them as soon as possible to the address below:**

**Attention: Accounts Payable, Accounting Department
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178**

If you do not return this information, we will not be able to establish you as a vendor. This will delay any payments and would still necessitate your submittal of the enclosed information to our Accounting department before payment could be initiated. Completion of this document and enclosed forms would ensure that your payments are processed timely and accurately.

If you have any questions or need assistance in completing this information, please contact Accounting at (909) 396-3777. We appreciate your cooperation in completing this necessary information.

Sincerely,

Michael B. O'Kelly
Chief Financial Officer

DH:LV:CW:tm

Enclosures: Business Information Request
Disadvantaged Business Certification
W-9
Federal Contract Debarment Certification



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178

(909) 396-2000 • www.aqmd.gov

BUSINESS INFORMATION REQUEST

Business Name	
Division of:	
Subsidiary of:	
Website Address	
Type of Business	

REMITTING ADDRESS INFORMATION

Address			
City/Town			
State/Province		Zip	
Phone	() - Ext	Fax	() -
Contact		Title	
E-mail Address			
Payment Name if Different			

All invoices must reference the corresponding Purchase Order Number(s)/Contract Number(s) if applicable and mailed to:

Attention: Accounts Payable, Accounting Department
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178

DISADVANTAGED BUSINESS CERTIFICATION

Federal guidance for utilization of disadvantaged business enterprises allows a vendor to be deemed a small business enterprise (SBE), minority business enterprise (MBE) or women business enterprise (WBE) if it meets the criteria below.

- is certified by the Small Business Administration or
- is certified by a state or federal agency or
- is an independent MBE(s) or WBE(s) business concern which is at least 51 percent owned and controlled by minority group member(s) who are citizens of the United States.

Statements of certification:

As a prime contractor to the SCAQMD, _____ (name of business) will engage in good faith efforts to achieve the fair share in accordance with 40 CFR Section 31.36(e), and will follow the six affirmative steps listed below **for contracts or purchase orders funded in whole or in part by federal grants and contracts.**

1. Place qualified SBEs, MBEs, and WBEs on solicitation lists.
2. Assure that SBEs, MBEs, and WBEs are solicited whenever possible.
3. When economically feasible, divide total requirements into small tasks or quantities to permit greater participation by SBEs, MBEs, and WBEs.
4. Establish delivery schedules, if possible, to encourage participation by SBEs, MBEs, and WBEs.
5. Use services of Small Business Administration, Minority Business Development Agency of the Department of Commerce, and/or any agency authorized as a clearinghouse for SBEs, MBEs, and WBEs.
6. If subcontracts are to be let, take the above affirmative steps.

Self-Certification Verification: Also for use in awarding additional points, as applicable, in accordance with SCAQMD Procurement Policy and Procedure:

Check all that apply:

- Small Business Enterprise/Small Business Joint Venture Women-owned Business Enterprise
 Local business Disabled Veteran-owned Business Enterprise/DVBE Joint Venture
 Minority-owned Business Enterprise

Percent of ownership: _____ %

Name of Qualifying Owner(s): _____

I, the undersigned, hereby declare that to the best of my knowledge the above information is accurate. Upon penalty of perjury, I certify information submitted is factual.

NAME

TITLE

TELEPHONE NUMBER

DATE

Definitions

Disabled Veteran-Owned Business Enterprise means a business that meets all of the following criteria:

- is a sole proprietorship or partnership of which is at least 51 percent owned by one or more disabled veterans, or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture's management and control and earnings are held by one or more disabled veterans.
- the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.
- is a sole proprietorship, corporation, partnership, or joint venture with its primary headquarters office located in the United States and which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.

Joint Venture means that one party to the joint venture is a DVBE and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that DVBE will receive at least 51 percent of the project dollars.

Local Business means a business that meets all of the following criteria:

- has an ongoing business within the boundary of the SCAQMD at the time of bid application.
- performs 90 percent of the work within SCAQMD's jurisdiction.

Minority-Owned Business Enterprise means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more minority persons or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more minority persons.
- is a business whose management and daily business operations are controlled or owned by one or more minority person.
- is a business which is a sole proprietorship, corporation, partnership, joint venture, an association, or a cooperative with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

"Minority" person means a Black American, Hispanic American, Native American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian American (including a person whose origins are from India, Pakistan, or Bangladesh), Asian-Pacific American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, or Taiwan).

Small Business Enterprise means a business that meets the following criteria:

- a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
 - **A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or**
 - A manufacturer with 100 or fewer employees.
- b. Manufacturer means a business that is both of the following:
 - 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
 - 2) Classified between Codes 311000 to 339000, inclusive, of the North American Industrial Classification System (NAICS) Manual published by the United States Office of Management and Budget, 2007 edition.

Small Business Joint Venture means that one party to the joint venture is a Small Business and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that the Small Business will receive at least 51 percent of the project dollars.

Women-Owned Business Enterprise means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more women or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more women.
- is a business whose management and daily business operations are controlled or owned by one or more women.
- is a business which is a sole proprietorship, corporation, partnership, or a joint venture, with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	
	<input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number

or

Employer identification number
+

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
 2. Certify that you are not subject to backup withholding,
- or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or

• Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or
2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,

7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7 ²

¹See Form 1099-MISC, Miscellaneous Income, and its instructions.

²However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 5045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.socialsecurity.gov/online/ss-5.pdf. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses/ and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or single-owner LLC	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

²Circle the minor's name and furnish the minor's SSN.

³You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

⁴List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.



CAMPAIGN CONTRIBUTIONS DISCLOSURE

California law prohibits a party, or an agent, from making campaign contributions to AQMD Governing Board Members or members/alternates of the Mobile Source Pollution Reduction Committee (MSRC) of \$250 or more while their contract or permit is pending before the AQMD; and further prohibits a campaign contribution from being made for three (3) months following the date of the final decision by the Governing Board or the MSRC on a donor's contract or permit. Gov't Code §84308(d). For purposes of reaching the \$250 limit, the campaign contributions of the bidder or contractor plus contributions by its parents, affiliates, and related companies of the contractor or bidder are added together. 2 C.C.R. §18438.5.

In addition, Board Members or members/alternates of the MSRC must abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant to the proceeding, or agent, totaling \$250 or more in the 12-month period prior to the consideration of the item by the Governing Board or the MSRC. Gov't Code §84308(c). When abstaining, the Board Member or members/alternates of the MSRC must announce the source of the campaign contribution on the record. *Id.* The requirement to abstain is triggered by campaign contributions of \$250 or more in total contributions of the bidder or contractor, *plus* any of its parent, subsidiary, or affiliated companies. 2 C.C.R. §18438.5.

In accordance with California law, bidders and contracting parties are required to disclose, at the time the application is filed, information relating to any campaign contributions made to Board Members or members/alternates of the MSRC, including: the name of the party making the contribution (which includes any parent, subsidiary or otherwise related business entity, as defined below), the amount of the contribution, and the date the contribution was made. 2 C.C.R. §18438.8(b).

The list of current AQMD Governing Board Members can be found at the AQMD website (www.aqmd.gov). The list of current MSRC members/alternates can be found at the MSRC website (<http://www.cleantransportationfunding.org>).

SECTION I. Please complete Section I.

Contractor:

RFP #: P2011-11

List any parent, subsidiaries, or otherwise affiliated business entities of Contractor: (See definition below).

SECTION II

Has contractor and/or parent, subsidiary, or affiliated company, or agent thereof, made a campaign contribution(s) totaling \$250 or more in the aggregate to a current member of the South Coast Air Quality Management Governing Board or members/alternates of the MSRC in the 12 months preceding the date of execution of this disclosure?

Yes No

**If YES, complete Section II below and then sign and date the form.
If NO, sign and date below. Include this form with your submittal.**

Campaign Contributions Disclosure, *continued*:

Name of Contributor _____

_____	_____	_____
Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution

Name of Contributor _____

_____	_____	_____
Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution

Name of Contributor _____

_____	_____	_____
Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution

Name of Contributor _____

_____	_____	_____
Governing Board Member or MSRC Member/Alternate	Amount of Contribution	Date of Contribution

Name of Contributor _____

_____	_____	_____
Governing Board Member or MSRC Member/alternate	Amount of Contribution	Date of Contribution

I declare the foregoing disclosures to be true and correct.

By: _____

Title: _____

Date: _____

DEFINITIONS

Parent, Subsidiary, or Otherwise Related Business Entity.

- (1) *Parent subsidiary. A parent subsidiary relationship exists when one corporation directly or indirectly owns shares possessing more than 50 percent of the voting power of another corporation.*

- (2) *Otherwise related business entity. Business entities, including corporations, partnerships, joint ventures and any other organizations and enterprises operated for profit, which do not have a parent subsidiary relationship are otherwise related if any one of the following three tests is met:*
 - (A) *One business entity has a controlling ownership interest in the other business entity.*
 - (B) *There is shared management and control between the entities. In determining whether there is shared management and control, consideration should be given to the following factors:*
 - (i) *The same person or substantially the same person owns and manages the two entities;*
 - (ii) *There are common or commingled funds or assets;*
 - (iii) *The business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis;*
 - (iv) *There is otherwise a regular and close working relationship between the entities; or*
 - (C) *A controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.*

2 Cal. Code of Regs., §18703.1(d).

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 8

PROPOSAL: Establish List of Prequalified Vendors to Provide Automotive Mechanical Repair and Service for AQMD's Fleet Vehicles

SYNOPSIS: On July 9, 2010, the Board approved release of an RFQ for automotive mechanical repair and service for AQMD's vehicle fleet. This action is to establish a list of prequalified vendors that will be used for the next three years to purchase these services and supplies. Funding has been included in the FY 2010-11 Budget, and will be requested in successive fiscal years.

COMMITTEE: Administrative, November 12, 2010, Recommended for Approval

RECOMMENDED ACTION:

Approve the lists, shown in Attachment A, of prequalified vendors for automotive mechanical repair and service for AQMD's fleet, to be used for a three-year period, beginning January 1, 2011.

Barry R. Wallerstein, D.Env.
Executive Officer

WJ:SO

Background

On July 9, 2010, AQMD released RFQ #Q2011-01 for automotive mechanical repair and service, to establish a list of prequalified vendors from which these services and supplies will be purchased over a three-year period. The current annual expenditure for fleet vehicle mechanical repair and service is approximately \$256,644. These services and supplies are purchased routinely to support operational needs.

Outreach

In accordance with AQMD's Procurement Policy and Procedure, a public notice advertising the RFQ and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County Press Enterprise newspapers to leverage the most cost-effective method of outreach to the entire South Coast Basin.

Additionally, potential bidders may have been notified utilizing AQMD's own electronic listing of certified minority vendors. Notice of the RFQ has been mailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at AQMD's web site (<http://www.aqmd.gov>). Information is also available on AQMD's bidder's 24-hour telephone message line (909) 396-2724.

Proposal Evaluation

Ninety-five copies of the RFQ were mailed out, and 10 proposals were received by the deadline on August 17, 2010. Nine of the 10 bids received were complete and met requirements for placement on the list of prequalified vendors, as defined in the RFQ.

The review panel consisted of four AQMD staff; a Fleet Services Supervisor, a Purchasing Supervisor and two Fleet Workers II. Of these, one is Asian-Pacific Islander, and three are Hispanic; one is female, and three are male.

Resource Impacts

Funding for these services and supplies has been included in the FY 2010-11 Budget, and will be requested in successive fiscal years.

Attachment A

Prequalified Vendor List

ATTACHMENT A
PREQUALIFIED VENDOR LIST
RFQ Q2011-01
Automotive Mechanical Repair and Service

Name	Points	Self- certified status
Super Ford Lincoln	94	Local/Minority
CR Diamond Bar Service Center	91	Local/Small/ Minority
Consumer Auto Service	90	Local/Small/ Minority
Diamond Bar Mobil	85	Local
Grand Mobil	84	Local
Serrano Auto Supply & Service	79	Local/Small/ Minority
Walnut Auto Air	79	Local/ Small
Nutech	77	Local/ Small
Jiffy Lube and Service	71	Local/ Small

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 9

PROPOSAL: Modify HEROS II Program Elements and Execute Sole Source Contract to Implement HEROS II, Sign Memorandum of Agreement to Assist Implementation of Unocal Settlement Program, Recognize Revenues and Adopt Resolution to Implement AB 118 Enhanced Fleet Modernization Program, and Reimburse the Carl Moyer Fund from the Clean Fuels Fund

SYNOPSIS: There is a need to modify the original Phase II High Emitter Repair or Scrap (HEROS) Program as approved by the Board on October 2, 2009. This action is to 1) rescind the prior contract awards and to execute a sole source contract with the Foundation for California Community Colleges in an amount not to exceed \$668,410 and rescind prior allocation of \$1,900,000 from AB 923 Fund, 2) create the HEROS II Special Revenue Fund, and 3) transfer \$1,866,240 from Moyer Fund 32, \$56,915 from the AB 923 Fund, and \$189,855 from the Clean Fuels Fund to the HEROS II Special Revenue Fund to implement Phase II HEROS. CARB has requested the AQMD to implement the AB 118 Enhanced Fleet Modernization Program. This action is to adopt a resolution to recognize up to \$2,708,000 for the implementation of the vehicle replacement voucher component of the Enhanced Fleet Modernization Program. Lastly, this action is to reimburse the Carl Moyer Fund with \$308,339 from the Clean Fuels Fund to cover administrative costs from the first HEROS Program.

COMMITTEE: Technology, November 19, 2010, Recommended for Approval

RECOMMENDED ACTIONS:

1. Rescind Board actions approved on October 2, 2009 for implementation of the HEROS II Program including awards of \$798,960 to Valley Clean Air Now (Valley CAN) and \$900,000 to the Foundation for California Community Colleges (FCCC) and an allocation of \$1,900,000 from AB 923 Fund 80.
2. Establish a HEROS II Special Revenue Fund to track funds received and expenditures for the HEROS II Program.

3. Transfer the Mercedes Benz USA contribution of \$1,000,000 recognized by the Board on October 2, 2009 from the AB923 Fund 80 to the HEROS II Special Revenue Fund.
4. Transfer the remaining \$1,866,240 from the Carl Moyer Fund 32 as HEROS I Program cost to the HEROS II Special Revenue Fund for HEROS II scrapping incentives (\$1,430,000) and contract (FCCC) expenses (\$436,240).
5. Transfer \$56,915 from the AB 923 Fund 80 to the HEROS II Special Revenue Fund for HEROS II contract (FCCC) expenses.
6. Transfer \$189,855 from the Clean Fuels Fund 31 to the HEROS II Special Revenue Fund. \$150,000 will be used for marketing and outreach expenses and \$39,855 will be used to cover contract (FCCC) expenses.
7. Approve the attached resolution accepting the terms and conditions of the Grant Award from CARB under AB 118 for the implementation of the vehicle replacement voucher component of the Enhanced Fleet Modernization Program (EFMP) and recognize up to \$2,708,000 upon receipt from CARB into the HEROS II Special Revenue Fund.
8. Authorize the Chairman to execute a sole source contract with Foundation for California Community Colleges in an amount not to exceed \$668,410 from the HEROS II Special Revenue Fund to implement the HEROS II Program. Within the HEROS II Special Revenue Fund, \$493,155 is to be funded from AB 923 monies, \$135,400 from AB 118 monies and \$39,855 from Clean Fuels monies.
9. Authorize the Executive Officer to negotiate and enter into a Memorandum of Agreement with the Foundation for California Community Colleges to coordinate the HEROS II Program with the Unocal Vehicle Repair, Retirement, Replacement for Motorist (VRRRM) Program for the South Coast Air Basin.
10. Transfer \$308,339 from the Clean Fuels Fund 31 to the Carl Moyer Fund 32 to reimburse the HEROS I Program for administrative costs above the 5% cap. This will increase the total allocation to the HEROS I Program to \$4,308,339.
11. Recognize \$150,000 from CARB in Carl Moyer Fund 32 as HEROS I Program administrative funds for database development.

Barry R. Wallerstein, D.Env.
Executive Officer

Background

Gross-polluting vehicles make up about 10 percent of the South Coast Air Basin's passenger vehicle fleet, and yet they are responsible for more than 50 percent of the air pollution from that fleet. The AQMD has a long history implementing programs to reduce mobile source related emissions, including programs that encourage the use of low-emission vehicles for purposes of achieving state and federal ambient air quality standards. The proposed actions address the implementation of voluntary programs to reduce emissions from high-emitting light- and medium-duty vehicles in the South Coast Air Basin.

High Emitter Repair or Scrap (HEROS) Program

On October 2, 2009, the Board approved the execution of contracts for the implementation of the second phase of the HEROS Program (HEROS II) using Carl Moyer Program AB 923 funds. The goal of the HEROS II program was to achieve higher program participation by drawing interested, prequalified participants into advertised weekend events for vehicle prescreening. Owners of vehicles identified as potential high emitters would then be eligible to schedule appointments for emissions testing at select Smog Check stations. The Board approved an award to Valley CAN to implement the HEROS II Program, an award to the Foundation of California Community Colleges (FCCC) for the testing and repair components of the program, and funding for vehicle scrapping and replacement incentives. This funding included \$1 million from Mercedes-Benz to support the HEROS II program.

Subsequent to the Board's approval, staff received comments from CARB indicating the need to further reduce administrative costs for Moyer Program funding eligibility. CARB staff believed that the weekend events are considered administrative costs. Staff has had several meetings with CARB to delineate programmatic and administrative costs. However, staff has not reached agreement. As such, no contracts have been executed and no funding has been disbursed for the HEROS II Program implementation. Staff is now proposing a different approach to implement the HEROS II Program to address CARB's concerns and to maximize the program's effectiveness with other scrapping programs that are going to be or proposed to be conducted concurrently with the HEROS II Program.

AB 118 Enhanced Fleet Modernization Program (EFMP)

Assembly Bill 118, signed in 2007, authorizes implementation of an EFMP to augment the State's existing voluntary accelerated vehicle retirement program (the existing Consumer Assistance Program (CAP) is administered by the Bureau of Automotive Repair and provides \$1,000 for the voluntary retirement of vehicles failing their most recent Smog Check). CARB adopted a regulation to implement the AB 118 EFMP, which was finalized on August 12, 2010. This regulation provides for the AQMD to implement the vehicle replacement voucher component of the EFMP for the South Coast Air Basin. Through this program, owners of vehicles targeted as high-emitters

will receive \$1,000 or \$1,500 (depending on low-income eligibility) to scrap their vehicles and will also be eligible to receive vouchers of \$2,000 or \$2,500 (depending on low-income eligibility) for vehicle replacement or up to \$2,500 towards the purchase of transportation by a public transit agency. The vehicle replacement vouchers are to be administered through the AQMD and redeemed at participating automobile dealerships. The AQMD received a letter dated September 22, 2010 from CARB requesting the AQMD to implement the replacement voucher program and indicating that approximately \$2,708,000 would be available from the state.

Unocal Settlement “Vehicle Repair, Retirement, and Replacement for Motorists” (VRRRM) Program

FCCC is proposing to implement a vehicle retirement and replacement program, VRRRM, which would be funded by settlement proceeds from the class action litigation, *In Re: Reformulated Gasoline Antitrust & Patent Litigation*. The Program has several components, including an element to provide additional funding to complement the implementation of the HEROS II program by filling voids in HEROS and EFMP through funding the scrap and replacement of high-emitting vehicles that are not eligible for these programs. In the first phase of HEROS, approximately 40 percent of the vehicles identified as high emitters were deemed ineligible for program participation due to provisions in the Moyer Guidelines. Through the HEROS, EFMP, and VRRRM Programs, most of the targeted vehicles would be eligible for scrapping and replacement incentives, and matching incentive amounts would be offered to the consumer through one of the three programs.

HEROS Phase I

In the first phase of HEROS, CARB identified administrative tasks amounting to \$658,339. Such tasks primarily included call center activities, database development, and analysis costs. The administrative costs identified are beyond the 5% cap established for AB 923 implementation. Based on the funding requested to implement the first phase of the HEROS program, the five percent cap is \$200,000. CARB allowed the AQMD to proceed with the HEROS program and contributed \$150,000 towards the database development. With CARB’s contribution and the \$200,000 in AB 923 funds, a balance of \$308,339 in administrative costs above the 5% cap were covered with additional AB 923 funds which must be reimbursed.

Proposal

Staff is proposing several actions to implement the HEROS II Program in conjunction with other scrap and replacement programs currently or proposed to be conducted in the South Coast Air Basin. In summary, staff is requesting the Board to approve the following:

- 1) To implement HEROS II:

- a. Rescind award of contracts at the Board's October 2, 2009 meeting to implement HEROS II,
 - b. Rescind prior Board allocation of \$1,900,000 from AB923 Funds to HEROS II,
 - c. Create a HEROS II Special Revenue Fund,
 - d. Transfer the remaining \$1,866,240 from the Carl Moyer Fund 32 as HEROS I Program cost to the HEROS II Special Revenue Fund.
 - e. Transfer a total amount not to exceed \$56,915 from the AB 923 Fund 80 to the HEROS II Special Revenue Fund to implement HEROS II,
 - f. Transfer \$189,155 from the Clean Fuels Fund 31 to the HEROS II Special Revenue Fund to cover administrative costs and to assist in the marketing and outreach for HEROS II,
 - g. Transfer the \$1 million contribution from Mercedes Benz from the AB 923 Fund 80 to the HEROS II Special Revenue Fund to implement HEROS II, and
 - h. Execute a sole source contract with FCCC in an amount not to exceed \$668,410 to implement HEROS II.
- 2) To implement the AB 118 EFMP:
 - a. Adopt resolution to accept terms and conditions to implement the AB 118 EFMP,
 - b. Recognize \$2,708,000 from CARB for the EFMP vehicle replacement voucher program and place these funds in the HEROS II Special Revenue Fund, and
 - c. Allocate \$135,400 of the \$2,708,000 to cover administrative costs associated with implementing the AB 118 EFMP Voucher Program.
 - 3) To assist in the implementation of the Unocal Settlement VRRRM Program, enter into a Memorandum of Agreement with FCCC.
 - 4) To address the \$308,339 in administrative costs beyond the 5% cap that was incurred under the first phase of HEROS, staff is proposing to transfer \$308,339 from the Clean Fuels Fund 31 to the Carl Moyer Fund 32.

The above proposed actions are further discussed below.

The actions proposed by staff were developed to further streamline program administrative costs to meet CARB guidelines and to optimize implementation of these programs such that they would be transparent to the consumer. Table 1 depicts the three different programs being considered in the proposed actions and the total incentive amounts being offered for each program area. The three programs consist of: 1) CARB AB 118 Enhanced Fleet Modernization Program (EFMP); 2) Unocal Settlement VRRRM Program; and 3) the AQMD HEROS II Program. Each of the programs will

offer identical incentive amounts to consumers who voluntarily scrap and replace their high emitting vehicles.

Table 1. Summary Table of Scrap & Replacement Programs

CARB AB118 EFMP		UNOCAL VRRRM		AQMD HEROS
State Administer	AQMD Administer	Statewide	VRRRM in South Coast	AQMD Administer
BAR-CAP	1. High-emitting vehicles to be identified through high-emitter profile database	Scrap and Replacement Voucher (\$3,500)	1. Emission test	1. Emission test
CARB – Scrap Eligible (\$1,000 or \$1,500)	2. No vehicle testing replacement voucher for high-emitting vehicles (\$2,000 or \$2,500)		2. If not meeting smog check after test: A. Eligible for scrap & replacement voucher	2. If not meeting smog check after test: A. Eligible for scrap (\$1,000 or \$1,500) & replacement voucher (\$2,000 or \$2,500)
	3. Eligible for scrap		3. If meeting smog check after pre-test: A. Eligible for statewide VRRRM	3. If meeting smog check after pre-test: A. Eligible for EFMP scrap
	4. Receive voucher		B. Eligible for scrap under EFMP	B. If pre-95, eligible for VRRRM statewide scrap & replacement voucher
Consumer				
Scrap Vehicle \$1,000 or \$1,500	If High-Emitter Replacement Voucher Eligible \$2,000 or \$2,500	\$3,500	Scrap Vehicle \$1,000 or \$1,500 Replacement Voucher \$2,000 or \$2,500	Scrap Vehicle \$1,000 or \$1,500 Replacement Voucher \$2,000 or \$2,500
Total	\$3,000 or \$4,000	Total	\$3,000 or \$4,000	Total \$3,000 or \$4,000

HEROS Phase II

Under HEROS II, the program would be streamlined and enhanced in several ways. Under the first phase of HEROS, staff found that vehicle repairs were less cost-effective than vehicle scrapping by a four-to-one margin. As such, staff is proposing to only include a vehicle scrapping element and provide replacement incentives to match the incentives levels offered through the EFMP and the VRRRM Program. Although HEROS, EFMP, and the VRRRM Program have different eligibility requirements, matching incentive levels will facilitate the implementation of the three programs in a manner that is seamless to the consumer.

Additional changes under HEROS II include a proposal to implement HEROS II in a manner similar to the lawnmower exchange program. The primary marketing and outreach effort will rely upon the efforts of new and used car dealerships to implement the replacement vouchers to replace high emitting vehicles. Staff may also use remote sensing data obtained from the first phase of HEROS or a proposed state pilot program to identify clean and high emitting vehicles whereby owners of potentially high emitting vehicles would be solicited for participation in the HEROS II Program.

Since staff is now proposing the elimination of vehicle repairs and weekend events, and the performance of marketing and outreach, it is recommended that the prior awards to Valley CAN and FCCC be rescinded. Staff also recommends that the Board rescind the prior allocation of \$1,900,000 from AB 923 Fund 80 for the HEROS II Program.

To implement the revised HEROS II Program, staff is proposing the execution of a sole source contract with FCCC in a total amount not to exceed \$668,410. The total amount of \$668,410 would be covered from three separate sources and transferred to the HEROS II Special Revenue Fund: \$493,155 from AB 923 funds, \$39,855 from Clean Fuels funds, and \$135,400 from the AB 118 EFMP funds (discussed below). The use of Clean Fuels funding is proposed in order to cover AB 923-funded administrative activities, based on Moyer guidelines. In addition, staff is requesting that the Board transfer \$150,000 from the Clean Fuels Fund 31 to the HEROS II Special Revenue Fund for marketing and outreach under the HEROS II Program. Table 2 shows a breakdown in the estimated FCCC contract cost for up to 18 months of program implementation.

Table 2. HEROS Program Estimated FCCC Contract Costs

Activity	Cost
Program Management & Reporting	\$ 37,500
Call Center Activities	\$ 165,000
Collection, Tracking, Data Analysis, Claims	\$ 30,160
Vehicle Testing	\$ 397,000
Software Development & Support	\$ 11,000
Administration	\$ 27,750
TOTAL Contract Cost	\$668,410

Under the revised proposal for HEROS II, interested participants would contact the call center to be implemented by FCCC. Vehicles identified as HEROS-eligible (determined by the call center staff) would be directed to participating Gold Shield stations for vehicle Smog Check tests. Those vehicles failing Smog Check would be eligible for scrap and replacement under the HEROS Program and would potentially be eligible for vehicle replacement incentives. Vehicles deemed ineligible in the HEROS program would potentially qualify for participation in the VRRRM Program or the EFMP.

Incentives offered for vehicle scrapping and replacement would be enhanced to match the incentives offered through the EFMP and the VRRRM Program. In the first phase of HEROS, \$1,000 in vehicle scrapping incentives was offered. For HEROS II, staff is proposing to provide an additional \$500 scrapping incentive to low income-eligible participants. The first phase of HEROS vehicle replacement incentives of \$1,000 for low-income eligible participants would also be modified for HEROS II. Staff is proposing to offer \$2,500 vehicle replacement incentives to low income-eligible participants and \$2,000 incentives to remaining participants.

FCCC is qualified to carry out the proposed responsibilities. During the first phase of the HEROS Program, FCCC was the contractor responsible for developing the web-based data management system, determining vehicle eligibility based on Moyer criteria, soliciting vehicle owners, establishing and managing a call center, scheduling and performing vehicle repairs, and tracking vehicle appointments, repairs, and retirement.

Staff is recommending that the proposed approach for Phase II be initiated as a pilot project. After the first four months of activity, the program would be reassessed for participation levels and effectiveness. The contract amount would cover the cost of testing for an estimated 2,547 vehicles (at \$75 per test).

In the first phase of the HEROS Program, Pick Your Part conducted the vehicle scrapping element of the Program. On October 2, 2009, the Board authorized staff to amend the MOU with Pick Your Part for the HEROS II Program and allocated \$1,900,000 from the AB 923 Fund 80 for vehicle replacement incentives to low-income eligible participants and for vehicle scrapping. The \$1,900,000 in funding would have covered incentive funding for the scrapping of approximately 1,600 vehicles, assuming that 20% of the participants would have received the additional \$1,000 incentive available to low-income eligible participants who replaced their high-emitting vehicles with CARB-certified low-emission vehicles.

Disbursement of the HEROS scrapping incentive of \$1,000 per vehicle would be provided directly to participants by Pick Your Part as participants relinquish their vehicles for scrapping. Pick Your Part would then be reimbursed for each incentive payment in an amount of \$985 per vehicle. The additional \$500 incentive to low-income eligible HEROS participants who scrap their vehicles would be distributed by the AQMD to each eligible participant. HEROS-funded vehicle replacement incentives would also be distributed to the participant by the AQMD.

To cover HEROS II incentives funding, staff is recommending that the Board transfer the remaining balance of \$1,866,240 from the Carl Moyer Fund 32 for HEROS I program and transfer \$56,915 from the AB923 Fund 80 to the HEROS II Special Revenue Fund for vehicle scrapping incentives for approximately 1,350 vehicles,

assuming that 10% of the participants receive low-income eligible incentive levels. This would result in a total amount of \$1,923,155 available towards HEROS II Program implementation.

To implement the vehicle replacement voucher element of the proposed HEROS II Program, staff requests the Board to transfer the \$1,000,000 Mercedes Benz USA contribution that was placed in the AB 923 Fund 80 to the HEROS II Special Revenue Fund. HEROS II vehicle replacement incentives would be provided through the HEROS II Special Revenue Fund for purposes of providing incentives for an estimated 490 vehicles, assuming 10% of the participants receive low income-eligible incentive levels.

Table 3 depicts the funding allocation for the vehicle retirement and replacement components in addition to delineation of the program costs versus administrative cost/funds allocated for the different program components. Table 3 also shows the anticipated number of vehicles to be scrapped and replaced for each program based on available funds.

Table 3. Program and Administrative Costs for Vehicle Retirement and Replacement Incentive Programs

Program	Available Administrative Funds	Scrapped Vehicles	Replaced Vehicles	Program Costs	Total
CARB EFMP	\$135,400	0	1,250	\$2,572,600	\$2,708,000
VRRRM	In-Kind	1,050	1,560	\$4,496,063	\$4,496,063
Mercedes	----	0	490	\$1,000,000	\$1,000,000
AB 923	\$96,155	1,350	0	\$1,827,000	\$1,923,155
Clean Fuels	\$189,855 (Admin - \$39,855; Marketing - \$150,000)	0	0	\$0	\$189,855
Total	\$421,410	2,400	3,300	\$9,895,663	\$10,317,073

VRRRM

The Unocal Settlement VRRRM Program will be implemented by FCCC. The VRRRM Program is currently providing statewide funding for vehicle repairs and combined vehicle scrapping/replacement. These program elements will not necessarily be coordinated with the HEROS Program. An incentive amount of \$3,500 is being provided for combined scrap and replacement. To complement the HEROS Program, the VRRRM Program would offer vehicle replacement incentives for approximately

510 HEROS vehicles. The incentive levels would match those provided through HEROS (\$2,000 or \$2,500, depending on low-income eligibility status). In addition, the VRRRM Program would provide vehicle scrapping and replacement incentives for up to 1,050 vehicles that may be ineligible for HEROS participation due to Moyer Program criteria. The incentive levels would match those of the HEROS Program (\$1,000 or \$1,500 for scrapping, and \$2,000 or \$2,500 for replacement, depending on low-income eligibility status). Combined incentive levels for scrapping and replacement would match HEROS either \$3,000 or \$4,000 depending on low income-eligibility status.

To coordinate efforts between the HEROS II Program and the Unocal Settlement VRRRM Program, staff is recommending that the Board authorize the Executive Officer to negotiate and enter into a Memorandum of Agreement with FCCC.

CARB AB 118 (EFMP)

Staff is recommending that the Board approve the attached resolution to recognize up to \$2,708,000 from CARB and accept the terms and conditions of the Grant Award to administer the EFMP vouchers for the South Coast Air Basin. The funds will be placed in the HEROS II Special Revenue Fund. Potential high-emitting vehicles would be targeted by the Bureau of Automotive Repair and by the AQMD for participation. EFMP scrapping incentives of \$1,000 or \$1,500 will be offered, depending on low income eligible status. After an identified vehicle is scrapped through EFMP, an owner qualifying as low-income eligible would receive a \$2,500 voucher, to be used at a participating automobile dealership towards the purchase of a vehicle eight years old or newer that meets specified fuel economy ratings shown in Table 4, or towards the purchase of transportation by a public transit agency. An owner not qualifying as low-income eligible would receive a voucher of \$2,000, to be used at a participating dealership towards the purchase of a vehicle four years old or newer that meets the specified fuel economy ratings listed in Table 4, or towards the purchase of transportation by a public transit agency.

Table 4. Minimum Fuel Economy Rating Requirements for EFMP Vehicle Replacement Eligibility

Model Year	Minimum EPA Combined Fuel Economy Rating
2002 – 2009	20
2010	22
2011	25
2012	28
2013	29
2014	30
2015	31

Through the EFMP, combined incentives of \$3,000 or \$4,000 will be offered for vehicle scrapping and replacement, depending on low-income eligibility status. Incentives proposed for HEROS II and for VRRRM Program as it will be applied to HEROS-ineligible vehicles will match the EFMP incentive levels.

New and Used Car Dealerships

Staff is proposing to conduct at least one workshop to solicit automobile dealerships participation in the various programs. Interested dealerships would submit applications to the AQMD for participation. Detailed marketing and outreach plans would be required to be submitted by each dealership. Upon approval, each dealership would enter into contract with the AQMD. Contracts would stipulate that dealerships cannot require a consumer to divulge EFMP voucher participation prior to negotiating vehicle price. Staff would provide training to dealerships on the requirements of the program. The dealerships would provide general information to program participants about the program and assist program participants to correctly complete vehicle replacement voucher applications. Staff would review the applications on a first-come first-served basis. Upon notification that an application has been approved, the dealership would complete the purchase agreement with the participant and receive EFMP voucher reimbursement through the AQMD.

HEROS Phase I Administrative Cost Reimbursement

In the first phase of HEROS, CARB identified administrative tasks amounting to \$658,339, which were paid out of the Carl Moyer Fund 32. Administrative tasks identified by CARB included primarily call center activity costs, remote sensing data collection and database development costs. CARB contributed \$150,000 towards the database development costs thereby leaving a balance of \$508,339. The administrative cost allowance of AB 923 funds requested for the first phase of HEROS amounted to \$200,000 thereby leaving an amount of \$308,339 exceeding the cost allowance. Staff is proposing that Clean Fuels Funds be used to cover the remaining administrative cost of \$308,339. As such, staff is requesting the Board reimburse the Carl Moyer Fund 32 with \$308,339 from the Clean Fuels Fund 31. In addition, staff is requesting the Board recognize \$150,000 as administrative funds provided by CARB in the Carl Moyer Fund 32.

Benefits to AQMD

As emission contributions from stationary sources become a smaller component of the AQMD's emissions inventory, the focus has been directed at mobile source emissions. Mobile source emissions represent a major category of the emissions inventories for both ozone and fine particulate matter. The proposed programs focus on the light- and medium-duty sector, which is a major category in the on-road emissions inventory. The HEROS Program has been a voluntary program for consumers interested in reducing emissions from their vehicles either via a repair assistance program or a vehicle

- AB 923 Money \$56,915
- Mercedes Benz Contribution \$1,000,000
- Transfer from Clean Fuels Fund 31 \$189,855

Additionally, \$308,339 would be transferred from the Clean Fuels Fund 31 to reimburse the Carl Moyer Fund 32 for administrative costs associated with the first phase of the HEROS Program.

Sufficient funds are available in the Special Revenue Funds indicated.

Attachment

- A) Resolution of the South Coast Air Quality Management District Board Recognizing and Accepting the Terms and Conditions of the AB 118 Enhanced Fleet Modernization Program Grant Award.

RESOLUTION NO.

**A Resolution of the South Coast Air Quality Management District Board
Recognizing and Accepting the Terms and Conditions of the
AB 118 Enhanced Fleet Modernization Program Grant Award**

WHEREAS, the South Coast Air Quality Management District is designated as an extreme nonattainment area for ozone and as such is required to utilize all feasible means to meet national ambient air quality standards.

WHEREAS, under Health & Safety Code §40400 et seq. the South Coast Air Quality Management District (SCAQMD) is the local agency with the primary responsibility for the development, implementation, monitoring and enforcement of air pollution control strategies, clean fuels programs and motor vehicle use reduction measures; and

WHEREAS, the SCAQMD is authorized by Health & Safety Code §§40402, 40440, and 40448.5 to implement programs to reduce transportation emissions, including programs to encourage the use of alternative fuels and low-emission vehicles; to develop and implement other strategies and measures to reduce air contaminants and achieve the state and federal air quality standards; and

WHEREAS, Title 13, Chapter 13, Article 2, §2622 of the California Code of Regulations provides for the SCAQMD to implement a vehicle replacement voucher program under the AB 118 Enhanced Fleet Modernization Program upon request from the California Bureau of Automotive Repair and the California Air Resources Board.

THEREFORE, BE IT RESOLVED that the Governing Board of the South Coast Air Quality Management District, State of California, in regular session assembled on December 3, 2010, does hereby accept the terms and conditions of the AB 118 Enhanced Fleet Modernization Program Grant Award and recognizes up to \$2,708,000 in AB 118 funds, to administer and implement the vehicle replacement voucher component of the Enhanced Fleet Modernization Program.

BE IT FURTHER RESOLVED that the Executive Officer is authorized and directed to take all steps necessary to carry out this Resolution.

Date

Sandra McDaniel, Clerk of the Board

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 10

PROPOSAL: Execute Contracts for In-Use Emissions Testing and Demonstration of Retrofit Technology of On-Road Heavy-Duty Engines

SYNOPSIS: In July 2010, the Board released an RFP to conduct in-use emissions testing of on-road heavy-duty engines, and based on these emissions tests, develop and evaluate the performance and emission-reduction potential of retrofit technology for control of on-road heavy-duty engines. Three proposals were received in response to the RFP. This action is to award contracts to West Virginia University and the University of California, Riverside to conduct the in-use testing, at a total cost not to exceed \$1,424,484 from the Clean Fuels Program Fund.

COMMITTEE: Technology, November 19, 2010, Recommended for Approval

RECOMMENDED ACTIONS:

Authorize the Chairman to execute contracts with the following two entities from the Clean Fuels Program Fund (31):

1. University of California, Riverside, for in-use emissions testing of on-road heavy-duty engines in an amount not to exceed \$689,742; and
2. West Virginia University for in-use emissions testing of on-road heavy-duty engines and the evaluation of retrofit technologies in an amount not to exceed \$734,742.

Barry R. Wallerstein, D.Env.
Executive Officer

CSL:HH/MMM:RP/DS:AAO

Background

On-road heavy-duty engines are now subject to the 2010 U.S. EPA emissions standards of 0.01 gram per brake-horsepower-hr (g/bhp-hr) PM and 0.20 g/bhp-hr NOx. Some engine manufacturers are using emissions credits which allow them to produce a mixture of engines certified at, below, or above 0.20 g/bhp-hr NOx. This mixture of engines allows

engine manufacturers to comply with the emissions standards on an average basis. These engines are either stoichiometric engines with three-way catalysts or lean burn engines equipped with exhaust gas recirculation (EGR), selective catalytic reduction (SCR) and/or diesel particulate filter (DPF) technology.

While recent limited-scale studies have shown reduced NO_x and PM emissions from trucks powered by compliant engines, other studies indicate a potential increase in some exhaust emissions. In particular, in a recent heavy-duty in-use emissions measurement study conducted by the University of Colorado, ammonia emissions from liquefied natural gas trucks were found to be significantly higher due to the nature of spark-ignited engines. Studies conducted by The Netherland Organization (TNO) indicated that heavy-duty diesel engines equipped with SCR technologies have higher NO_x exhaust emissions than their certified levels. As such, additional studies are required to assess the impact of the technologies on emissions from engines used in a variety of applications, particularly since the number of these engines will continue to increase in the future.

On July 9, 2010, the Board approved the release of RFP #P2011-6 to conduct in-use emissions testing and if needed, to evaluate emission-reduction potential of retrofit technology on existing and new heavy-duty engines. The RFP solicited proposals from teams consisting of retrofit technology manufacturers and vehicle emission testing laboratories. The proposed contractors are responsible for coordinating all aspects of the project including, obtaining regulatory permits, securing test vehicles, scheduling and coordinating all installations and emissions testing, procuring control devices and hardware, conducting analysis, and preparing reports.

Outreach

In accordance with AQMD's Procurement Policy and Procedure, a public notice advertising the RFP/RFQ and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County Press Enterprise newspapers to leverage the most cost-effective method of outreach to the entire South Coast Basin.

Additionally, potential bidders may have been notified utilizing AQMD's own electronic listing of certified minority vendors. Notice of the RFP/RFQ has been mailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at AQMD's website (<http://www.aqmd.gov>). Information is also available on AQMD's bidder's 24-hour telephone message line (909) 396-2724.

Proposal Evaluations

Three proposals were received in response to RFP #P2011-6 by the deadline of September 2, 2010. The proposals were reviewed and evaluated by a five-member panel

in accordance with established AQMD guidelines, using technical and cost criteria outlined in the RFP. The five-member evaluation panel consisted of: one AQMD Assistant Deputy Executive Officer, one AQMD Program Supervisor, one CARB Division Chief, and two outside technical experts. The panel members were all male, and included one Asian/Pacific Islander, one Hispanic, one African American, and two Caucasians.

The proposals receiving a score of at least 56 out of 70 points were considered technically qualified and eligible for contract awards. Bidders were awarded additional evaluation points with the proposal offering the highest cofunding ratio receiving the maximum of 30 points and the others were prorated accordingly. Upon evaluation, West Virginia University (WVU) and the University of California, Riverside (UCR) proposals received 91 and 63 points, respectively, while the third proposal scored less than the minimum points required to be deemed technically acceptable by all panel members. The WVU and UCR technical and cost scores are shown below.

	Proposal		
	Technical	Cost	Total
WVU	61	30	91
UCR	59	4	63

Proposed Awards

The objectives of the proposed project include: in-use emissions testing of heavy-duty natural gas and diesel vehicles to verify emissions standards and the emission-reduction potential of engine or aftertreatment technology to reduce regulated emissions over time; measurement of ammonia and formaldehyde emissions from heavy-duty vehicles; the effectiveness of oxidation catalysts or alternative technologies to reduce these emissions; the assessment of the emission-reduction potential of EGR to reduce PM and NOx emissions from diesel engines; and the impact of using water in-lieu of urea or no reductant for SCR technology. To achieve these objectives, the proposed project is designed to involve up to twenty-one on-road heavy-duty vehicles used in transit, school bus, refuse, and goods movement applications and powered by engines fueled with natural gas, propane, diesel, and combination of diesel and natural gas fuels. The engines are categorized into six groups including natural gas engines with three-way catalysts, high pressure direct injection (HPDI) engines with EGR and DPF technology, diesel engines certified at 1.2 g NOx, diesel engines certified above 0.2 g NOx without SCR technology, and diesel engines certified at or below 0.2g NOx with SCR technology. The emissions test matrix is shown in Table 1.

Table 1: Emissions Test Matrix

Engine/Technology	Number of Vehicles				Total Tests
	Transit	School Bus	Refuse	Goods Movement	
Natural Gas Engine with 3-Way Catalyst	1	-	1	1	7
HPDI Engine with EGR and DPF	-	-	-	1	2
Diesel Engine Certified at 1.2g NOx	-	-	1	2	8
Propane and diesel school bus	-	2	-	-	2
Diesel Engine certified above 0.2g NOx without SCR	-	-	2	2	12
Diesel Engine certified at or below 0.2g NOx with SCR	-	-	2	2	12
Diesel Engine certified at 0.2g NOx with SCR and using water in-lieu of urea	-	-	-	2	4
Natural Gas Engine with 3-way Catalyst Plus Aftertreatment Device	1	-	1	1	7
	2	2	7	11	54

The total number of tests to be conducted as shown in Table 1 is based on testing each transit, school bus, refuse and good movement vehicle on up to three driving test cycles.

West Virginia University

West Virginia University (WVU), which is one of the two proposed prime contractors for this emissions testing and demonstration program has managed several projects involving testing and development of engines and vehicles with an emphasis on emissions, alternative fuels, and related technologies. In addition, WVU is one of the few organizations that has the capability to test heavy-duty vehicles on a transportable chassis dynamometer. The lead person is experienced in managing similar programs and has supported AQMD, CARB, U.S. EPA and others on a variety of projects related to technology analysis, engine and vehicle testing, combustion data acquisition and analysis, and alternative fuel vehicle technologies. In addition, the WVU team consists of a leading developer and manufacturer of exhaust aftertreatment systems (Johnson Matthey, Inc.) and individuals with a wide range of experience in alternative fuel technologies and heavy-duty engines. Recently, WVU worked with CARB to conduct emissions testing on 2010 emissions standard compliant natural gas transit buses equipped with three-way catalysts. AQMD staff believes that WVU and its partners meet the requirements of the RFP, and are qualified to coordinate and conduct all aspects of the project.

This proposed action is to execute a contract with WVU for an amount not to exceed \$734,742 from the Clean Fuels Program Fund. The amount for in-use emissions testing and demonstration of on-road heavy-duty engines is \$689,742 and the amount for

evaluation of oxidation catalysts or alternative retrofit technologies for control of ammonia and formaldehyde emissions from up to three on-road heavy-duty natural gas engines is \$45,000.

University of California, Riverside

University of California, Riverside (UCR) is the other proposed prime contractor for this in-use emissions testing and retrofit technology demonstration project, and has managed several projects involving emissions testing of engines and vehicles. In addition, UCR has the capability to test heavy-duty vehicles on a chassis dynamometer. The lead person is experienced in managing similar programs and has supported AQMD, CARB, U.S. EPA, and others on a variety of projects related to technology analysis, engine and vehicle testing, engine and combustion data acquisition and analysis, drive cycle development, and alternative fuel vehicle technologies. In addition, the UCR team consists of a manufacturer of exhaust aftertreatment systems (Catalytic Solutions, Inc.), an expert with electronic control module technology (FEV), and individuals with a wide range of experience in alternative fuel technologies and heavy-duty engines. Recently, UCR worked with U.S. EPA to assess ammonia emissions from light-duty vehicles. AQMD staff believes that UCR and its partners meet the requirement described in the RFP, and are qualified to coordinate all aspects of the project. This proposed action is to execute a contract with UCR for an amount not to exceed \$689,742 from the Clean Fuels Funds.

Both WVU and UCR will perform chassis dynamometer tests of in-use emissions of total hydrocarbons, nitrogen dioxide, nitric oxide, NO_x, CO, PM, ammonia, formaldehyde, and toxic air contaminants from the test vehicles. In addition, if the dynamometer tests results show emissions higher than state or federal allowable limits, WVU will design an oxidation catalyst or identify an alternative retrofit technology capable of reducing ammonia and formaldehyde emissions from natural gas vehicles. The designed or identified retrofit technology will be installed on up to three of the natural gas vehicles, which have three-way catalysts and tested on the chassis dynamometer to assess the performance and emission-reduction potential of the technology.

Benefits to AQMD

The proposed project supports the implementation of advanced alternative fuel technology that could potentially be used to further reduce PM emissions from on-road heavy-duty vehicles. The proposed project is included in the *Technology Advancement Office 2010 Plan Update* under “Fuels/Emission Studies” and “Emission Control Technologies.”

Resource Impacts

The total cost for this project is estimated to be \$1,603,181, of which AQMD’s cost-share shall not exceed \$1,424,484. WVU and partners will provide an in-kind contribution of

\$159,905, while UCR will provide the remaining \$18,792 in the form of in-kind contribution. The total estimated cost-share for this project is reflected in the table below:

Funding Partners	Funding Amount	Funding %
UCR	\$18,792	1
WVU	\$159,905	10
AQMD Requested	\$1,424,484	89
Total	\$1,603,181	100

Sufficient funds for these two proposed projects are available from the Clean Fuels Program Fund, established as a special revenue fund resulting from the state-mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 11

PROPOSAL: Execute Contract for Expansion of Hydrogen Fueling Infrastructure

SYNOPSIS: On October 21, 2010, the California Energy Commission released a Notice of Proposed Award recommending funding for eight projects that will develop hydrogen fueling infrastructure within the South Coast Air Basin. Additional funds are needed to offset high initial costs and investment for production and distribution of hydrogen for these projects. The eight stations are strategically located and will play a significant role by providing hydrogen in Southern California in areas with high vehicle densities. This action is to execute a contract with Air Products and Chemicals, Inc., in an amount not to exceed \$1,000,000 from the Clean Fuels Fund for expansion of hydrogen fueling infrastructure.

COMMITTEE: Technology, November 19, 2010, Recommended for Approval

RECOMMENDED ACTION:

Authorize the Chairman to execute a contract with Air Products and Chemicals, Inc., in an amount not to exceed \$1,000,000 from the Clean Fuels Fund (31).

Barry R. Wallerstein, D.Env.
Executive Officer

CSL:MMM:DS:LW

Background

On June 2, 2010, the California Energy Commission (CEC) released Solicitation Number PON-09-608 to fund projects that develop infrastructure necessary to dispense hydrogen transportation fuel. The intent of this solicitation was to upgrade public and private infrastructure investments, expand the network of publicly accessible and fleet fueling stations, and develop infrastructure that will be needed to dispense hydrogen based on the population of existing and anticipated fuel cell vehicles (FCVs) and hydrogen internal combustion engine vehicles (HICEVs). The solicitation focused on the original equipment manufacturers' (OEM) deployment of FCVs and HICEVs in identified clusters and connector stations in California. In addition, it allowed for the

strategic establishment of justified hydrogen stations where vehicle populations will be sufficient. It included potential additional funding for stations that exceed the renewable hydrogen content standard set forth by SB 1505, exceed the minimum daily station capacity, and for stations that can achieve an accelerated establishment schedule.

On October 21, 2010, the CEC released a Notice of Proposed Award recommending funding for a number of projects including eight projects that will develop hydrogen fueling infrastructure within the South Coast Air Basin.

The proposed locations for these stations are strategic in that they would fill significant gaps in the availability of hydrogen in Southern California as part of the California Hydrogen Highway Network, including the construction and/or upgrade of an existing station at the AQMD headquarters in Diamond Bar. The stations are in heavily traveled areas close to main corridors and adjacent to key residential areas considered by OEMs to be hydrogen-technology first-adopters. Additional funds are needed to offset high initial costs and investment for production and distribution of hydrogen for these projects.

Proposal

The proposed hydrogen fueling stations will be new, publicly accessible, next generation (35 MPa and 70 MPa) hydrogen fueling stations located throughout Southern California, including the construction and upgrade of an existing station at AQMD headquarters in Diamond Bar. They will utilize improved delivery technologies to reduce the cost of transporting low-priced hydrogen made in centrally located facilities with high availability. The station concepts are simple, modular, expandable to full-sized station capacities, and reduce initial capital costs at the point of use including reduced overall site maintenance costs. The modular design incorporates a minimized station footprint to utilize existing retail gasoline forecourt locations and can be readily duplicated at a majority of existing gasoline retail stations in a number of markets for the broadest deployment. Due to the requirements of SB 1505, hydrogen made from renewable resources will also be made available for dispensing on a regular basis.

The locations of the stations that received awards from CEC are shown in the table below:

Name	Station Location	Type
UC Irvine	19172 Jamboree Blvd., Irvine, CA 92612	Upgrade
Diamond Bar	21865 E. Copley Drive, Diamond Bar, CA 91765	Upgrade
Santa Monica	1402 Santa Monica Blvd, Santa Monica, CA 90404	New
Hermosa Beach	1131 Pacific Coast Hwy, Hermosa Beach, CA 90254	New
Beverly Hills	1004 S La Cienega Blvd, Los Angeles, CA 90035	New
West LA	11261 Santa Monica Blvd, Los Angeles, CA 90025	New
Irvine (North)	4162 Trabuco Rd, Irvine, CA 92620	New
Hawthorne	5230 Rosecrans Ave, Hawthorne, CA 90250	New

This action is to execute a contract with Air Products and Chemicals, Inc. (APCI) in an amount not to exceed \$1,000,000 from the Clean Fuels Fund.

Benefits to AQMD

AQMD’s Clean Fuels Program has been active in funding the development and demonstration of low emission, hydrogen fuel technologies within its Technology Advancement Office. Hydrogen vehicles and refueling stations are necessary to comply with the Zero Emission Vehicle (ZEV) regulation to reduce criteria pollutant emissions. The development of an extensive hydrogen fueling network in Southern California will accelerate the deployment of these cleaner vehicles. Specifically, the proposed project leverages existing activities included in the *Technology Advancement Office 2010 Plan Update* under “Hydrogen Technologies and Infrastructure.”

Sole Source Justification

Section VIII.B.2 of the Procurement Policy and Procedure identifies four major provisions under which a sole source award may be justified. For the APCI hydrogen fueling station project, the request for a sole source award is made under provision B.2.d.: Other circumstances exist which in the determination of the Executive Officer require such waiver in the best interest of the AQMD. Specifically, these circumstances are: B.2.d.(1) Project involving cost sharing by multiple sponsors.

Significant project funding will be provided by the CEC and APCI including in-kind funding to perform the tasks of design, construction, operation and outreach required for completing the eight hydrogen fueling stations. Furthermore, these stations fill a critical gap in the region for hydrogen fueling, and promotes the utilization of the cleanest passenger vehicles.

The project team includes APCI as the prime contractor to the AQMD, and General Physics and Engineering, Procurement and Construction, LLC for station design and construction. The APCI team is uniquely qualified for these projects because of their expertise and experience in hydrogen safety, production, and distribution and fueling.

Resource Impacts

The total cost for the hydrogen vehicle demonstration project is estimated to be \$13,311,257, of which AQMD’s cost share shall not exceed \$1,000,000 in addition to a total of \$12,311,257 in cofunding to be received from CEC and APCI.

Funding Partner	Funding Amount	Funding (%)
CEC	\$8,484,871	64.0
APCI	\$3,826,386	28.5
AQMD Requested	\$1,000,000	7.5
Total	\$13,311,257	100.0

Sufficient funds for these proposed projects are available from the Clean Fuels Fund, established as a special revenue fund resulting from the state-mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 12

PROPOSAL: Change Funding Source in Carl Moyer Program and SOON Provision Contracts and Awards Between AB 923 and SB 1107 Funds

SYNOPSIS: The Carl Moyer Program and the SOON Provision projects funded either with the Carl Moyer Program SB 1107 or AB 923 funds are all evaluated under the same criteria, and AB 923 funds may be used as match to SB 1107 funds. After consultations with CARB it was agreed that marine vessel and locomotive projects funded with AB 923 funds should instead be funded with on- and off-road projects using SB 1107 funds so that all the projects funded with AB 923 funds can be claimed as match. This action is to change the Funding Source in selected Carl Moyer and SOON Program awards and contracts between the Carl Moyer Program AB 923 funding and SB 1107 funding to meet the program's match funding requirement.

COMMITTEE: Technology, November 19, 2010, Recommended for Approval

RECOMMENDED ACTIONS:

Change Funding Source for the Carl Moyer and the SOON Program awards and contracts as listed in Table 1, between the Carl Moyer Program AB 923 Fund (80) and the SB 1107 Fund (32).

Barry R. Wallerstein, D.Env.
Executive Officer

CSL:MMM:FM

Background

The Carl Moyer Program and the SOON Provision projects funded either with the Carl Moyer Program SB 1107 or AB 923 funds are all evaluated under the same program criteria. However, districts may choose to claim some or all of the projects funded with AB 923 funds as match to their allocation of the SB 1107 funds. As required by the

program, during the past five years, by August 30 of each year, AQMD has submitted its list of Carl Moyer and SOON Program projects to CARB as part of its annual report claimed as match. However, after recent consultations with CARB it was agreed that marine vessel and locomotive projects funded with AB 923 funds should instead be funded using SB 1107 funds so that all the projects funded with AB 923 funds can be claimed as match.

Proposal

This action is to approve exchanging source of funds in selected Carl Moyer and SOON Program awards and contracts between the Carl Moyer Program AB 923 and SB 1107 funds as shown in Table 1, totaling \$11,293,632 from each fund, to meet the program's match requirement. This is an internal administrative change and all the program and contractual requirements applied to each project and the total amount of project funding under each fund remain unchanged.

Benefits to AQMD

The successful implementation of the Carl Moyer Program and the SOON provision provide direct emissions reductions for both NOx and PM as required by the programs. Since the vehicles and equipment funded under this program will operate for many years, the emissions reductions will provide long-term benefits.

Resource Impacts

There are no resource impacts with the proposed exchange of funds, as all the projects have already been approved by the Board and the overall total and the project specific funding amounts will remain unchanged from the Carl Moyer Program AB 923 and SB 1107 Funds.

Attachment

Table 1: Carl Moyer and SOON Projects to Be Exchanged Between AB 923 and SB 1107 Funds

**Table 1: Carl Moyer and SOON Projects to Be Exchanged
Between AB 923 and SB 1107 Funds**

Contracts and Awards to Be Exchanged from AB 923 Fund to SB 1107 Fund		
Contractor	Contract No. or Award Date	Funding Amount
Pacific Harbor Line	6133	\$1,193,995
Tamco	6156	\$231,400
Metropolitan Stevedore	8120	\$1,044,800
Pacific Harbor Line	8125	\$989,143*
Southern Calif. Regional Rail	8099	\$62,477**
American Marine Corp	10607	\$329,020
Ashley & Brinton	10671	\$119,200
Calamar Kid	10608	\$185,645
Carnage Fish Co.	10672	\$124,800
Cat Tow	10649	\$42,932
City of Long Beach	10603	\$72,474
Diving Charters	10625	\$138,383
Fakuto Charters	10626	\$273,500
Gregory Kuglis	10653	\$65,600
Harbor Docksider	10656	\$12,656
Island Water Charters	10604	\$48,673
Long Beach Happy Men Sportfishing	10627	\$226,350
LA Marine Institute	10647	\$40,578
More Carnage	10673	\$180,393
Savage Transport	10622	\$1,057,400
Sauce Brothers	10610	\$141,104
Thunderbird Sportfishing	10648	\$215,150
Sea Bass Charters	11177	\$51,520
Bass Family Sportfishing	11185	\$212,000
Mardiosa Sportfishing	11186	\$147,200
Pacific Adventure Tours	11183	\$221,600
St. Joseph, Inc.	11179	\$227,103
Dolphin Safari	11187	\$49,068
Parker Diving	11178	\$69,454
Ocean Explorer	11184	\$114,812
Premier Sportfishing	October 1, 2010	\$234,160
Fury Sportfishing	October 1, 2010	\$139,658
Malibu Pier Sportfishing	October 1, 2010	\$114,160
Mark Podoll	October 1, 2010	\$128,560
Scott Honaker	October 1, 2010	\$114,160
Western Fish Company	October 1, 2010	\$107,760
David H. Harvey	October 1, 2010	\$241,280
Greater Pacific Fish Company	October 1, 2010	\$130,160
Marina Del Ray Sportfishing	October 1, 2010	\$100,560
Sea Angler Sportfishing	October 1, 2010	\$156,560
Dreamer Sportfishing	October 1, 2010	\$149,360
J&T Sportfishing	October 1, 2010	\$146,160
Options Sportfishing	October 1, 2010	\$179,110
Sea Horse Sportfishing	October 1, 2010	\$221,860
Terry Herzik	October 1, 2010	\$142,160
Chubasco Sportfishing	October 1, 2010	\$69,252

**Table 1: Carl Moyer and SOON Projects to Be Exchanged
Between AB 923 and SB 1107 Funds (Continued)**

Contracts and Awards to Be Exchanged from AB 923 Fund to SB 1107 Fund		
Contractor	Contract No. or Award Date	Funding Amount
Redondo Special Sportfishing	October 1, 2010	\$109,360
Dana Wharf Sportfishing	October 1, 2010	\$312,096
Alan Smith	October 1, 2010	\$153,185
Psalty Adventures	October 1, 2010	\$149,360
Railtime Sportfishing	October 1, 2010	\$137,082
Big Game 90	October 1, 2010	\$169,199
Total		\$11,293,632
Contracts and Awards to Be Exchanged from SB 1107 Fund to AB 923 Fund		
Contractor	Contract No. or Award Date	Funding Amount
JKM Equipment	6232	\$1,227,272
U.S. Air Conditioning	6112	\$198,123 of a \$210,000 contract
Waste Management	8144	\$2,096,420 of a \$3,290,383 contract
City of Santa Clarita	10019	\$247,342
Clark & Sons Equipment	10078	\$400,100
R.A. Bell Equipment	10698	\$819,456
S&K Grading	10742	\$670,320
County Sanitation District of LA	10511	\$617,344
Disneyland Resort	10089	\$32,233 of a \$39,807 contract
SA Recycling	11027	\$487,063
Larry Jacinto Construction	October 1, 2010	\$3,376,111
SA Recycling	October 1, 2010	\$1,062,615
Beven-Herron	October 1, 2010	\$59,233 of a \$68,096 award
Total		\$11,293,632

*Pacific Harbor Line funding includes \$199,438 in AB 923 interest.

**Southern California Regional Rail funding of \$62,477 is all AB 923 interest.

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 13

PROPOSAL: Recognize Funds, Approve School Bus Replacement Grants and Issue Program Announcement for School Bus Retrofits

SYNOPSIS: U.S. EPA has awarded \$1,065,465 to the AQMD for assistance with school bus replacement projects. Furthermore, AQMD has now received the remaining balance of the Proposition 1B-School Bus Program funds. These actions are to recognize funds from the U.S. EPA, approve awards for 128 CNG and 18 propane school bus replacements in an amount not to exceed \$23,769,072 from the Proposition 1B and the AB 923 funds and to issue a Program Announcement to provide funding assistance for retrofit of school buses with PM trap filters.

COMMITTEE: Technology, November 19, 2010, Recommended for Approval

RECOMMENDED ACTIONS:

- A. Recognize \$1,065,465 in U.S. EPA funds for School Bus Replacements and place the funds in the Lower Emission School Bus Program Fund (33).
- B. Authorize the Chairman to execute contracts with the following public school districts to replace 128 pre-1994 two-stroke diesel school buses with new CNG buses and infrastructure in an amount not to exceed \$21,699,072, comprised of \$20,633,607 from the Carl Moyer Program AB 923 Fund (80) and \$1,065,465 from the U.S. EPA Funds in the Lower-Emission School Bus Program Fund (33):
 - 1) Bonita, 1 CNG bus in an amount not to exceed \$169,524;
 - 2) Los Angeles Unified, 70 CNG buses in an amount not to exceed \$11,866,680;
 - 3) Pupil Transportation, 10 CNG buses in an amount not to exceed \$1,695,240;
 - 4) Garden Grove, 13 CNG buses in an amount not to exceed \$2,203,812;
 - 5) Orange, 4 CNG buses in an amount not to exceed \$678,096;
 - 6) Banning, 1 CNG bus in an amount not to exceed \$169,524;
 - 7) Desert Sands, 8 CNG buses in an amount not to exceed \$1,356,192;
 - 8) Hemet, 2 CNG buses in an amount not to exceed \$339,048;
 - 9) Temecula, 8 CNG buses in an amount not to exceed \$1,356,192;
 - 10) Chino Valley, 7 CNG buses in an amount not to exceed \$1,186,668; and
 - 11) Rialto, 4 CNG buses in an amount not to exceed \$678,096

- C. Authorize the Chairman to award Los Angeles Unified School District 18 propane school buses to replace pre-87 buses in an amount not to exceed \$2,070,000 comprised of \$1,350,000 from the Proposition 1B-School Bus Fund (82) and \$720,000 from the Carl Moyer Program AB 923 Fund (80).
- D. Approve issuance of Program Announcement PA #2011-05 to retrofit school buses with CARB verified Level 3 PM traps.
- E. Authorize the Chairman to amend an award to Tumbleweed Transportation approved on May 7, 2010, for addition of \$126,000 from the Proposition 1B-School Bus Program Fund (82) to retrofit 18 school buses with active rather than passive Level 3 PM traps.
- F. Authorize the Chairman to amend a grant with Rim of the World School District to substitute the funding for a pre-1977 school bus award in the amount of \$140,000 from the Proposition 1B-School Bus Program Fund with the same amount from the Carl Moyer Program AB 923 Fund (80).
- G. Approve correction of an inadvertent typographic error by changing the total award amount to Temecula School District for the purchase of 7 new CNG buses approved on May 7, 2010, from \$1,101,082 to \$1,121,082 without any addition of new funds.

Barry R. Wallerstein, D.Env.
Executive Officer

CSL:MMM:FM:RG

Background

Earlier in 2010, the AQMD applied for and was recently awarded \$1,065,465 to replace older diesel school buses with new CNG buses under the US EPA Diesel Emissions Reduction Act (DERA) program.

In addition, CARB has allocated a total of \$71,179,635 to the AQMD as its share of the Proposition 1B - Lower Emission School Bus Program. These funds were disbursed to SCAQMD in four installments and are comprised of \$68,891,497 in project funds and \$2,288,138 in administrative funds. To date the AQMD has awarded 393 new alternative fuel school buses and 695 Level 3 particulate traps in the amount of \$81,831,800, comprised of \$65,873,876 in Proposition 1B-School Bus Program funds and \$15,957,924 in Carl Moyer Program AB 923 funds. CARB recently provided the remaining balance of these school bus funds.

Proposal

Staff proposes utilizing the EPA DERA funds in conjunction with Carl Moyer AB 923 funds to replace 128 pre-1994 two stroke diesel school buses from proposals received through our December 2008 school bus solicitation. This action is to recognize the EPA DERA funds and replace 128 pre-1994 two stroke diesel school buses with new CNG buses as shown in Table 1. The funding shall not exceed \$21,699, 072, comprised of \$20,633,607 from the Carl Moyer Program AB 923 Fund (80) and \$1,065,465 from the Lower-Emission School Bus Program Fund (33) contributed by the U.S. EPA.

As part of the same December 2008 solicitation for the Proposition 1B - Lower Emission School Bus Program, the Los Angeles Unified School District (LAUSD) had applied for purchase of new propane buses, but the request was placed in a backup list due to lack of funds. This action is to now award LAUSD 18 new propane school buses and infrastructure for replacement of pre-1987 buses, as shown in Table 2, in an amount not to exceed \$2,070,000, comprised of \$1,350,000 in Proposition 1B-School Bus Program funds and \$720,000 in Carl Moyer Program AB 923 funds.

To expend the remaining balance of the Proposition 1B-School Bus Program funds, totaling close to \$2 million, staff also recommends the Board's approval for issuance of Program Announcement PA #2011-05 for soliciting applications for additional PM traps for school buses.

The other actions are to amend an award to Tumbleweed Transportation approved on May 7, 2010, for an additional \$126,000 from the Proposition 1B-School Bus Program Fund (82) to retrofit 18 school buses with active rather than passive Level 3 PM traps; to amend a grant with Rim of the World School District to substitute the funding for a pre-1977 school bus award in the amount of \$140,000 from the Proposition 1B-School Bus Program Fund with the same amount from the Carl Moyer Program AB 923 Fund (80); and finally to approve the correction of an inadvertent typographic error by changing the total award amount to Temecula School District for the purchase of 7 new CNG buses approved on May 7, 2010, from \$1,101,082 to \$1,121,082 without the addition of new funds.

Outreach

In accordance with AQMD's Procurement Policy and Procedure, a public notice advertising the Program Announcement and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County Press Enterprise newspapers to leverage the most cost-effective method of outreach to the entire South Coast Basin. The Program Announcement was also mailed directly to the Directors of Transportation at public school districts within the AQMD's jurisdiction.

Additionally, potential bidders may have been notified utilizing AQMD's own electronic listing of certified minority vendors. Notice of the Program Announcement has been mailed

to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at AQMD's website (<http://www.aqmd.gov>). Information is also available on AQMD's bidder's 24-hour telephone message line (909) 396-2724.

Benefits to AQMD

The successful implementation of the Lower-Emission School Bus Replacement and Retrofit Program will provide less polluting and safer school transportation for school children and will reduce public exposure to toxic diesel particulate matter emissions. In addition, these awards comply with AB 1390 requirements, such that it would reduce air pollution in low-income, high-diesel and high-PM10 exposure areas as well as enhance the objectives of the Environmental Justice and Children's Health Initiatives adopted by the AQMD Board.

Resource Impacts

Total funding for the proposed projects shall not exceed \$23,769,072, comprised of \$1,350,000 from the Proposition 1B - Lower Emission School Bus Program Fund (82), \$21,353,607 from the Carl Moyer Program AB 923 Fund (80), and \$1,065,465 from the U.S. EPA to be placed in the Lower-Emission School Bus Program Fund (33).

Attachments

1. Table 1: Recommended Awards for Replacement of Pre-1994 Two Stroke Diesel School Buses
2. Table 2: Recommended Awards to LAUSD for Replacement of Pre-1987 School Buses with New Propane Buses
3. PA #2011-05: Program Announcement PA #2011-05 for PM Trap Retrofits

**Table 1: Recommended Awards for Replacement of
Pre-1994 Two Stroke Diesel School Buses**

School District	No. of Buses	County	EPA Funds*	Source: AB 923 funds			Total AQMD Award (EPA & AB 923 funds)	Required School Match**
				Bus Award	Fire Suppress./ Gas Detector	CNG Station		
Bonita	1	LA		\$151,524	\$4,000	\$14,000	\$169,524	\$15,000
LA Unified	70	LA		\$10,606,680	\$280,000	\$980,000	\$11,866,680	\$1,050,000
Pupil	10	LA	\$230,000	\$1,285,240	\$40,000	\$140,000	\$1,695,240	\$150,000
LA Total	81						\$13,731,444	
Garden Grove	13	OR	\$299,000	\$1,670,812	\$52,000	\$182,000	\$2,203,812	\$195,000
Orange	4	OR		\$606,096	\$16,000	\$56,000	\$678,096	\$60,000
OR Total	17						\$2,881,908	
Banning	1	RV		\$151,524	\$4,000	\$14,000	\$169,524	\$15,000
Desert Sands	8	RV	\$184,000	\$1,028,192	\$32,000	\$112,000	\$1,356,192	\$120,000
Hemet	2	RV		\$303,048	\$8,000	\$28,000	\$339,048	\$30,000
Temecula	8	RV	\$184,000	\$1,028,192	\$32,000	\$112,000	\$1,356,192	\$120,000
RV Total	19						\$3,220,956	
Chino Valley	7	SB	\$168,465	\$892,203	\$28,000	\$98,000	\$1,186,668	\$105,000
Rialto	4	SB		\$606,096	\$16,000	\$56,000	\$678,096	\$60,000
SB Total	11						\$1,864,764	
Grand Total	128		\$1,065,465	\$18,329,607	\$512,000	\$1,792,000	\$21,699,072	\$1,920,000

For each new bus AQMD will pay up to \$151,524 for the bus base price and sales tax, \$4,000 for optional fire suppression system, and \$14,000 for infrastructure per bus.

* EPA grant expires on December 30 2011; if needed to meet EPA deadline, EPA funds may be shifted to other school districts on this Table.

** Schools may request to use up to \$14,000 per bus in infrastructure awards towards their match requirement.

Table 2: Recommended Awards to LAUSD for Replacement of Pre-1987 School Buses with New Propane Buses

School District	No. of Buses	School Bus Award		Fire Suppres./ Gas Detector	Infrastrctr.	Total AQMD Award	School Match
		Prop 1B Funds	AB 923 Funds	AB 923 Funds	AB 923 Funds		
Los Angeles	18	\$1,350,000	\$468,000	\$72,000	\$180,000	\$2,070,000	\$234,000

Based on a propane bus base price of \$114,000, including sales tax, the AQMD will pay up to \$101,000 per bus. In addition \$4,000 per bus will be provided for the option of fire suppressant/gas detector and up to \$10,000 per bus for fueling infrastructure. LAUSD's match will be \$13,000 per bus that the school has obtained as federal grant.

Attachment

***Announcing SCAQMD's
Lower-Emission School Bus
PM Trap Retrofit Funding Program***

**Installation
PM Trap (Level 3) Filters on
Eligible School Buses**
(for both public school districts and private operators)

**Program Announcement & Application
PA #2011-05**

(Subject to 2008 CARB School Bus Guidelines)

December 3, 2010

AQMD reserves the right to change any criteria such as the schedule, qualifications, and selection criteria outlined in this Program Announcement & Application.

December 3, 2010

The South Coast Air Quality Management District (AQMD) is pleased to announce another funding opportunity for the implementation of the “Lower-Emission School Bus Program” in the South Coast Air Basin. This program, which supplements earlier programs, is designed to assist school districts and private operators to retrofit 1994 and newer diesel school buses with PM trap filters. First priority would be given to 1994 to 2006 model years. If surplus funds remain, 2007 and newer buses will be retrofitted if there exists CARB verified traps for these model years.

Approximately \$2.0 million in Proposition 1B-School Bus Program funds will be available for retrofit of school buses with PM traps. In addition, if the program is oversubscribed, funds returned from previous contract grants may be used to fund retrofit projects.

SCAQMD Board is issuing the Program Announcement PA2011-05, with Proposition 1B funds to assist both public school districts and private school bus operators to retrofit diesel school buses with CARB verified Level 3 PM trap filters.

This Program Announcement, with application deadline of Friday, January 21, 2011, proposes to use Proposition 1B School Bus Funds to retrofit of 1994 and newer diesel buses with Level 3 PM trap filters*¹. First priority would be given to 1994 to 2006 model years. If surplus funds remain, 2007 and newer buses will be retrofitted if there are ARB verified traps for these years.

Funds for PM Trap Level 3 filters

AQMD will administer this state funded program to retrofit 1994 and newer diesel buses with CARB verified Level 3 PM trap filters. Both public school districts and private operators are eligible to apply:

- Funds will be provided to cover all or substantial portion of the cost of purchase, sales tax, and installation of either an active or passive PM trap filter.
- For active filters, funds will also be provided to cover electrical infrastructure.
- Up to \$1,500 per trap will be available for lifetime PM trap maintenance to be used to purchase either pulse cleaners or thermal regeneration machines for maintaining PM traps.
- Up to \$250 will be provided, whenever data-logging is needed for certain CARB verified level 3 filters.

Award recipients are required to operate the school buses with the PM trap retrofits within the South Coast Air Basin for a minimum of five years following the date of PM trap installation.

Should you have any questions regarding this Program Announcement, please contact

¹ * Any funds not used in the School Bus Retrofit program from previous awards will be re-directed towards installing additional PM traps on eligible school buses.

- Ranji S. George, Program Supervisor, at (909)396-3255, Email: rgeorge@aqmd.gov.

The program announcement and application document can also be accessed via the Internet by visiting AQMD's website at www.aqmd.gov/rfp. Program Announcement # is: PA2011-05.

Our main objective is to reduce children's exposure to harmful emissions from diesel school buses. We look forward to receiving your application.

ATTACHMENTS

Application Form and Procedures to Apply for School Bus Retrofit Funds

CERTIFICATIONS AND REPRESENTATIONS:

- All applicants need to fill in the campaign disclosure forms
- All Applicants need to provide updated Business Contact Information
- New Applicants fill in the Taxpayer ID information

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Grant funds from Proposition 1B School Bus Fund are available for public school districts and school bus operators requesting CARB verified Level 3 PM trap filters for eligible buses within the 1994 and newer model years.

I.A. PROGRAM SCHEDULE

The implementation schedule of this program is illustrated below. *If more applications are received than available funds, awards will be made according to the program criteria outlined in this document. If the program is undersubscribed, then any available funds will be used for the school bus replacement component of the program.*

School Bus Retrofit Program Schedule (estimated)

December 3, 2010	Issue the Program Announcement & Application PA #2011-05
January 21, 2011	Applications due no later than 4:30 p.m.
April 1, 2011	AQMD Board to consider approval of the PM trap filter awards
June 30, 2011	All PM trap orders must be placed with vendors by awardees. Copies of vendor quotes, and purchase order faxed to AQMD (attn. Ms. Drue Hargis).
October 30, 2011	PM traps must be installed and work completed
December 15, 2011	All invoices must be submitted to AQMD.

I.B. APPLICATION SUBMITTAL

The applicant shall submit **four** copies (1 original and 3 copies) of the application in a sealed envelope, plainly marked in the upper left-hand corner with the name and address of the applicant and the words “Program Application **PA2011-05**. **All four copies of the applications are due no later than 4:30 p.m., Friday, January 21, 2011** to:

Mr. Dean D. Hughbanks, Procurement Manager
**Re: “Program Application PA #2011-05
For School Bus PM Trap Retrofit Funding”**
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA. 91765

All the applications must be signed by the school's superintendent, or in the case of a private operator by senior official authorized to bind the operator.

GRANT PROVISIONS FOR SCHOOL BUS RETROFIT OF PM TRAPS

A. School Bus PM Trap Retrofit Criteria

1. California public school districts that own and operate school buses, including joint power authorities, along with private operators are eligible to apply for funds.
2. **Only 1994 and newer** model year diesel-powered buses with GWR greater than 14,000 lbs qualify for PM Trap retrofits. First priority would be given to 1994 to 2006 model years. If surplus funds remain, 2007 and newer buses will be retrofitted if there exists CARB verified traps for these
3. Only four stroke diesel powered engines will be retrofitted in the current program.
4. All retrofit devices must be verified by CARB to Level III performance to achieve a minimum reduction of 85% in PM. A list of verified PM traps can be accessed at CARB's Website:

<http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm>

5. Applicants have a choice to select any PM trap filter, verified by CARB, in the application form. If prices quoted are determined to be unreasonable, applicants must seek bids from at least 2 authorized vendors.
6. Only low sulfur diesel fuel (with 15ppm of sulfur or less) should be used for PM trap filters. Such fuel has been widely available in the Basin since June 1, 2006.
7. No fuel additives are allowed in the low sulfur diesel fuel. In general, fuel additives tend to substantially degrade the performance of these PM traps.
8. Since the verification of retrofit devices for different engine families may expand, school districts and school transportation companies are requested to submit their applications by providing the list of all the eligible 1994 and newer buses that they would like to retrofit. 1994 to 2006 model years will be given first priority.

FUNDING ALLOCATIONS

A. Amounts of Funding

- The program will cover the full cost of retrofit devices and installation including sales tax, data logging if necessary, lifetime periodic maintenance, and electrical infrastructure for up to \$20,000 per active filter as outlined below.
- \$250 per bus to cover the cost of data-logging if CARB has specified that data logging for determining temperature profile is mandatory for the selected PM trap filter.
- Up to \$1,500 is available for lifetime periodic maintenance of these filters, such as baking and de-ashing to remove the ash from motor oil combustion. These funds are in addition to the purchase and installation of the retrofit device. These funds must be used to buy and install either a pulse cleaner and/or a thermal regeneration unit for the PM traps.
- Funds will be provided to install electrical infrastructure to regenerate active PM trap filters. A minimum of 2 quotes are needed for bids under \$5,000, while a minimum of 3 quotes are needed for work at or exceeding \$5,000.

B. Matching fund requirement for the PM Trap Retrofit Program

- No matching funds are required of the applicant
- School districts and transportation companies shall be responsible for routine maintenance of the retrofit devices

C. Authorizing Signature

The submitted application must be signed by school district's transportation director or above and/or a senior authorized official of the private contractor requesting funds to retrofit school buses.

D. CHP Inspection prior to Return of Service

All buses retrofitted with PM devices must be inspected by the CHP prior to the return to service. Among other safety checks, CHP will confirm if the installation of the retrofit device was done according to manufacturer's specifications. The CHP inspection certificate with appropriate VIN# and Vehicle ID# must accompany any request for re-imbusement.

E. Disbursement of Funds

- Funds will be paid on a reimbursement basis by the AQMD after the installation of the retrofit devices.
- Vendors who install these PM Traps could bill AQMD directly.
- The Invoice or cover letter must have the correct VIN# of the bus that was retrofitted with the PM trap
- The invoice and/or cover letter must be signed by the school district's Director of Transportation or senior official of the private contractor, and must instruct AQMD to pay the vendor who installed the retrofit device
- Proof of CHP inspection shall accompany the invoice.
- Copy of the vendor quotes and purchase orders issued by the applicant should accompany the invoice.
- All requests for reimbursement must be received by December 15, 2011.

PROJECT IMPLEMENTATION

A. Project Selection and Award of Funds

Only public school districts and private school bus operators are eligible for this grant. AQMD will award funds on a first-come-first served basis, with all public school districts having preference over private operators. Furthermore, one-half of the total funding will be distributed in compliance with Health and Safety Code 43023.5 (AB1390, Firebaugh), to school districts and private vendors that directly benefit low-income communities and communities of color, disproportionately impacted by air pollution.

B. Project Completion Deadlines

All PM Traps shall be installed no later than October 30, 2010.

C. Monitoring and Reporting

School districts receiving funding must notify the funding agency when the retrofit devices are ordered and again when the devices are installed. Proof of CHP inspection and approval should accompany invoices submitted by the vendor to AQMD for re-imbusement.

I.C. IF YOU NEED HELP

This Program Announcement and Application can be obtained by accessing the AQMD web site at www.aqmd.gov/rfp. AQMD staff members are available to answer questions during the application acceptance period. In order to help expedite assistance, please direct your inquiries to the applicable staff person, as follows:

- For **General, Administrative, or Technical Assistance**, please contact:

Ranji S. George, Program Supervisor
Technology Advancement Office
Phone 909 396-3255
Fax: 909-396-3252
rgeorge@aqmd.gov

- For **Questions on Invoices**, please contact:

Drue Hargis, Contracts Coordinator
Technology Advancement Office
Phone: 909 396-3237
Fax: 909 396 -3774.
dhargis@aqmd.gov

Appendix A

**APPLICATION FOR SCHOOL BUS
PM Trap Retrofit GRANT**
(for public school districts and private operators only)
(1994 and newer diesel school buses only)

(1994 to 2006 model years will be given first priority).

PA #2011-05

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**GRANT APPLICATION FORM FOR THE SCHOOL BUS
PM Trap Filters
PA #2011-05 RETROFIT PROGRAM**

Applicant Name: _____

Street Address: _____

City: _____ County _____ State: CA

Zip Code: _____

of Level 3 PM traps applied for _____

of school buses in fleet currently with Level 3 PM traps _____

of pulse cleaners currently on premises _____

of thermal regeneration units currently on premise _____

Contact Person:

Name/Title: _____

Phone No.: _____ Extn _____ Fax: No.: _____

Email (please print): _____

Please attach business card of Primary Contact Person.

Contact Information on Alternative Contact (Name, Title, Phone#, Email):

This application must be signed below by an authorized person to be considered for awards to retrofit school buses with PM traps.

Authorized Person's Signature: _____

Authorized Person's Name & Title: _____

Date of Application _____

**PROPOSED BUSES TO BE RETROFITTED
WITH PM TRAP FILTERS***

**Must Also Provide this Information Electronically in an Excel Worksheet to AQMD
(attn: Ranji George, at rgeorge@aqmd.gov)*

(Eligibility is restricted to 1994 and newer school buses, with GVWR over 14,000 lbs, having no existing PM traps. 1994 to 2006 model years will be given priority. Also, please answer the questions below this table. Add more pages, if needed.)

Bus ID No.	VIN No.	DMV License Plate #	Cumulative Mileage	Year Built	Engine Make & Model	GVWR	Name of PM trap	Installed price of PM Trap*

- Applicant has the choice to select any ARB verified Level 3 PM trap filter. If passive filters can work on a bus, preference should be given to passive filters. Once selected, applicant must specify the name of the PM trap, and cost to purchase sales tax and install the PM trap. Vendor quotes need to be included.
- Once the PM trap(s) are installed, applicant needs to operate these buses in this Basin for a minimum of 5 years. If the bus is withdrawn from service, or removed from this Basin, applicant may incur a penalty.
- If active filter is selected, Estimated Cost of Electrical Infrastructure _____ (Before receiving AQMD award for electrical work, applicant must request at least 2 quotes for work under \$5,000 and a minimum of 3 quotes for work at or above \$5,000).
- # of PM trap cleaners requested in this application _____
- Address of bus location _____
(Identify each bus location if multiple addresses are involved).

**South Coast
Air Quality Management District •**



Lower-Emission School Bus PM Trap Retrofit Program

GRANT AWARD AGREEMENT

Pursuant to Program Announcement PA #2011-05
2009 State Proposition 1B Funding Program ²
Fiscal Year 2011-12

Your grant application to purchase and install Particulate Matter ("PM") traps on diesel school buses listed in Attachment A ("Project") has been approved for funding by the South Coast Air Quality Management District ("AQMD") Governing Board. The funding is being provided under the 2009 State Proposition 1B Funding Program.

As a condition of this grant award, you must comply with all the terms and conditions set forth in this Grant Award Agreement, including those described in Attachment A (List of School Buses to be Retrofitted), Attachment B (CARB Mandated Reporting Data on School Bus Retrofits), Attachment C (Program Announcement PA #2011-05 issued on December 3, 2010) and the 2008 CARB School Bus Guidelines dated April 15, 2008, which are incorporated herein as part of this Agreement.

Grant Recipient ("Grantee")	XYZ Unified School District
Grant Number	
Total Number of PM Traps Awarded (only 1994 and newer school buses are eligible for retrofits)	
(a) Grant for Active PM Traps³	Up to () (max \$16,000 per trap)
Total Number of PM Trap Cleaners Awarded	Up to ()
(b) Grant for Maintenance (PM trap cleaners, thermal regenerator, electrical infrastructure and/or data logging)	Up to () (max \$13,000 per cleaner or thermal regenerator)
Total Grant Awarded (a)+(b)	Up to
Date by Which Cleaner Needs to be Installed	
Date by Which PM Traps Need to be Installed	October 30, 2011
Date by Which Invoices Need to be Submitted	December 15, 2011
Agreement Term & Date to Which All Records	Until December 30, 2018

² Proposition 1B--the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Measure was approved by the California electorate at the ballot box on November 7, 2006. Prop 1B, among other elements, provided for school bus funding. South Coast AQMD share of this state funding is \$71.1 million.

³ May install a new PM trap technology, approved by CARB, that uses an automatic diesel fuel injection to regenerate these traps, as long as the total cost (including installation, electrical and maintenance) is below \$19,000 per PM trap.

(relating to this Grant) Need to be Retained	
--	--

1. PARTIES - The parties to this Grant Award Agreement ("Agreement") are the South Coast Air Quality Management District ("AQMD") whose address is 21865 Copley Drive, Diamond Bar, California 91765-4178, and Azusa Unified School District ("GRANTEE") whose address is 546 S. Citrus Avenue, Azusa, CA 91702.
2. PROJECT MILESTONES – GRANTEE must purchase and install all the awarded PM traps and PM trap cleaning equipment, if applicable, by **October 30, 2011**. The PM traps must have been verified by the CARB to **Level III Plus** to achieve a minimum of 85% reduction in PM. GRANTEE must install said PM traps in the school buses listed in Attachment A. GRANTEE must buy PM trap cleaning equipment using the PM trap maintenance funds. Documentation required for payment of grant funds to GRANTEE or vendor must be received by AQMD by **December 15, 2011**. See Clause 10 below for a complete list of the required documents.
3. ENFORCEMENT – AQMD, CARB and the U.S. Environmental Protection Agency (EPA) have the authority to enforce the terms of this Agreement at any time during the Agreement term. AQMD, CARB and EPA will seek whatever legal, equitable and other remedies are available for the GRANTEE'S failure to comply with the terms of this Agreement or with the Lower-Emission School Bus Program requirements incorporated herein.
4. AGREEMENT TERM – The term of this Agreement is from the date of execution by both parties to **December 30, 2018**, unless further extended by amendment of this Agreement in writing. No work shall commence until this Agreement is fully executed by all parties. Notwithstanding the above end dates, the Agreement term shall encompass both the Project completion and Project implementation/life periods, whichever is longer, to ensure that the AQMD, CARB and EPA can fully enforce the Agreement during the life of the Lower-Emission School Bus Program-funded project. The Project must comply with the 2008 CARB Lower-Emission School Bus Program Guidelines⁴ and any amendments thereto, and must meet all Program requirements for the full agreement term.
 - A. Project Completion – Project completion is the timeframe starting with the date of Agreement execution by both parties to the date the project becomes operational. This includes the time period when the equipment is ordered, delivered and installed. The project becomes operational on the date the final invoice payment is made by AQMD or **December 30, 2011**, whichever is later.
 - B. Project Implementation/Life – The project implementation timeframe is five years from the date of project completion (date when final invoice payment is made by AQMD); in this case until **December 30, 2016**. GRANTEE must own and operate the retrofitted bus for a minimum of five years or until **December 30, 2016**, whichever is later.

⁴ These Guidelines and subsequent CARB advisories are available at the following CARB Web link:
<http://arb.ca.gov/bonds/schoolbus/guidelines/2008lesbp.pdf>

5. NON-COMPLIANCE – AQMD reserves the right to cancel this Agreement or withhold payment for GRANTEE’S non-compliance with the Agreement. Further, AQMD reserves the right to cancel the Agreement if it is not executed by GRANTEE within 45 days of receipt of this grant by the GRANTEE.
6. AUDIT RIGHTS – AQMD, CARB, the California Department of Finance, and the EPA, or their designee(s), shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. GRANTEE agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. GRANTEE must include a similar right of the State, AQMD and EPA to audit records and interview staff in any subcontract related to the performance of this Agreement.
7. RECORDS AND RECORDS RETENTION – GRANTEE shall maintain all records related to this Project and retain these records for the Agreement term (December 30, 2018). These records include, but are not limited to, the following:
 - A. Application;
 - B. Resolution from the school district governing board (or other documentation signed by a duly authorized official) authorizing the submittal of the application and identifying the individual authorized to implement the retrofit project;
 - C. Vendor quotes for PM traps, PM trap cleaners and electrical infrastructure;
 - D. Purchase orders issued by GRANTEE;
 - E. Executed contracts;
 - F. Invoice(s);
 - G. Proof of payment;
 - H. A copy of the Safety Compliance Report/Terminal Record Update (CHP 343) or a copy of the Vehicle/Equipment Inspection Report Motor Carrier Safety Operations form (CHP 343A) for each school bus retrofitted;
 - I. A copy of the CARB retrofit device verification executive order for the device that was funded;
 - J. Maintenance records; and
 - K. Documentation in the form of invoices or purchase orders that include dates of installation and maintenance, description of services performed and cost of services.
8. ON-SITE INSPECTIONS – AQMD, CARB and EPA, or their designee(s), shall have the right to inspect the retrofitted bus(es) and maintenance equipment during the entire Agreement term.
9. CHP SAFETY INSPECTION – Each retrofitted bus must undergo a CHP safety certification inspection (per Title 13, Cal. C. Regs. § 1272(c)) after the installation of the PM trap and prior to the bus’s return to service. GRANTEE must obtain a copy of written documentation from CHP personnel that the retrofitted bus is still structurally acceptable to safely transport students and provide this documentation to AQMD. This documentation shall consist of a copy of a Safety Compliance Report/Terminal Record Update (CHP 343), or a copy of a Vehicle/Equipment Inspection Report Motor Carrier Safety Operations form (CHP 343A).
10. INVOICE AND PAYMENT – Before a Lower-Emission School Bus Program payment is made to a vendor or to GRANTEE, this Agreement must be executed and the following documentation must be received by AQMD no later than **December 15, 2011**:

- A. An invoice with breakdown of costs between parts and labor verifying purchase and installation of PM traps on each school bus listed in Attachment 1.
- B. If PM trap cleaning equipment is installed, a separate invoice including a similar breakdown of costs between parts and labor, and a cover letter as explained below in C.
- C. A cover letter signed under penalty of perjury by the GRANTEE'S Director of Transportation, or his/her equivalent, which must contain the following:
 - i. Details of the bus(es) that were retrofitted with PM traps. [To prevent delay in processing the invoices, GRANTEE must verify that the Vehicle Identification Numbers (VINs) and other details of the bus(es) listed on the invoice identically match the VINs of the bus(es) listed in Attachment A of this Agreement];
 - ii. Confirmation that the PM trap cleaning equipment and electrical infrastructure was purchased and installed; and
 - iii. Instruction to AQMD to pay the vendor(s) directly. AQMD prefers that each vendor bill AQMD directly. If GRANTEE pays a vendor directly and seeks reimbursement from AQMD, GRANTEE must submit copies of the front and back of all cancelled check(s) paid to vendor, along with the request to pay the GRANTEE directly.
 - iv. Confirmation of existing number of buses with PM traps and electrical charging outlets, and
 - v. Confirmation of the number of additional electrical outlets installed under this Grant.
- D. A copy of front page of this Agreement that lists the Summary Table and Grant #.
- E. A copy of Attachment A to this Agreement, identifying and highlighting the buses that were retrofitted with PM traps. VIN(s) and details of the buses listed on the submitted invoice(s) must match those in Attachment A.
- F. Copies of warranties provided for each PM trap installed;
- G. Copy of the Purchase Order(s) issued by the GRANTEE (School District) to the Installer and Electrician.
- H. A copy of the DMV certificate of the school bus retrofitted with the PM trap.
- I. For each retrofitted school bus, a copy of a completed CHP form 343–Safety Compliance Report/Terminal Record Update, or a copy of a completed CHP form 343A–Vehicle/Equipment Inspection Report Motor Carrier Safety Operations.
- J. Two electronic files to be sent to Mr. Ranji George that includes (a) PDF scan of the whole invoice package, and (b) an Excel Worksheet that lists the bus information required in Attachment B.

Please submit all documentation to Ms. Drue Ann Hargis, TAO Contracts, AQMD, 21865 Copley Drive, Diamond Bar, CA 91765. All documentation described above must be received no later than **December 30, 2011**.

11. OWNERSHIP AND OPERATION

- A. GRANTEE shall accrue at least 75% of each vehicle's annual mileage or engine hours of operation within the geographical boundaries of the AQMD.
- B. GRANTEE is prohibited from removing the retrofitted school bus(es) from service in California during the term of this Agreement, unless the retrofitted school bus(es) become inoperable through mechanical failure of components or systems, and cannot be repaired or replaced, and such failure is not caused by GRANTEE'S negligence, misuse or malfeasance.

C. GRANTEE must own and operate the retrofitted bus(es) for a minimum of five years, **or until December 30, 2016**, whichever is later.

12. MAINTENANCE – GRANTEE shall operate and maintain the installed PM traps funded under this Agreement in accordance with the manufacturer’s specifications for the life of the Project. GRANTEE acknowledges that no tampering with the installed PM traps is permitted. Further, GRANTEE must have the PM traps cleaned periodically (also known as “periodic maintenance” and “baking and de-ashing”) throughout their estimated 11-year life, or if a bus is kept for less than 11 years, as long as GRANTEE owns and operates the retrofitted bus(es).
13. FUEL ADDITIVES – GRANTEE must use only the generally available, low sulfur (15 ppm or lower) diesel fuel in all the buses retrofitted with PM traps. The fuel must not contain any fuel or lube oil additives, per CARB regulations, unless specially identified as allowable in the engine certification executive order.
14. PURCHASE ORDER AGREEMENTS – GRANTEE must incorporate the minimum grant requirements described in Appendix C of the 2008 CARB Guidelines to Lower-Emission School Bus Program applicable to this Project in purchase order agreements with vendors.
15. REPORTING REQUIREMENTS - During the term of this Agreement, GRANTEE agrees to provide periodic reports to AQMD on the implementation of this award, including but not limited to, entering detailed information in AQMD and/or CARB’s School Bus Database on the control device and each school bus that is retrofitted under this Award. GRANTEE will require its Vendor to cooperate in providing these reports. AQMD will specify the frequency and format of these reports.
16. NOTICES – Any notices from either party to the other shall be given in writing to the attention of the persons listed below, or to other such addresses or addressees as may hereafter be designated in writing for notices by either party to the other. Notice shall be given by certified, express or registered mail, return receipt requested, and shall be effective as of the date of receipt indicated on the return receipt card.

AQMD: South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178
Attn: Ms. Drue Ann Hargis

GRANTEE: XYZ Unified School District

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

The undersigned parties agree to the terms and conditions as set forth in this Agreement. The undersigned parties certify under penalty of perjury that they are duly authorized to bind the parties to this Agreement.

GRANTOR:

GRANTEE:

South Coast Air Quality Management District

XYZ Unified School District

By: _____

By: _____

Name: _____

Title: _____

Date: _____

Date: _____

ATTEST:

Sandra McDaniel, Clerk of the Board

By: _____

APPROVED AS TO FORM:

Kurt R. Wiese, General Counsel

By: _____

CERTIFICATIONS AND REPRESENTATIONS

- **All applicants** need to update Business Contact Information
- **All applicants** need to fill in the Campaign Contribution Form
- **New Applicants** need to Provide Taxpayer ID



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

Business Information Request **(For All Applicants: please update Contact Information for)**

Dear SCAQMD Contractor/Supplier:

The South Coast Air Quality Management District (SCAQMD) is committed to ensuring that our contractor/supplier records are current and accurate. If your firm is selected for award of a purchase order or contract, it is imperative that the information requested herein be supplied in a timely manner to facilitate payment of invoices. In order to process your payments, we need the enclosed information regarding your account. **Please review and complete the information identified on the following pages, complete the enclosed W-9 form, remember to sign both documents for our files, and return them as soon as possible to the address below:**

**Attention: Accounts Payable, Accounting Department
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178**

If you do not return this information, we will not be able to establish you as a vendor. This will delay any payments and would still necessitate your submittal of the enclosed information to our Accounting department before payment could be initiated. Completion of this document and enclosed forms would ensure that your payments are processed timely and accurately.

If you have any questions or need assistance in completing this information, please contact Accounting at (909) 396-3777. We appreciate your cooperation in completing this necessary information.

Sincerely,

Michael O'Kelly
Chief Financial Officer

DH:CW:tm

Enclosures: Business Information Request
Disadvantaged Business Certification
W-9
Federal Contract Debarment Certification

REV 4/10



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

BUSINESS INFORMATION REQUEST

Business Name	
Division of:	
Subsidiary of:	
Website Address	
Type of Business	

A. *Remitting Address Information*

Address			
City/Town			
State/Province		Zip	
Phone	() - Ext	Fax	() -
Contact		Title	
E-mail Address			
Payment Name if Different			

All invoices must reference the corresponding Contract Number(s) and mailed to:

**Attention:
Ms. Drue Hargis, Contracts Coordinator, TAO
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178**

DISADVANTAGED BUSINESS CERTIFICATION
(ONLY PRIVATE BUSINESS THAT MAY QUALIFY)

Federal guidance for utilization of disadvantaged business enterprises allows a vendor to be deemed a small business enterprise (SBE), minority business enterprise (MBE) or women business enterprise (WBE) if it meets the criteria below.

- is certified by the Small Business Administration or
- is certified by a state or federal agency or
- is an independent MBE(s) or WBE(s) business concern which is at least 51 percent owned and controlled by minority group member(s) who are citizens of the United States.

Following state guidance, a vendor may be deemed a disabled veteran business enterprise (DVBE) if it meets the following:

- is an independent business concern which is at least 51 percent owned and controlled by disabled veteran(s), and the home office is located in the U.S.

Statements of certification:

As a prime contractor to the SCAQMD, _____ (name of business) will engage in good faith efforts to achieve the fair share in accordance with 40 CFR Section 31.36(e), and will follow the six affirmative steps listed below **for contracts or purchase orders funded in whole or in part by federal grants and contracts.**

1. Place qualified SBEs, MBEs, and WBEs on solicitation lists.
2. Assure that SBEs, MBEs, and WBEs are solicited whenever possible.
3. When economically feasible, divide total requirements into small tasks or quantities to permit greater participation by SBEs, MBEs, and WBEs.
4. Establish delivery schedules, if possible, to encourage participation by SBEs, MBEs, and WBEs.
5. Use services of Small Business Administration, Minority Business Development Agency of the Department of Commerce, and/or any agency authorized as a clearinghouse for SBEs, MBEs, and WBEs.
6. If subcontracts are to be let, take the above affirmative steps.

B. Self-Certification Verification:

Check all that apply:

- | | |
|---|---|
| <input type="checkbox"/> Small business enterprise | <input type="checkbox"/> Women-owned business enterprise |
| <input type="checkbox"/> Local business | <input type="checkbox"/> Disabled veteran-owned business enterprise |
| <input type="checkbox"/> Minority-owned business enterprise | |

Percent of ownership: _____ %

Name of Qualifying Owner(s): _____

I, the undersigned, hereby declare that to the best of my knowledge the above information is accurate. Upon penalty of perjury, I certify information submitted is factual.

C. NAME	TITLE
----------------	--------------

D. TELEPHONE NUMBER	DATE
----------------------------	-------------

Definitions for Self-Certification Verification

Disabled Veteran-Owned Business Enterprise means a business that meets all of the following criteria:

- is a sole proprietorship or partnership of which is at least 51 percent owned by one or more disabled veterans, or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture's management and control and earnings are held by one or more disabled veterans.
- the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.
- is a sole proprietorship, corporation, partnership, or joint venture with its primary headquarters office located in the United States and which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.

Joint Venture means that one party to the joint venture is a MBE/WBE/DVBE and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that MBE/WBE/DVBE will receive at least 51 percent of the project dollars.

Local Business means a business that meets all of the following criteria:

- has an ongoing business within the boundary of the SCAQMD at the time of bid application.
- performs 90 percent of the work within SCAQMD's jurisdiction.

Minority-Owned Business Enterprise means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more minority persons or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more minority persons.
- is a business whose management and daily business operations are controlled or owned by one or more minority person.
- is a business which is a sole proprietorship, corporation, partnership, joint venture, an association, or a cooperative with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

"Minority" person means a Black American, Hispanic American, Native American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian American (including a person whose origins are from India, Pakistan, or Bangladesh), Asian-Pacific American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, or Taiwan).

Small Business Enterprise means a business that meets the following criteria:

- a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
 - **A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or**
 - A manufacturer with 100 or fewer employees.
- b. Manufacturer means a business that is both of the following:
 - 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
 - 2) Classified between Codes 2000 to 3999, inclusive, of the Standard Industrial Classification (SIC) Manual published by the United States Office of Management and Budget, 1987 edition.

Women-Owned Business Enterprise means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more women or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more women.
- is a business whose management and daily business operations are controlled or owned by one or more women.
- is a business which is a sole proprietorship, corporation, partnership, or a joint venture, with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	
	<input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number								
or								
Employer identification number								

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding,
- or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or

• Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

- The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
- The treaty article addressing the income.
- The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or
2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,

7. A foreign central bank of issue,
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
9. A futures commission merchant registered with the Commodity Futures Trading Commission,
10. A real estate investment trust,
11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
12. A common trust fund operated by a bank under section 584(a),
13. A financial institution,
14. A middleman known in the investment community as a nominee or custodian, or
15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7 ²

¹See Form 1099-MISC, Miscellaneous Income, and its instructions.

²However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 5045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.socialsecurity.gov/online/ss-5.pdf. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses/ and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or single-owner LLC	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

²Circle the minor's name and furnish the minor's SSN.

³You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

⁴List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.



**CAMPAIGN CONTRIBUTIONS DISCLOSURE
(ALL APPLICANTS NEED TO SIGN AND SUBMIT)**

California law prohibits a party, or an agent, from making campaign contributions to AQMD Governing Board Members or members/alternates of the Mobile Source Pollution Reduction Committee (MSRC) of \$250 or more while their contract or permit is pending before the AQMD; and further prohibits a campaign contribution from being made for three (3) months following the date of the final decision by the Governing Board or the MSRC on a donor's contract or permit. Gov't Code §84308(d). For purposes of reaching the \$250 limit, the campaign contributions of the bidder or contractor plus contributions by its parents, affiliates, and related companies of the contractor or bidder are added together. 2 C.C.R. §18438.5.

In addition, Board Members or members/alternates of the MSRC must abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant to the proceeding, or agent, totaling \$250 or more in the 12-month period prior to the consideration of the item by the Governing Board or the MSRC. Gov't Code §84308(c). When abstaining, the Board Member or members/alternates of the MSRC must announce the source of the campaign contribution on the record. *Id.* The requirement to abstain is triggered by campaign contributions of \$250 or more in total contributions of the bidder or contractor, *plus* any of its parent, subsidiary, or affiliated companies. 2 C.C.R. §18438.5.

In accordance with California law, bidders and contracting parties are required to disclose, at the time the application is filed, information relating to any campaign contributions made to Board Members or members/alternates of the MSRC, including: the name of the party making the contribution (which includes any parent, subsidiary or otherwise related business entity, as defined below), the amount of the contribution, and the date the contribution was made. 2 C.C.R. §18438.8(b).

The list of current AQMD Governing Board Members can be found at the AQMD website (www.aqmd.gov). The list of current MSRC members/alternates can be found at the MSRC website (<http://www.cleantransportationfunding.org>).

SECTION I. Please complete Section I.

Contractor: _____ **RFP #:** PA2011-05

List any parent, subsidiaries, or otherwise affiliated business entities of Contractor: (See definition below).

SECTION II

Has contractor and/or parent, subsidiary, or affiliated company, or agent thereof, made a campaign contribution(s) totaling \$250 or more in the aggregate to a current member of the South Coast Air Quality Management Governing Board or members/alternates of the MSRC in the 12 months preceding the date of execution of this disclosure?

Yes No **If YES, complete Section II below and then sign and date the form. If NO, sign and date below. Include this form with your submittal.**

Campaign Contributions Disclosure, *continued*:

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate Amount of Contribution Date of Contribution

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate Amount of Contribution Date of Contribution

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate Amount of Contribution Date of Contribution

Name of Contributor _____

Governing Board Member or MSRC Member/Alternate Amount of Contribution Date of Contribution

Name of Contributor _____

Governing Board Member or MSRC Member/alternate Amount of Contribution Date of Contribution

I declare the foregoing disclosures to be true and correct.

By: _____

Title: _____

Date: _____

DEFINITIONS

Parent, Subsidiary, or Otherwise Related Business Entity.

- (1) *Parent subsidiary. A parent subsidiary relationship exists when one corporation directly or indirectly owns shares possessing more than 50 percent of the voting power of another corporation.*
- (2) *Otherwise related business entity. Business entities, including corporations, partnerships, joint ventures and any other organizations and enterprises operated for profit, which do not have a parent subsidiary relationship are otherwise related if any one of the following three tests is met:*
 - (A) *One business entity has a controlling ownership interest in the other business entity.*
 - (B) *There is shared management and control between the entities. In determining whether there is shared management and control, consideration should be given to the following factors:*
 - (i) *The same person or substantially the same person owns and manages the two entities;*
 - (ii) *There are common or commingled funds or assets;*
 - (iii) *The business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis;*
 - (iv) *There is otherwise a regular and close working relationship between the entities; or*
 - (C) *A controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.*

2 Cal. Code of Regs., §18703.1(d).

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 14

PROPOSAL: Recognize Funds and Approve Additional Truck Projects under Proposition 1B-Goods Movement Program

SYNOPSIS: CARB has informed the AQMD that additional “Year 1” Proposition 1B-Goods Movement Program funds are available from the Ports’ drayage trucks grant. All the project contracts with these funds must be fully executed by the end of this year. These actions are to recognize the additional funds and approve truck replacement projects with the remaining balance of the “Year 1” Proposition 1B-Goods Movement Program funds.

COMMITTEE: Not Applicable

RECOMMENDED ACTIONS:

1. Recognize up to \$12.4 million in additional “Year 1” Proposition 1B-Goods Movement Program funds as outlined in Table 1 and place them into the AQMD’s Proposition 1B-Goods Movement Program Fund (81).
2. Authorize the Executive Officer to execute contracts for replacement truck projects in rank order from the list outlined in Table 2, in an amount not to exceed \$19,660,075 from the Proposition 1B-Goods Movement Program Fund (81), in addition to a maximum of \$50,000 from the Proposition 1B interest funds.
3. Authorize the Executive Officer to execute contracts for replacement truck projects in rank order from the remaining list of unfunded projects in Table 2, using funds from returned projects under the “Year 1” Proposition 1B-Goods Movement Program.
4. Approve name change for a truck replacement project awarded on June 4, 2010, from Central California Leasing to Frank C. Alegre Trucking.

Barry R. Wallerstein, D.Env.
Executive Officer

Background

Under the “Year 1” Proposition 1B-Goods Movement Program, the AQMD was allocated funds for truck replacement and retrofits and locomotive projects. Despite delays due to unavailability of bond funds, the AQMD has successfully implemented all the projects on a tremendously compressed schedule. CARB has now informed the AQMD that additional “Year 1” Proposition 1B Program funds are available for truck replacement projects, for which contracts must be fully executed by December 31, 2010. A sum of \$536,595 from San Diego APCD’s Prop 1B funds that was originally transferred to the Bay Area AQMD will also be transferred to the AQMD. This is in addition to a sum of \$2,074,834 that CARB had redirected from San Diego APCD to the AQMD. Subsequently, CARB has amended AQMD’s truck replacement grants and has transferred the balance of available funds from both the drayage trucks category and the funds from the San Diego APCD to the “other trucks” category. Table 1 summarizes the total amount of funds for all categories of truck replacement projects, the total amount of funds recognized to date, and the additional amount of funds that must be recognized. In summary, for all the truck replacement project categories the AQMD has been allocated \$131,816,429, comprised of \$125,541,075 in project funds and \$6,275,354 in administrative funds.

Proposal

As outlined in Table 1, additional funds under the “Year 1” Proposition 1B Program must be recognized. This action is recognize up to additional \$12.4 million in “Year 1” Proposition 1B-Goods Movement Program funds and place them into the AQMD’s Proposition 1B-Goods Movement Program Fund (81).

Contracts for about 480 “other trucks” have already been executed. As a result of these additional funds, staff has evaluated and ranked, with CARB’s approval about 700 more eligible trucks as listed in Table 2. This action is to execute contracts for replacement truck projects in rank order as outlined in Table 2 in an amount not to exceed \$19,660,075 from the Proposition 1B-Goods Movement Program Fund (81), in addition to any amount short of \$50,000 for the last truck from the Proposition 1B interest funds. This will commit the entire sum of the “Year 1” truck replacement funds in executed contracts. This action is also to execute contracts for replacement truck projects in rank order from the remaining list of unfunded projects in Table 2 with potential returned funds from projects under the “Year 1” Proposition 1B-Goods Movement Program.

Finally, this action is to correct a name change for previously approved award recipient from Central California Leasing to Frank C. Alegre Trucking.

Outreach

In accordance with AQMD’s Procurement Policy and Procedure, a public notice advertising the RFP/RFQ and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County Press

Enterprise newspapers to leverage the most cost-effective method of outreach to the entire South Coast Basin.

Additionally, potential bidders may have been notified utilizing AQMD's own electronic listing of certified minority vendors. Notice of the RFP/RFQ has been mailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at AQMD's website (<http://www.aqmd.gov>). Information is also available on AQMD's bidder's 24-hour telephone message line (909) 396-2724.

Benefits to AQMD

The successful implementation of the truck projects will reduce NO_x, PM and other pollutant emissions in a cost-effective and expeditious manner which will help achieve the goals of the 2007 AQMP. The new vehicles funded under this program are expected to operate for many years which will provide long-term emission reduction benefits at the Ports and in the region.

Resource Impacts

Total funding for the proposed projects shall not exceed \$19,660,075 from the Proposition 1B-Goods Movement Program Fund (81), in addition to a maximum of \$50,000 from the Proposition 1B interest funds.

Attachments

1. Table 1: Summary of "Year 1" Proposition 1B Truck Replacement Program Funds
2. Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

Table 1: Summary of “Year 1” Proposition 1B Truck Replacement Program Funds

Grant Type	Grant Amount* (Incl. Admin Funds)
Early Grant	\$13,807,500
Drayage Trucks	\$69,537,300
Other Trucks	\$45,310,034
Ports and Intermodal Facilities Trucks	\$2,625,000
Additional Funds from San Diego APCD	\$536,595
Total	\$131,816,429
Grant Amount Recognized to Date	\$119,465,000
Remaining Funds to Recognized	\$12,351,429

* The total truck replacement grant amount is comprised of \$125,541,075 in project funds and \$6,275,354 in administrative funds.

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
1031-000	1	SERVICE AIR CARGO	DIESEL	50,000
512-005	2	RRM PROPERTIES LTD	DIESEL	50,000
381-000	3	EFIGENIO LEOPOLDO HERNANDEZ	DIESEL	50,000
512-029	4	RRM PROPERTIES LTD	DIESEL	50,000
984-000	5	EDUARDO L. LUNA	DIESEL	50,000
512-008	6	RRM PROPERTIES LTD	DIESEL	50,000
512-039	7	RRM PROPERTIES LTD	DIESEL	50,000
512-007	8	RRM PROPERTIES LTD	DIESEL	50,000
512-031	9	RRM PROPERTIES LTD	DIESEL	50,000
512-034	10	RRM PROPERTIES LTD	DIESEL	50,000
512-011	11	RRM PROPERTIES LTD	DIESEL	50,000
512-009	12	RRM PROPERTIES LTD	DIESEL	50,000
1021-004	13	DEDICATED FLEET SYSTEMS	DIESEL	50,000
653-145	14	WESTAR TRANSPORT	DIESEL	50,000
512-062	15	RRM PROPERTIES LTD	DIESEL	50,000
512-024	16	RRM PROPERTIES LTD	DIESEL	50,000
1047-032	17	EVANS DEDICATED SYSTEMS	DIESEL	50,000
512-052	18	RRM PROPERTIES LTD	DIESEL	50,000
512-015	19	RRM PROPERTIES LTD	DIESEL	50,000
989-000	20	BONIFACIO COREA RAYGOZA	DIESEL	50,000
512-030	21	RRM PROPERTIES LTD	DIESEL	50,000
512-022	22	RRM PROPERTIES LTD	DIESEL	50,000
512-054	23	RRM PROPERTIES LTD	DIESEL	50,000
512-040	25	RRM PROPERTIES LTD	DIESEL	50,000
512-016	26	RRM PROPERTIES LTD	DIESEL	50,000
1162-000	27	VASQUEZ TRUCKING INC	DIESEL	50,000
512-049	28	RRM PROPERTIES LTD	DIESEL	50,000
512-012	29	RRM PROPERTIES LTD	DIESEL	50,000
512-023	30	RRM PROPERTIES LTD	DIESEL	50,000
512-018	31	RRM PROPERTIES LTD	DIESEL	50,000
512-017	32	RRM PROPERTIES LTD	DIESEL	50,000
512-010	33	RRM PROPERTIES LTD	DIESEL	50,000
979-000	34	JOSE ANGEL RODIRGUEZ AYALA	DIESEL	50,000
512-042	35	RRM PROPERTIES LTD	DIESEL	50,000
596-000	36	GREVIL ALBERTO CASTELLANOS	DIESEL	50,000
1047-009	37	EVANS DEDICATED SYSTEMS	DIESEL	50,000
1047-029	38	EVANS DEDICATED SYSTEMS	DIESEL	50,000
512-071	39	RRM PROPERTIES LTD	DIESEL	50,000
512-036	40	RRM PROPERTIES LTD	DIESEL	50,000
1048-002	41	PSK TRANSPORTATION	DIESEL	50,000
512-065	42	RRM PROPERTIES LTD	DIESEL	50,000
512-057	43	RRM PROPERTIES LTD	DIESEL	50,000
512-061	45	RRM PROPERTIES LTD	DIESEL	50,000
512-041	46	RRM PROPERTIES LTD	DIESEL	50,000
653-159	47	WESTAR TRANSPORT	DIESEL	50,000
512-037	48	RRM PROPERTIES LTD	DIESEL	50,000
512-043	49	RRM PROPERTIES LTD	DIESEL	50,000
1047-004	50	EVANS DEDICATED SYSTEMS	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
512-060	51	RRM PROPERTIES LTD	DIESEL	50,000
512-028	52	RRM PROPERTIES LTD	DIESEL	50,000
512-003	53	RRM PROPERTIES LTD	DIESEL	50,000
512-033	54	RRM PROPERTIES LTD	DIESEL	50,000
512-067	55	RRM PROPERTIES LTD	DIESEL	50,000
719-012	56	OAK HARBOR FREIGHT LINES	DIESEL	50,000
512-035	57	RRM PROPERTIES LTD	DIESEL	50,000
895-002	58	PDM TRANSPORTATION INC.	DIESEL	50,000
1047-010	59	EVANS DEDICATED SYSTEMS	DIESEL	50,000
512-004	62	RRM PROPERTIES LTD	DIESEL	50,000
512-068	63	RRM PROPERTIES LTD	DIESEL	50,000
880-000	64	ROGELIO SOLARZANO	DIESEL	50,000
1097-000	65	NIXON GALDAMEZ ORANTES	DIESEL	50,000
1094-000	66	ISRAEL BENITEZ	DIESEL	50,000
668-000	67	SANDRA JIMENEZ DBA LORETOS EXPRESS	DIESEL	50,000
1047-015	68	EVANS DEDICATED SYSTEMS	DIESEL	50,000
1047-028	69	EVANS DEDICATED SYSTEMS	DIESEL	50,000
512-026	70	RRM PROPERTIES LTD	DIESEL	50,000
303-000	73	GONZALEZ TRUCKING	DIESEL	50,000
512-019	74	RRM PROPERTIES LTD	DIESEL	50,000
109-000	76	JOSE MANUEL ALVAREZ	DIESEL	50,000
515-000	77	TAE SAM PARK	DIESEL	50,000
1047-016	80	EVANS DEDICATED SYSTEMS	DIESEL	50,000
512-051	81	RRM PROPERTIES LTD	DIESEL	50,000
512-055	82	RRM PROPERTIES LTD	DIESEL	50,000
142-000	83	JOSE A CARCAMO	DIESEL	50,000
512-032	84	RRM PROPERTIES LTD	DIESEL	50,000
178-000	85	SANTOS M. RAMIREZ & CINDY J. ALDANA DBA BRYANS TRUCKING	DIESEL	50,000
1047-011	86	EVANS DEDICATED SYSTEMS	DIESEL	50,000
685-002	87	SCHECKLA CO., INC.	DIESEL	50,000
512-063	88	RRM PROPERTIES LTD	DIESEL	50,000
685-005	89	SCHECKLA CO., INC.	DIESEL	50,000
589-000	91	EDUARDO GALVEZ	DIESEL	50,000
1047-001	92	EVANS DEDICATED SYSTEMS	DIESEL	50,000
242-000	93	OBDULIO SANTOS MENDEZ	DIESEL	50,000
919-000	94	GABRIEL R. YANEZ	DIESEL	50,000
512-050	95	RRM PROPERTIES LTD	DIESEL	50,000
1047-019	96	EVANS DEDICATED SYSTEMS	DIESEL	50,000
1402-002	98	KARLA LARIN	DIESEL	50,000
1284-000	99	RAFAEL MACIAS FARIAS	DIESEL	50,000
963-006	100	ISAAC TRANSPORTATION INC	DIESEL	50,000
685-004	101	SCHECKLA CO., INC.	DIESEL	50,000
167-000	102	JOSE LUIS FRAGOSO MIRANDA	DIESEL	50,000
719-009	103	OAK HARBOR FREIGHT LINES	DIESEL	50,000
648-001	104	HOSKINS BROS. TRUCKING, INC.	DIESEL	50,000
1048-001	105	PSK TRANSPORTATION	DIESEL	50,000
170-000	106	BENJAMIN GALICIA	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
512-059	107	RRM PROPERTIES LTD	DIESEL	50,000
1047-027	108	EVANS DEDICATED SYSTEMS	DIESEL	50,000
1047-006	109	EVANS DEDICATED SYSTEMS	DIESEL	50,000
650-011	111	WESTAR TRANSPORT	DIESEL	50,000
719-002	112	OAK HARBOR FREIGHT LINES	DIESEL	50,000
986-000	115	JESERIC FREIGHT INC.	DIESEL	50,000
427-3180	116	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
512-058	117	RRM PROPERTIES LTD	DIESEL	50,000
650-008	118	WESTAR TRANSPORT	DIESEL	50,000
329-000	119	CARLOS RODRIGUEZ VALLEJO	DIESEL	50,000
176-000	121	JUAN CARLOS FRAGOSO	DIESEL	50,000
427-3179	122	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
1186-000	123	MERCEDES OSORIO MARQUEZ	DIESEL	50,000
174-000	124	JOSE R. PEREZ	DIESEL	50,000
403-267	125	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
1047-020	126	EVANS DEDICATED SYSTEMS	DIESEL	50,000
427-3178	127	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
956-137	128	AFS TRUCKING INC.	DIESEL	50,000
512-070	129	RRM PROPERTIES LTD	DIESEL	50,000
403-187	130	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
650-006	131	WESTAR TRANSPORT	DIESEL	50,000
403-317	132	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
567-000	133	EDRAS MINAI GALVEZ	DIESEL	50,000
1021-016	134	DEDICATED FLEET SYSTEMS	DIESEL	50,000
956-149	135	AFS TRUCKING INC.	DIESEL	50,000
1392-003	136	HWA SIK CHOI / MAL HEE LEE	DIESEL	50,000
403-329	137	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
512-064	138	RRM PROPERTIES LTD	DIESEL	50,000
719-016	139	OAK HARBOR FREIGHT LINES	DIESEL	50,000
650-013	140	WESTAR TRANSPORT	DIESEL	50,000
129-000	141	VIDAL MURILLO	DIESEL	50,000
038-002	142	RON & SONS TRUCKING, INC.	DIESEL	50,000
650-005	143	WESTAR TRANSPORT	DIESEL	50,000
650-002	144	WESTAR TRANSPORT	DIESEL	50,000
956-147	145	AFS TRUCKING INC.	DIESEL	50,000
719-004	146	OAK HARBOR FREIGHT LINES	DIESEL	50,000
867-000	147	JULIO C. SANDOVAL	DIESEL	50,000
427-3174	148	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
525-001	149	TWO STAR TRUCKING	DIESEL	50,000
525-002	150	TWO STAR TRUCKING	DIESEL	50,000
512-025	151	RRM PROPERTIES LTD	DIESEL	50,000
719-006	152	OAK HARBOR FREIGHT LINES	DIESEL	50,000
1047-013	154	EVANS DEDICATED SYSTEMS	DIESEL	50,000
719-011	155	OAK HARBOR FREIGHT LINES	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
956-145	156	AFS TRUCKING INC.	DIESEL	50,000
971-004	157	TEAM CAMPBELL LOGISTICS PACIFIC, LLC	DIESEL	48,000
512-053	158	RRM PROPERTIES LTD	DIESEL	50,000
910-002	160	GAMBERG METALS CO., INC.	DIESEL	50,000
512-021	161	RRM PROPERTIES LTD	DIESEL	50,000
605-000	162	MOISES C. CASTILLO	DIESEL	50,000
650-003	163	WESTAR TRANSPORT	DIESEL	50,000
719-014	164	OAK HARBOR FREIGHT LINES	DIESEL	50,000
963-004	166	ISAAC TRANSPORTATION INC	DIESEL	50,000
650-014	167	WESTAR TRANSPORT	DIESEL	50,000
512-044	169	RRM PROPERTIES LTD	DIESEL	50,000
1047-003	170	EVANS DEDICATED SYSTEMS	DIESEL	50,000
611-000	171	LIDIA VICTORIA CARBALLO LOPEZ	DIESEL	50,000
1047-017	172	EVANS DEDICATED SYSTEMS	DIESEL	50,000
1392-002	173	HWA SIK CHOI / MAL HEE LEE	DIESEL	50,000
830-003	174	GORDON TRUCKING INC.	DIESEL	50,000
512-066	175	RRM PROPERTIES LTD	DIESEL	50,000
1047-026	176	EVANS DEDICATED SYSTEMS	DIESEL	50,000
971-001	178	TEAM CAMPBELL LOGISTICS PACIFIC, LLC	DIESEL	48,000
763-000	179	F.A.D. EXPRESS, INC.	DIESEL	50,000
427-3182	180	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
1047-034	181	EVANS DEDICATED SYSTEMS	DIESEL	50,000
956-148	182	AFS TRUCKING INC.	DIESEL	50,000
543-000	183	KUR-K TRUCKING DBA ROMEO EDUARDO DURAN	DIESEL	50,000
650-001	184	WESTAR TRANSPORT	DIESEL	50,000
1431-000	185	JUN HYO LEE	DIESEL	50,000
719-021	186	OAK HARBOR FREIGHT LINES	DIESEL	50,000
512-014	187	RRM PROPERTIES LTD	DIESEL	50,000
956-142	188	AFS TRUCKING INC.	DIESEL	50,000
251-000	189	TEODORO ZAPATA SUAREZ	DIESEL	50,000
764-000	190	ELIA MARINA CASTELLANOS	DIESEL	50,000
038-001	191	RON & SONS TRUCKING, INC.	DIESEL	50,000
963-003	192	ISAAC TRANSPORTATION INC	DIESEL	50,000
450-850	193	CENTURY SAND & GRAVEL INC.	DIESEL	50,000
719-026	194	OAK HARBOR FREIGHT LINES	DIESEL	50,000
623-000	195	RIGOBERTO A ALBANEZ	DIESEL	50,000
433-000	196	CITY NATIONAL BANK (DELFINO VELASCO ARROYO-CAL CARTAGE)	DIESEL	50,000
830-011	197	GORDON TRUCKING INC.	DIESEL	50,000
450-865	198	CENTURY SAND & GRAVEL INC.	DIESEL	50,000
427-3184	199	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
728-000	200	JORGE AGUILAR	DIESEL	50,000
971-002	201	TEAM CAMPBELL LOGISTICS PACIFIC, LLC	DIESEL	48,000
916-000	202	FRANCISCO A. MOREIRA REYES	DIESEL	50,000
250-001	203	PACIFIC HIGH LEASING, LLC	DIESEL	50,000
299-000	204	MENDOZA TRUCKING	DIESEL	50,000
650-007	205	WESTAR TRANSPORT	DIESEL	50,000
097-000	206	JUAN ANTONIO MOLINA	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
956-130	207	AFS TRUCKING INC.	DIESEL	50,000
857-001	208	L. BROTHERS & SON'S INC.	DIESEL	50,000
512-047	209	RRM PROPERTIES LTD	DIESEL	50,000
427-3185	210	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
650-012	211	WESTAR TRANSPORT	DIESEL	50,000
956-143	212	AFS TRUCKING INC.	DIESEL	50,000
427-3235	213	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
671-001	214	VILLA PARK TRUCKING, INC.	DIESEL	48,000
830-001	215	GORDON TRUCKING INC.	DIESEL	50,000
512-045	216	RRM PROPERTIES LTD	DIESEL	50,000
427-3171	218	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
1199-000	219	JOSE JUAN VARGAS`	DIESEL	50,000
450-870	220	CENTURY SAND & GRAVEL INC.	DIESEL	50,000
116-000	221	LUIS FREDY BONILLA	DIESEL	50,000
216-000	223	MYUNG CHUL CHOI	DIESEL	50,000
007-000	224	ABEL RAYGAZA	DIESEL	50,000
592-000	225	MGJ CORONA TRUCKING	DIESEL	50,000
512-056	226	RRM PROPERTIES LTD	DIESEL	50,000
1047-005	227	EVANS DEDICATED SYSTEMS	DIESEL	50,000
450-300	228	CENTURY SAND & GRAVEL INC.	DIESEL	50,000
427-3144	229	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
1383-002	230	BRAGG INVESTMENT CO. INC. DBA, JBA CO.	DIESEL	50,000
1383-001	231	BRAGG INVESTMENT CO. INC. DBA, JBA CO.	DIESEL	50,000
197-000	232	CESAR ROSAS	DIESEL	50,000
1164-000	233	JLM TRUCKING	DIESEL	50,000
302-000	234	JOSE SANTOS SANCHEZ	DIESEL	50,000
221-003	235	DOLPHIN TRANSPORT INC. DBA DOLPHIN EXPRESS	DIESEL	50,000
500-002	236	OVERSEAS FREIGHT, INC.	DIESEL	50,000
719-027	237	OAK HARBOR FREIGHT LINES	DIESEL	50,000
215-000	238	ROSARIO H. LARA	DIESEL	50,000
551-000	239	ALEJANDRO NEGRETE	DIESEL	50,000
509-000	240	CARLOS BALDIZON	DIESEL	50,000
512-046	241	RRM PROPERTIES LTD	DIESEL	50,000
958-001	242	G J MARTIN INC.	DIESEL	50,000
972-002	243	JOSE DEMAR LINARES SANDOVAL	DIESEL	50,000
650-004	244	WESTAR TRANSPORT	DIESEL	50,000
450-305	245	CENTURY SAND & GRAVEL INC.	DIESEL	50,000
443-000	246	CITY NATIONAL BANK (GERARDO TECORRAL MARTINEZ-CAL CARTAGE)	DIESEL	50,000
460-000	247	EDWIN B. OSORIO	DIESEL	50,000
998-000	248	JUAN CORONADO	DIESEL	50,000
869-002	249	L.A.C. MOTOR ENTERPRISES, INC.	DIESEL	50,000
221-001	251	DOLPHIN TRANSPORT INC. DBA DOLPHIN EXPRESS	DIESEL	50,000
956-131	252	AFS TRUCKING INC.	DIESEL	50,000
512-020	253	RRM PROPERTIES LTD	DIESEL	50,000
063-000	254	MANUEL CERDA	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
650-016	255	WESTAR TRANSPORT	DIESEL	50,000
994-000	256	LUIS DIAZ	DIESEL	50,000
869-001	257	L.A.C. MOTOR ENTERPRISES, INC.	DIESEL	50,000
514-000	258	KUN SUNG NOH	DIESEL	50,000
249-007	259	ROYAL VIOLET, LLC	DIESEL	50,000
512-048	260	RRM PROPERTIES LTD	DIESEL	50,000
872-000	261	CARLOS VALLADARES	DIESEL	50,000
038-005	262	RON & SONS TRUCKING, INC.	DIESEL	50,000
512-038	263	RRM PROPERTIES LTD	DIESEL	50,000
221-002	265	DOLPHIN TRANSPORT INC. DBA DOLPHIN EXPRESS	DIESEL	50,000
403-316	266	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
625-000	267	CESAR EMILIO CARBALLO LOPEZ	DIESEL	50,000
1133-000	268	RAMON CARMONA	DIESEL	50,000
799-1527	269	OAK HARBOR FREIGHT LINES	DIESEL	50,000
719-022	270	OAK HARBOR FREIGHT LINES	DIESEL	50,000
1421-000	271	LUIS MONGE	DIESEL	50,000
140-000	272	KWANG SHIK YUN	DIESEL	50,000
1378-000	273	SERGIO FLORES	DIESEL	50,000
830-002	274	GORDON TRUCKING INC.	DIESEL	50,000
653-052431	275	WESTAR TRANSPORT	DIESEL	50,000
149-000	276	KENNY CHIANG	DIESEL	50,000
963-002	277	ISAAC TRANSPORTATION INC	DIESEL	50,000
177-000	278	MR. G TRUCKING, INC.	DIESEL	50,000
830-010	279	GORDON TRUCKING INC.	DIESEL	50,000
163-000	280	ANTONIO TORIZ	DIESEL	50,000
449-000	281	CITY NATIONAL BANK (ERIC FLORES-CAL CARTAGE)	DIESEL	50,000
650-010	283	WESTAR TRANSPORT	DIESEL	50,000
490-003	284	DIMEX FREIGHT SYSTEMS, INC.	DIESEL	50,000
450-855	285	CENTURY SAND & GRAVEL INC.	DIESEL	50,000
743-000	287	MANUEL DE JESUS MAGANA	DIESEL	50,000
472-000	288	JOSE S. DENIS SOLORIO	DIESEL	50,000
1363-002	289	ALEJANDRO VILLEGAS	DIESEL	50,000
1269-013	290	NORTHGATE GONZALEZ, LLC	DIESEL	50,000
971-005	291	TEAM CAMPBELL LOGISTICS PACIFIC, LLC	DIESEL	48,000
437-000	292	CITY NATIONAL BANK (CARLOS YEPEZ-CAL CARTAGE)	DIESEL	50,000
922-001	293	EDUARDO GONZALEZ	DIESEL	50,000
648-002	294	HOSKINS BROS. TRUCKING, INC.	DIESEL	50,000
427-3170	295	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
1109-000	296	MARIO VICENTE ALVARADO	DIESEL	50,000
627-000	297	ERNESTO LEON CONTRERAS	DIESEL	50,000
1022-001	298	DESERT EMPIRE TRANSFER & STORAGE INC.	DIESEL	50,000
680-000	299	CARLOS CAMACHO	DIESEL	50,000
830-005	300	GORDON TRUCKING INC.	DIESEL	50,000
830-007	301	GORDON TRUCKING INC.	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
083-000	302	ESTEBAN JOSE VALDERRAMA	DIESEL	50,000
958-002	303	G J MARTIN INC.	DIESEL	50,000
135-000	304	SANG DUK HAN	DIESEL	50,000
490-002	305	DIMEX FREIGHT SYSTEMS, INC.	DIESEL	50,000
490-001	306	DIMEX FREIGHT SYSTEMS, INC.	DIESEL	50,000
481-000	307	DANIEL ALMAGUER	DIESEL	50,000
291-000	308	CARLOS TRUCKING	DIESEL	50,000
292-000	309	JORGE RAMOS	DIESEL	50,000
878-000	310	ROSI CONTRERAS	DIESEL	50,000
772-000	311	ARTURO F. CASTRO	DIESEL	50,000
970-139	312	TEAM CAMPBELL LOGISTICS PACIFIC, LLC	DIESEL	50,000
1269-001	313	NORTHGATE GONZALEZ, LLC	DIESEL	50,000
963-001	314	ISAAC TRANSPORTATION INC	DIESEL	50,000
868-000	315	DE NAN HAN	DIESEL	50,000
136-000	318	CHUNG YOL CHON	DIESEL	50,000
830-014	319	GORDON TRUCKING INC.	DIESEL	50,000
977-000	320	JAIME AVILA LEMUS	DIESEL	50,000
250-004	321	PACIFIC HIGH LEASING, LLC	DIESEL	50,000
719-007	322	OAK HARBOR FREIGHT LINES	DIESEL	50,000
431-000	323	CITY NATIONAL BANK (LUIZ VELEZ-CAL CARTAGE)	DIESEL	50,000
922-002	324	EDUARDO GONZALEZ	DIESEL	50,000
1168-000	325	NICOLAS CASTANEDA	DIESEL	50,000
052-000	326	EVITELIO O. ALVAREZ	DIESEL	50,000
830-013	327	GORDON TRUCKING INC.	DIESEL	50,000
500-004	328	OVERSEAS FREIGHT, INC.	DIESEL	50,000
500-003	329	OVERSEAS FREIGHT, INC.	DIESEL	50,000
1269-005	330	NORTHGATE GONZALEZ, LLC	DIESEL	50,000
516-000	331	ADRIAN DAVID LEE	DIESEL	50,000
144-000	332	JOSE CARLOS GUILLEN	DIESEL	50,000
830-006	333	GORDON TRUCKING INC.	DIESEL	50,000
718-000	334	JORGE ALBERTO GUILLEN	DIESEL	50,000
1150-000	335	ALVARO TORRES	DIESEL	50,000
079-000	336	ROMAN LOPEZ VALENZUELA	DIESEL	50,000
1042-000	337	JOSE LUIIS FERNANDEZ	DIESEL	50,000
125-000	338	JOSE ROSENDO GUARDADO	DIESEL	50,000
563-002	339	CERENZIA FOODS INC	DIESEL	50,000
719-008	340	OAK HARBOR FREIGHT LINES	DIESEL	50,000
001-000	341	FREDIS JESUS MONTANO	DIESEL	50,000
1085-000	342	JOSE A. INTERIANO	DIESEL	50,000
943-000	343	JUAN M. GONZALEZ	DIESEL	50,000
685-001	344	SCHECKLA CO., INC.	DIESEL	50,000
500-001	345	OVERSEAS FREIGHT, INC.	DIESEL	50,000
719-023	346	OAK HARBOR FREIGHT LINES	DIESEL	50,000
015-000	347	ROLANDO MEDINA HERNANDEZ	DIESEL	50,000
1380-000	348	ADALBERTO RECINOS CARRILLO	DIESEL	50,000
570-000	349	JOSE A.O. ARIAS	DIESEL	50,000
134-000	350	EDUARDO LOPEZ HERNANDEZ	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
403-268	351	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
667-000	352	STEPSTONE, INC	DIESEL	50,000
524-000	353	JOSE M. COLATO	DIESEL	50,000
1375-000	354	MIGUEL ANGEL SANCHEZ JR.	DIESEL	50,000
830-008	355	GORDON TRUCKING INC.	DIESEL	50,000
1370-000	356	MIGUEL ANGEL SALAZAR	DIESEL	50,000
678-000	357	RODOLFO A. DIAZ A.	DIESEL	50,000
010-000	358	TOM AN	DIESEL	50,000
1418-001	359	FELIPE LARA	DIESEL	50,000
863-000	360	JESUS ARZATE	DIESEL	50,000
1363-001	361	ALEJANDRO VILLEGAS	DIESEL	50,000
563-001	362	CERENZIA FOODS INC	DIESEL	50,000
1069-002	363	VIVION INC	DIESEL	50,000
250-003	364	PACIFIC HIGH LEASING, LLC	DIESEL	50,000
225-000	365	SIMON VARGAS	DIESEL	50,000
1405-000	366	JOSE ARTURO SALAZAR	DIESEL	50,000
117-002	367	RUBEN RUIZ	DIESEL	50,000
096-000	368	GERARDO LEON	DIESEL	50,000
552-001	369	K. TRANS	DIESEL	50,000
741-000	370	CRISTIAN ROBERTO VILLAGRAN	DIESEL	50,000
634-000	371	RIGOBERTO A GONZALEZ	DIESEL	50,000
685-003	373	SCHECKLA CO., INC.	DIESEL	50,000
1083-000	374	MELVIN J. BRYANT	DIESEL	50,000
1445-000	375	ALBERTO RODRIGUEZ	DIESEL	50,000
512-069	376	RRM PROPERTIES LTD	DIESEL	50,000
715-000	377	NATANAEEL RAMIREZ	DIESEL	50,000
1400-000	378	MAURICIO M. CRUZ	DIESEL	50,000
281-000	379	FRANCISCO J. ARELLANO	DIESEL	50,000
884-000	380	HECTOR B. MONTES	DIESEL	50,000
249-012	381	ROYAL VIOLET, LLC	DIESEL	50,000
1427-000	382	MARLON EFREN PAYAN VARGAS	DIESEL	50,000
287-000	383	MSI MODULAR SYSTEMS INSTALLATION	DIESEL	50,000
179-000	384	EARLEY NICOLIS JR.	DIESEL	50,000
870-398	385	MARTIN BROS TRUCKING INC	DIESEL	50,000
970-135	386	TEAM CAMPBELL LOGISTICS PACIFIC, LLC	DIESEL	50,000
139-000	387	DONG SUP SHIN	DIESEL	50,000
563-003	388	CERENZIA FOODS INC	DIESEL	50,000
506-000	389	ARNULFO HERRERA BARRERA	DIESEL	50,000
942-000	390	JUAN MATA RAMIREZ	DIESEL	50,000
1080-000	391	MAJDI ALAKABI	DIESEL	50,000
1286-000	392	JUAN PLACERES	DIESEL	50,000
1153-000	393	MILTON W. SANTAMARIA	DIESEL	50,000
1376-000	394	MIGUEL ANGEL CORNEJO	DIESEL	50,000
1413-000	395	GUSTAVO NEGRETE	DIESEL	50,000
164-000	397	JOSE R. VALLADARES DBA VALLADARES TRUCKING	DIESEL	50,000
082-000	398	EUN CHUL LEE	DIESEL	50,000
650-009	399	WESTAR TRANSPORT	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
1022-003	400	DESERT EMPIRE TRANSFER & STORAGE INC.	DIESEL	50,000
071-000	401	CHANG CHU JIN	DIESEL	50,000
070-000	402	EVER ENRIQUE ORELLANA	DIESEL	50,000
376-000	403	TORNADO TRANS	DIESEL	50,000
1398-000	404	RAMIRO M. RAMIREZ	DIESEL	50,000
1251-009	405	COACHWEST TRANSPORTATION, INC.	DIESEL	45,000
189-000	406	SANTA FE TRUCKING INC.	DIESEL	50,000
075-000	407	JOHN N. CHO	DIESEL	50,000
747-000	408	JUAN CEJA	DIESEL	50,000
882-000	409	GUILLERMO ZUNIGA	DIESEL	50,000
1147-000	410	TORIBIO ISIDORO	DIESEL	50,000
711-000	411	ANTONIO SANTANA ALVAREZ	DIESEL	50,000
719-017	412	OAK HARBOR FREIGHT LINES	DIESEL	50,000
963-005	413	ISAAC TRANSPORTATION INC	DIESEL	50,000
621-000	414	WALTER MURILLO	DIESEL	50,000
250-005	415	PACIFIC HIGH LEASING, LLC	DIESEL	50,000
606-000	416	MERLIN L. DIAZ VALLE	DIESEL	50,000
518-000	417	JUAN JOSE OCHOA	DIESEL	50,000
915-000	419	VICTORIA M. SOLIS	DIESEL	50,000
427-3186	420	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
166-000	421	JOSE EDMUNDO ORELLANA	DIESEL	50,000
1039-000	422	SANITEK PRODUCTS, INC.	DIESEL	48,000
117-001	423	RUBEN RUIZ	DIESEL	50,000
510-000	424	ERNESTO FELIX AGUILAR	DIESEL	50,000
1036-000	425	CRUZ GONZALEZ	DIESEL	50,000
999-000	426	JUAN TORRES	DIESEL	50,000
065-000	427	OTILIO CORREA	DIESEL	50,000
018-000	428	JUAN ANGEL MEMBRENO	DIESEL	50,000
118-000	430	CONRADO M. PANDURO	DIESEL	50,000
895-001	432	PDM TRANSPORTATION INC.	DIESEL	50,000
1251-004	434	COACHWEST TRANSPORTATION, INC.	DIESEL	50,000
1338-000	435	HERBIN A. CHINCHILLA CABRERA	DIESEL	50,000
066-000	436	FELIPE VELASCO	DIESEL	50,000
1176-000	437	FRANCISCO MARTINEZ/HENRRY MARTINEZ	DIESEL	50,000
133-000	438	LUIS SALAZAR	DIESEL	50,000
650-017	439	WESTAR TRANSPORT	DIESEL	50,000
1371-000	440	JESUS E VELASQUEZ	DIESEL	50,000
912-000	441	HILARIO HERNANDEZ	DIESEL	50,000
1251-015	442	COACHWEST TRANSPORTATION, INC.	DIESEL	50,000
1194-000	443	LUCIANO ESQUEDA	DIESEL	50,000
767-000	444	OSCAR ARMANDO VILLEDA	DIESEL	50,000
820-000	445	JORGE CEREN	DIESEL	50,000
403-192	446	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
702-000	448	MARTIN R. RAMOS	DIESEL	50,000
799-1532	449	OAK HARBOR FREIGHT LINES	DIESEL	50,000
168-000	450	ARTURO REYES	DIESEL	50,000
1251-016	451	COACHWEST TRANSPORTATION, INC.	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
677-000	452	PABLO DE JESUS CARBALLO	DIESEL	50,000
566-001	453	TRICON TRANSPORTATION	DIESEL	50,000
427-3183	454	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
1390-000	455	ODBIN E. ESTRADA	DIESEL	50,000
1308-000	456	JUAN FRANCISCO ALVAREZ	DIESEL	50,000
1251-017	457	COACHWEST TRANSPORTATION, INC.	DIESEL	50,000
1251-001	458	COACHWEST TRANSPORTATION, INC.	DIESEL	50,000
064-000	459	M S INTERNATIONAL, INC.	DIESEL	50,000
009-000	460	JOSE CORTEZ	DIESEL	50,000
914-000	461	RICARDO ANGEL	DIESEL	50,000
830-009	462	GORDON TRUCKING INC.	DIESEL	50,000
162-000	463	ISIDRO VILLEGAS	DIESEL	50,000
957-000	464	AGUSTIN ALCALA DBA A & A CONTAINERS	DIESEL	50,000
1215-000	465	MANUEL A. SARRIA	DIESEL	50,000
779-000	466	MAURICIO A. DURAN	DIESEL	50,000
235-000	467	BLANCA BRACAMONTE	DIESEL	50,000
1022-004	468	DESERT EMPIRE TRANSFER & STORAGE INC.	DIESEL	50,000
913-002	469	CESAR R. TRUCKING INC.	DIESEL	50,000
862-000	470	PRODUCE TRUCKING INC.	DIESEL	50,000
719-020	471	OAK HARBOR FREIGHT LINES	DIESEL	50,000
159-000	472	VICTOR RIVAS & OSCAR HERRERA	DIESEL	50,000
566-002	473	TRICON TRANSPORTATION	DIESEL	50,000
1246-000	474	MISAELL A. SANTOS	DIESEL	50,000
559-000	475	CARLOS HERRERA	DIESEL	50,000
1410-000	476	CARLOS FLORES GARCIA	DIESEL	50,000
616-000	477	EVER SERRANO	DIESEL	50,000
1425-000	478	RENE ROMERO GUERRERO	DIESEL	50,000
968-000	479	HERBERT GUZMAN	DIESEL	50,000
175-000	480	BYRON ROCA AREVALO	DIESEL	50,000
799-1516	481	OAK HARBOR FREIGHT LINES	DIESEL	50,000
830-012	482	GORDON TRUCKING INC.	DIESEL	50,000
483-000	483	JOSE REFUGIO GONZALEZ	DIESEL	50,000
738-000	484	JOSE RAUL GARAY	DIESEL	50,000
1302-000	485	JUAN ANTONIO MENDOZA	DIESEL	50,000
1041-005	486	99 CENTS ONLY STORES	DIESEL	50,000
719-024	487	OAK HARBOR FREIGHT LINES	DIESEL	50,000
719-025	488	OAK HARBOR FREIGHT LINES	DIESEL	50,000
1181-000	489	LUIS E. MARROQUIN	DIESEL	50,000
403-266	490	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
1295-000	491	DOMINGO ROSALES	DIESEL	50,000
1145-000	492	RICARDO ALDANA	DIESEL	50,000
335-000	493	VICTOR M OCHOA	DIESEL	50,000
470-000	494	JOSE REFUGIO GONZALEZ	DIESEL	50,000
745-000	495	OSCAR A RODRIGUEZ	DIESEL	50,000
202-000	496	CARPINTERIA MOTOR TRANSPORT, INC.	DIESEL	50,000
1195-000	497	SALVADOR GONZALEZ ANGUIANO	DIESEL	50,000
165-000	498	JAIME MEDINA	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
450-315	499	CENTURY SAND & GRAVEL INC.	DIESEL	50,000
511-000	500	ADAMS NEVADA EQUIPMENT CO., INC.	DIESEL	50,000
040-000	501	ATLAS MARINE	DIESEL	50,000
748-000	502	RIGOBERTO PINTO	DIESEL	50,000
206-003	503	DALTON TRUCKING	DIESEL	50,000
427-3234	504	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
502-000	505	LUIS A. BARRIOS	DIESEL	50,000
719-005	506	OAK HARBOR FREIGHT LINES	DIESEL	50,000
886-000	507	ROLAN P. WILSON	DIESEL	50,000
765-000	508	JUAN DIEGO OLIVARES NUNEZ	DIESEL	50,000
640-000	509	DAVID MEJIA MARTINEZ	DIESEL	50,000
587-000	510	SHIXIU CUI	DIESEL	50,000
1021-013	511	DEDICATED FLEET SYSTEMS	DIESEL	50,000
081-000	512	OSCAR MUNOZ MORENO	DIESEL	50,000
313-000	513	TANGOS TRANSPORTATION	DIESEL	50,000
1022-002	514	DESERT EMPIRE TRANSFER & STORAGE INC.	DIESEL	50,000
781-000	515	AURELIO PORTILLO	DIESEL	50,000
830-004	516	GORDON TRUCKING INC.	DIESEL	50,000
1021-015	518	DEDICATED FLEET SYSTEMS	DIESEL	50,000
512-027	519	RRM PROPERTIES LTD	DIESEL	50,000
172-000	520	LUIS A. DELGADO SILVA	DIESEL	50,000
407-000	521	MANUEL SOLIS	DIESEL	50,000
530-000	522	ANTONIO F. PRIETO VALENCIA	DIESEL	50,000
1041-001	523	99 CENTS ONLY STORES	DIESEL	50,000
1069-001	524	VIVION INC	DIESEL	50,000
1082-000	525	JESUS CHAVEZ	DIESEL	50,000
663-000	526	FRANCISCO AGUILAR	DIESEL	50,000
571-001	527	AMERICAN ASPHALT AND CONCRETE INC.	DIESEL	50,000
301-000	528	MANUEL ESCOBAR TRUCKING	DIESEL	50,000
522-631	529	BEAR TRUCKING, INC	DIESEL	50,000
450-320	530	CENTURY SAND & GRAVEL INC.	DIESEL	50,000
244-002	531	LEANDRO VAQUERANO/AMERICAN TRANSPORT	DIESEL	50,000
333-001	532	VEGA TRANSPORTATION INC.	DIESEL	50,000
913-001	533	CESAR R. TRUCKING INC.	DIESEL	50,000
295-000	534	GUINTO TRUCKING	DIESEL	50,000
038-004	535	RON & SONS TRUCKING, INC.	DIESEL	50,000
1041-003	536	99 CENTS ONLY STORES	DIESEL	50,000
1041-004	537	99 CENTS ONLY STORES	DIESEL	50,000
1041-002	538	99 CENTS ONLY STORES	DIESEL	50,000
799-1509	539	OAK HARBOR FREIGHT LINES	DIESEL	50,000
403-274	540	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
719-018	541	OAK HARBOR FREIGHT LINES	DIESEL	50,000
955-000	542	MOISES M. GONZALEZ	DIESEL	50,000
156-004	543	ADAMS & SONS TRANSPORTATION, INC.	DIESEL	50,000
127-000	544	WILFREDO DE JESUS CHAVEZ	DIESEL	50,000
1350-000	545	HO WOO LEE	DIESEL	50,000
156-001	547	ADAMS & SONS TRANSPORTATION, INC.	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
182-000	548	JAVIER OCHOA ALCAZAR	DIESEL	50,000
556-000	549	MANUEL DE JESUS GOMEZ	DIESEL	50,000
719-013	550	OAK HARBOR FREIGHT LINES	DIESEL	50,000
420-112	551	QUIK PICK EXPRESS, LLC	DIESEL	49,900
427-3188	552	DEPENDABLE HIGHWAY EXPRESS DBA DHE	DIESEL	50,000
309-000	553	HECTOR MESA	DIESEL	50,000
249-010	554	ROYAL VIOLET, LLC	DIESEL	50,000
1021-020	555	DEDICATED FLEET SYSTEMS	DIESEL	50,000
517-000	556	JUAN CARLOS AYALA FIGUEROA	DIESEL	50,000
618-000	557	RAMIRO JIMENEZ	DIESEL	50,000
1242-000	558	HONGQING LI	DIESEL	50,000
522-501	559	BEAR TRUCKING, INC	DIESEL	50,000
830-015	560	GORDON TRUCKING INC.	DIESEL	50,000
192-000	562	JOSUE C. ROSA HERCULES & FLOR & POLIO FUENTES	DIESEL	50,000
318-000	563	CARLOS LOPEZ	DIESEL	50,000
522-636	564	BEAR TRUCKING, INC	DIESEL	50,000
856-000	565	BERNARDINO CHAVEZ DBA: CHAVEZ TRANSPORTATION	DIESEL	50,000
1021-014	566	DEDICATED FLEET SYSTEMS	DIESEL	50,000
609-000	567	MARIO J. MAIRENA	DIESEL	50,000
1406-000	568	SALVADOR SALAZAR	DIESEL	50,000
1021-017	569	DEDICATED FLEET SYSTEMS	DIESEL	50,000
522-502	570	BEAR TRUCKING, INC	DIESEL	50,000
607-000	571	L & W TRANSPORTATION	DIESEL	50,000
541-000	572	JOSE MARIA VASQUEZ	DIESEL	50,000
076-000	573	ARTURO DE JESUS BARRERA	DIESEL	50,000
639-000	574	GUILLERMO MARTINEZ	DIESEL	50,000
226-000	575	ELIAS PARTIDA OCHOA	DIESEL	50,000
499-000	576	JOSE CORONA RAMOS	DIESEL	50,000
879-000	578	EMIGDIO MARTINEZ	DIESEL	50,000
262-000	579	LUIS CORRALES	DIESEL	50,000
1021-018	580	DEDICATED FLEET SYSTEMS	DIESEL	50,000
420-111	581	QUIK PICK EXPRESS, LLC	DIESEL	49,900
953-000	582	OSCAR SUCHITE	DIESEL	50,000
540-010	583	ROCKVIEW FARMS	DIESEL	50,000
982-000	584	JUAN AVILA NUNO	DIESEL	50,000
1372-000	585	JORGE ALBERTO MARADIAGA	DIESEL	50,000
249-002	586	ROYAL VIOLET, LLC	DIESEL	50,000
169-000	587	JOSE A. ALVARES ALDANA	DIESEL	50,000
012-000	588	ARTURO CARDOZA	DIESEL	50,000
857-002	589	L. BROTHERS & SON'S INC.	DIESEL	50,000
249-014	590	ROYAL VIOLET, LLC	DIESEL	50,000
624-000	591	CARLOS R. GALINDO	DIESEL	50,000
918-000	592	JOSE MUNGUIA	DIESEL	50,000
173-000	593	ERNESTO SANDOVAL	DIESEL	50,000
056-000	594	ODILON AVILA AGUILAR	DIESEL	50,000
992-001	595	VICTOR JIMENEZ - LASERSTAR ENTERPRISE INC	DIESEL	50,000
992-003	596	VICTOR JIMENEZ - LASERSTAR ENTERPRISE INC	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
249-006	597	ROYAL VIOLET, LLC	DIESEL	50,000
1021-023	598	DEDICATED FLEET SYSTEMS	DIESEL	50,000
199-000	599	NELSON ALFREDO ORELLANA	DIESEL	50,000
629-000	600	FRANCISCO HERRERA CASTILLO	DIESEL	50,000
420-113	601	QUIK PICK EXPRESS, LLC	DIESEL	49,900
1346-000	602	MARGARO RIVAS	DIESEL	50,000
931-000	603	LULU'S TRUCKING INC.	DIESEL	48,000
265-000	604	MIGUEL SALAS	DIESEL	50,000
885-000	605	MARGARITO MADERA	DIESEL	50,000
495-001	606	HARBOR EXPRESS, INC.	DIESEL	50,000
220-000	607	PABLO CORTEZ	DIESEL	50,000
160-000	608	LUIS A. HURTADO	DIESEL	50,000
1021-024	609	DEDICATED FLEET SYSTEMS	DIESEL	50,000
917-000	610	CRUZ ANTONIO ZAVALA	DIESEL	50,000
522-504	611	BEAR TRUCKING, INC	DIESEL	50,000
250-002	612	PACIFIC HIGH LEASING, LLC	DIESEL	50,000
250-007	613	PACIFIC HIGH LEASING, LLC	DIESEL	50,000
1377-000	614	JOSE HUMBERTO BATRES	DIESEL	50,000
992-002	616	VICTOR JIMENEZ - LASERSTAR ENTERPRISE INC	DIESEL	50,000
128-000	617	JOSE ISRAEL QUINTANILLA	DIESEL	50,000
495-002	618	HARBOR EXPRESS, INC.	DIESEL	50,000
1003-001	619	SAUL VALLECILLO	DIESEL	50,000
223-000	620	RAUL A. RODRIGUEZ	DIESEL	50,000
571-002	621	AMERICAN ASPHALT AND CONCRETE INC.	DIESEL	50,000
206-002	622	DALTON TRUCKING	DIESEL	50,000
799-1534	623	OAK HARBOR FREIGHT LINES	DIESEL	50,000
014-000	624	RUBILZAR AMILCAR VELASQUEZ	DIESEL	50,000
921-000	625	CAOS ENTERPRISE INC	DIESEL	50,000
468-000	626	NELSON NAVARRO	DIESEL	50,000
206-005	627	DALTON TRUCKING	DIESEL	50,000
630-000	628	CARLOS MARTIN SELVAS	DIESEL	50,000
824-000	630	GIGDEL MEMBRENO MARQUEZ	DIESEL	50,000
206-009	631	DALTON TRUCKING	DIESEL	50,000
501-000	632	JOSE A. FLORES	DIESEL	50,000
156-002	633	ADAMS & SONS TRANSPORTATION, INC.	DIESEL	50,000
573-000	634	FREDY A. CRESPI	DIESEL	50,000
263-000	635	MARTIN ORANTES	DIESEL	50,000
403-190	636	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
737-000	637	ARNOLDO CASTILLO	DIESEL	50,000
403-205	639	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
736-000	640	TRINIDAD PEREZ	DIESEL	50,000
403-335	641	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
910-001	642	GAMBERG METALS CO., INC.	DIESEL	50,000
403-213	643	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
1021-009	644	DEDICATED FLEET SYSTEMS	DIESEL	50,000
041-000	645	COAST BRIDGE LOGISTICS	DIESEL	50,000
719-019	646	OAK HARBOR FREIGHT LINES	DIESEL	50,000
1442-000	647	JOSE LUIS GARCIA	DIESEL	50,000
476-000	648	VILMA PINEDA	DIESEL	50,000
404-000	649	IGNACIO L. MENDOZA	DIESEL	50,000
756-000	650	FRANCISCO RENA PAZ	DIESEL	50,000
403-333	651	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
1407-000	652	FRANCISCO J. MORATAYA	DIESEL	50,000
799-1525	653	OAK HARBOR FREIGHT LINES	DIESEL	50,000
1193-000	654	RUDY SAMAYOA ESTRADA	DIESEL	50,000
960-002	655	TST INC	DIESEL	50,000
247-000	656	ROBERTO FLORES	DIESEL	50,000
719-003	657	OAK HARBOR FREIGHT LINES	DIESEL	50,000
503-003	658	BOURGET BROS. BUILDING MATERIALS	DIESEL	50,000
403-210	659	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
706-000	660	JULIO CESAR VILLENA	DIESEL	50,000
038-003	661	RON & SONS TRUCKING, INC.	DIESEL	50,000
497-000	662	HERMELINDO NUNEZ GONZALEZ	DIESEL	50,000
740-000	665	JOSE M. FAUSTO	DIESEL	50,000
549-003	666	WINSOME ENTERPRISES, INC. DBA QUALITY CARRIERS	DIESEL	50,000
952-000	667	JUAN CARLOS ROMERO GARCIA	DIESEL	50,000
1086-001	668	MATTARE ENTERPRISE, INC. DBA DESERT EXPRESS	DIESEL	50,000
503-002	669	BOURGET BROS. BUILDING MATERIALS	DIESEL	50,000
157-008	670	GILDA LORENA GUILLEN	DIESEL	50,000
522-509	671	BEAR TRUCKING, INC	DIESEL	50,000
1114-007	672	MATTARE ENTERPRISE, INC. DBA DESERT EXPRESS	DIESEL	50,000
960-003	673	TST INC	DIESEL	50,000
403-275	674	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
960-001	675	TST INC	DIESEL	50,000
1114-003	676	MATTARE ENTERPRISE, INC. DBA DESERT EXPRESS	DIESEL	50,000
1114-002	677	MATTARE ENTERPRISE, INC. DBA DESERT EXPRESS	DIESEL	50,000
1182-000	678	JFR TRUCKING	DIESEL	50,000
403-269	679	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
1450-000	680	EPIFANIO R. BARRITA (SANTA AMALIA INC.)	DIESEL	50,000
672-000	681	RR INTERNATIONAL TRANSPORT, LLC	DIESEL	50,000
1114-001	682	MATTARE ENTERPRISE, INC. DBA DESERT EXPRESS	DIESEL	50,000
503-001	683	BOURGET BROS. BUILDING MATERIALS	DIESEL	50,000
210-000	684	M.A.N. TRUCKING, INC.	DIESEL	50,000
1000-004	685	MATTARE ENTERPRISE, INC. DBA DESERT EXPRESS	DIESEL	50,000
1000-001	686	MATTARE ENTERPRISE, INC. DBA DESERT EXPRESS	DIESEL	50,000
1114-006	687	MATTARE ENTERPRISE, INC. DBA DESERT EXPRESS	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
403-181	688	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
513-000	689	ALBERTO SOTO	DIESEL	50,000
053-000	690	JAVIER FERNANDEZ MELGOZA	DIESEL	50,000
403-211	691	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
703-000	692	MIGUEL ANGEL ZELAYA PORTILLO	DIESEL	50,000
799-1507	693	OAK HARBOR FREIGHT LINES	DIESEL	50,000
1021-006	694	DEDICATED FLEET SYSTEMS	DIESEL	50,000
1047-033	695	EVANS DEDICATED SYSTEMS	DIESEL	50,000
206-008	696	DALTON TRUCKING	DIESEL	50,000
928-000	697	FEROZ CORP.	DIESEL	48,000
1021-025	698	DEDICATED FLEET SYSTEMS	DIESEL	50,000
205-000	699	ROBERTO DE JESUS QUIJANO	DIESEL	50,000
1247-000	700	PABLO OSORIO	DIESEL	50,000
991-000	701	ANTONIO MARTINEZ	DIESEL	50,000
157-013	702	GILDA LORENA GUILLEN	DIESEL	50,000
522-638	703	BEAR TRUCKING, INC	DIESEL	50,000
1021-008	705	DEDICATED FLEET SYSTEMS	DIESEL	50,000
1021-011	706	DEDICATED FLEET SYSTEMS	DIESEL	50,000
549-002	707	WINSOME ENTERPRISES, INC. DBA QUALITY CARRIERS	DIESEL	50,000
156-003	708	ADAMS & SONS TRANSPORTATION, INC.	DIESEL	50,000
332-000	709	ROBERTO RODRIGUEZ	DIESEL	50,000
719-001	710	OAK HARBOR FREIGHT LINES	DIESEL	50,000
156-005	711	ADAMS & SONS TRANSPORTATION, INC.	DIESEL	50,000
581-000	712	MARCOS U HERMIDA	DIESEL	50,000
929-000	713	J.M. TRUCKING INC.	DIESEL	48,000
719-010	714	OAK HARBOR FREIGHT LINES	DIESEL	50,000
645-000	715	MURPHY TRANSPORTATION, INC.	DIESEL	50,000
1010-001	716	JESUS E. FERNANDEZ	DIESEL	50,000
294-000	717	JUAN OVANDO	DIESEL	50,000
1021-022	718	DEDICATED FLEET SYSTEMS	DIESEL	50,000
403-194	719	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
157-006	720	GILDA LORENA GUILLEN	DIESEL	50,000
1358-000	721	EDUARDO QUINTERO	DIESEL	50,000
749-000	722	ANA DELMY VASQUEZ JOAQUIN	DIESEL	50,000
1021-012	723	DEDICATED FLEET SYSTEMS	DIESEL	50,000
1202-000	724	NELSON E. PONCE LEIVA	DIESEL	50,000
799-1501	725	OAK HARBOR FREIGHT LINES	DIESEL	50,000
304-000	726	CHRISTOPHER TRUCKING	DIESEL	50,000
403-180	727	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
1021-021	728	DEDICATED FLEET SYSTEMS	DIESEL	50,000
1021-019	729	DEDICATED FLEET SYSTEMS	DIESEL	50,000
043-000	730	ROBERTO GUTIERREZ	DIESEL	50,000

Table 2: Proposition 1B "Other Trucks" Replacement Ranked List

PROJECT ID	RANK	APPLICANT NAME	NEW ENGINE FUEL TYPE	PROP 1B AWARD (\$)
403-203	731	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
403-262	732	CAL-MEX INTERNATIONAL BROKERS, INC. DBA MEX-CAL TRUCKLINE	DIESEL	50,000
419-000	733	DAVID MALDONADO	DIESEL	50,000
157-009	734	GILDA LORENA GUILLEN	DIESEL	50,000
157-002	735	GILDA LORENA GUILLEN	DIESEL	50,000
157-011	736	GILDA LORENA GUILLEN	DIESEL	50,000
157-012	737	GILDA LORENA GUILLEN	DIESEL	50,000
157-005	738	GILDA LORENA GUILLEN	DIESEL	50,000
157-003	739	GILDA LORENA GUILLEN	DIESEL	50,000
157-001	740	GILDA LORENA GUILLEN	DIESEL	50,000
881-000	741	GABRIEL GUTIERREZ	DIESEL	50,000

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 15

PROPOSAL: Renew AQMD's Membership in CaFCP for Calendar Year 2011, Provide Office Space for CaFCP, and Receive and File California Fuel Cell Partnership Steering Team Meeting Summary and Quarterly Update

SYNOPSIS: The AQMD has been a member of the California Fuel Cell Partnership (CaFCP) since March 17, 2000. This action is to renew AQMD's membership in the CaFCP in an amount not to exceed \$87,800 for calendar year 2011 and cofund 50 percent of the CaFCP Regional Coordinator position located at the AQMD, in addition to office space and utilities, in an amount not to exceed \$50,000. Further actions are to continue providing in-kind office space and utilities for CaFCP employees in 2011 in an effort to educate the public and increase CaFCP's presence in Southern California. Finally, this action is to receive and file the CaFCP Steering Team Meeting Summary and Quarterly Update.

COMMITTEE: Technology, November 19, 2010, Recommended for Approval

RECOMMENDED ACTIONS:

1. Authorize the Chairman to execute a contract in the amount of \$137,800 from the Clean Fuels Program Fund (31) with Bevilaqua-Knight Inc., acting on behalf of the Partnership, to:
 - a. Continue AQMD's membership for calendar year 2011 for a total amount not to exceed \$87,800 for common expenses of the CaFCP;
 - b. Continue support for a Regional Coordinator located at AQMD for a total amount not to exceed \$50,000; and
 - c. Continue to provide office space and utilities for four cubicles for CaFCP staff and storage at the AQMD headquarters.
2. Receive and file the attached Steering Team Meeting Summary and Quarterly Update.

Barry R. Wallerstein, D.Env.
Executive Officer

Background

The California Fuel Cell Partnership (CaFCP) was initiated in 1999 as a means to accelerate response to the CARB Zero Emission Vehicle (ZEV) regulations, which was a technology-forcing mandate requiring up to 22,000 ZEVs by 2003, which was subsequently amended. On December 9, 2009, CARB adopted Resolution 09-66, directing staff to propose further amendments by the end of 2010. The AQMD and the Technology Advancement Plan have identified fuel cells for on- and off-road applications to be a core technology for attaining and maintaining cleaner air quality. Because of the alignment of the AQMD and CaFCP goals for accelerated fuel cell vehicle commercialization, the Governing Board accepted the CaFCP formal invitation to join as a full member on March 17, 2000.

Initially, the CaFCP program focused on development of vehicle, infrastructure and outreach plans for future projects. The CaFCP was involved in the demonstration of cars and buses using gaseous and liquid hydrogen and methanol through 2003. A limited number of fleet customer placements began in 2002. In addition, the bus transit partners operated several zero-emission fuel cell buses. CaFCP with member support is currently demonstrating fuel cell cars and buses using gaseous hydrogen fuel at 350 bar and 700 bar pressures.

At the request of the AQMD, the CaFCP has an expanded presence in Southern California due to the increased deployment of vehicles, the largest number of fueling stations, and the greatest air quality need in this region. A CaFCP Regional Coordinator and a Communications Specialist are located at the AQMD headquarters to increase support for member activities and outreach in the district.

Major accomplishments during calendar year 2010 include:

- Automakers supported investment in hydrogen infrastructure in California by publicly committing to deploy fuel cell vehicles in order to implement the CaFCP Action Plan;
- Increased education and outreach efforts, building on web-based resources and coordinated outreach with NHA and USFCC in Washington D.C.; and
- Built relationships with other groups like electric car advocates and fuel retailers. Continued the presence of the CaFCP in Southern California through outreach and support of community events with Regional Coordinator & Communications staff based at AQMD.

Proposal

Members of the CaFCP are committed to the continuation of CaFCP activities through 2012. The fee of \$87,800 per full member was included in the draft budget to support the activities planned for 2011 and beyond and is unchanged from 2010.

Annual road rallies across California were a focus of the CaFCP during the early years, expanding interstate and to Canada in 2009, but required a substantial budget and labor. Communication needs have changed, and the communications budget for 2011 is reduced, but will include at least one major technology demonstration event in the district in 2011 (in addition to smaller events and conferences) and will draw on increased use of new social marketing communication tools to activate grass roots public engagement. The majority of fuel cell passenger vehicle activities are anticipated to be within the district over the next few years.

The proposed CaFCP activities for 2011 are to:

- Promote fuel cell vehicle use and hydrogen station development in California through further implementation of the CaFCP Action Plan;
- Facilitate member collaboration; and
- Conduct outreach and build relationships with key stakeholder groups.

Benefits to AQMD

Membership in the CaFCP is consistent with the Technology Advancement Office *Clean Fuels 2011 Draft Plan Update* under “Hydrogen Technologies and Infrastructure” and “Assessment and Technical Support of Advanced Technologies and Information Dissemination.” The AQMD supports the development, demonstration and commercialization of zero-emission and near-zero emission vehicles, and strives to educate public and private organizations regarding the benefits and characteristics of these vehicles.

Sole Source Justification

Section VII.C.2. of the Policy for Clean Air Incentive Contracts identifies provisions under which a sole source award may be justified. This request for a sole source award is made under provision C.2.d.: Other circumstances exist which in the determination of the Executive Officer require such waiver in the best interest of the AQMD. Specifically, these circumstances are C.2.d.(1): Projects involving cost sharing by multiple sponsors.

Resource Impacts

The AQMD’s share of the calendar year 2011 common project costs in the CaFCP is not to exceed \$87,800 to cover administrative, technical and program management cost, plus half the cost (\$50,000) and in-kind support needed for the Regional Coordinator position located at AQMD and reporting to the CaFCP Executive Director, for a total amount not to exceed \$137,800. AQMD is also providing additional cost-share for the office space and utilities at the AQMD headquarters representing annual foregone rent of approximately \$10,440 for the four cubicles.

In order to execute this agreement, AQMD will enter into a contract with Bevilaqua-Knight, Inc. (BKI). BKI has been retained by the CaFCP to provide the needed support for the common tasks agreed to by the CaFCP.

As listed below, each Partner is providing \$87,800 or more plus in-kind support for defraying the costs of the CaFCP including:

- Eight auto manufacturers (General Motors, Toyota, Daimler, Chrysler, Honda, Hyundai, Nissan, and Volkswagen);
- Two energy companies (Shell Hydrogen, and Chevron);
- One fuel cell technology company (AFCC); and
- Seven government agencies (AQMD, CARB, California Energy Commission, U.S. Department of Energy, U.S. Department of Transportation, U.S. EPA, and the National Automotive Center).

Associate members each pay \$15,000 and/or provide in-kind contributions based on their area of expertise.

Sufficient funds are available for this proposed project from the Clean Fuels Fund, established as a special revenue fund resulting from the state-mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.

Attachments

California Fuel Cell Partnership Quarterly Steering Team Meeting Summary
California Fuel Cell Partnership Quarterly Update (Jul-Sep 2010)

was updated to use a gasoline-fueled hybrid electric vehicle as baseline instead of gasoline engine alone. Updated gasoline cost projections which results in hydrogen being competitive between \$2-\$4/gallon (instead of \$2-3/gal) without tax. Some inputs may still need updating, such as station cost for smaller hydrogen stations. These updated costs will guide DOE research and planning. The PSAT model assumes fuel cell vehicles get 59 mpg and hybrid electric vehicles get 42 mpg.

- CaFCP members provided updates about their recent and planned activities. Matt Miyasato said AQMD has applied to CEC for co-funding hydrogen stations in our region and is looking forward to working with CEC.
- Andreas Truckenbrodt described five scenarios to plan for post 2012 CaFCP. During discussion, a clear preference did not emerge, so all scenarios will be further developed for discussion by the Planning Team and the Working Group, with presentation and discussion at the February Steering Team.
- Catherine Dunwoody provided an update on work with the California Hydrogen Business Council (CHBC). Catherine accepted membership on the CHBC Board and has assisted with operational management. Chris White has started working with businesses to reinvigorate CHBC over the next six months, planning the December 1st meeting at AQMD, providing website support and maintenance, online registration for meetings, and continues to explore synergies with CaFCP. CHBC is paying for CaFCP-BKI resources. One priority is to hold future CHBC meetings at facilities that use hydrogen.
- Jennifer Hamilton (CaFCP) provided an update about the West Sacramento station which was commissioned in 2000. Maintenance and repair in 2010 was reviewed, and a hose “breakaway” incident is being evaluated in order to determine whether feedback to standards development organizations is needed.
- Tom Turrentine (UC Davis) presented an overview of the Plug-In Electric Vehicle Collaborative strategic goals which will result in development of a ten-year Strategic Plan with a draft available by the end of 2010. The PEV Collaborative and CaFCP could coordinate to hold joint ride & drives, partner on communications, and sponsor joint data collection.
- Jaime Levin (AC Transit) updated the status of fuel cell bus projects. Three first generation buses accumulated 267,000 miles with over 700,000 passengers and provided 60% better fuel economy than baseline. The 12 new buses use lighter EnerDel li-ion batteries and share service and training among five transit agencies. Fuel cells are achieving diesel comparable availability (85%) but about half the life of diesel engine. Transit agencies are planning to expand hydrogen fueling from 150 kg/day to 420 kg/day including fast fuel demonstration (12 bus/hr, 65 kg/day) and will also be able to fuel passenger cars from Toyota, Daimler, and Hyundai. LAMTA showed interest in borrowing a fuel cell bus for demonstration.
- Bill Elrick (CaFCP) reviewed membership status. UTC Fuel Cells sent a letter ending full membership and requesting associate member status. The CaFCP

accepted with regret their withdrawal, and according to established protocol, could invite UTC to rejoin as an associate member after one year. After reviewing potential new associate members, CaFCP members agreed to invite Sandia National Lab (sponsored by Chrysler), Ballard (sponsored by AFCC), and BAE systems (sponsored by CARB). CaFCP will invite GTI to make a presentation at the February Steering Team meeting to learn more about their potential contributions if CaFCP invited them to be an associate member. Air Liquide is another potential associate member to be further considered by the CaFCP membership committee.

- Catherine Dunwoody reviewed the proposed 2011 budget and program goals. The objective is to continue the same three high level goals and overall staffing, but adjust specific details. Josie Gonzales offered to provide contact information about the San Bernardino Airport fire training academy, and Jennifer Hamilton agreed to forward the information to NREL for a possible future ER training session. CaFCP is planning a large event in Washington DC with NHA to complement numerous but smaller events in California. After discussion, the 2011 budget and program was approved, including funding for operation of the West Sacramento station in 2011. Bill Elrick will prepare a plan by January 2011 for the Planning Team to consider to transition to a proposed new Sacramento area hydrogen station and prepare the existing West Sacramento station for decommissioning. New CaFCP staff member Stephanie White was introduced and she will be based at AQMD and focus on community outreach in Southern California, especially to assist hydrogen station openings.
- Ed Heydorn (APCI) provided an update about hydrogen station and equipment. APCI produces 5M kg/day hydrogen, and provides 250,000 fueling events/year, which is accelerating rapidly. Stations are still custom designs, but they are trying to standardize. Actual hydrogen demand is often less than design capacity, reliability expectations are increasing, compression is the highest maintenance component but critical to reliability, and demand on dispensing is increasing. APCI uses multiple hydrogen feedstocks to address differing market needs, and provides multiple modes of delivery. APCI developed a new compressionless (cryogenic) station to provide high flow rate at AC Transit. Shell Torrance pipeline station is expected to be operational soon, then Fountain Valley, and then Mebtahi Chevron delivery is breaking ground.
- Tim Olsen (CEC) reported that hydrogen infrastructure awards are not ready to be announced as yet.
- Steve Echart (Linde) provided an equipment and station overview. Their system can use flexible fueling inputs. Linde has standardized a fueling station in a container with dispenser separate. They have a station at AC Transit that dispenses 20 kg/hour at 350 bar and 5 kg/hr at 700 bar. Their SFO station will provide hydrogen for Hythane shuttle buses & passenger cars. Their Emoryville station uses an ionic compressor for 350 bar bus fueling, and dry compressor for 700 bar passenger car fueling. Oakland bus station uses ionic compressor for 350

bar fueling. Linde had 53 stations operational by 2009, mostly EU, some China & Australia. Bus and forklift fueling drives technology for fast fueling. A cryogenic pump for Berlin next year will provide 120 kg/hr @ 900 bar. Hydrogen fueling for forklifts (in multi-shift operation) doesn't require subsidies.

- Andreas Truckenbrodt reviewed process to rotate next CaFCP Vice Chair to the automotive sector. Josie Gonzales nominated Justin Ward (Toyota) as Vice Chair and Lance Atkins (Nissan) seconded with unanimous member approval. As the current Vice Chair, Josie Gonzales will be the 2011 Chair and will work with CaFCP staff to develop and propose priorities based on the 2011 budget that was adopted.
- Andreas Truckenbrodt reviewed CaFCP 2010 results compared to program goals, and noted progress in multiple areas.

The next CaFCP Steering Team meeting is scheduled for February 8-9, 2011 in Sacramento.

Additional information about the California Fuel Cell Partnership can be found at <http://www.fuelcellpartnership.org>.

CaFCP Quarterly Update July 2010-September 2010

Background

The California Fuel Cell Partnership is a unique collaborative of auto manufacturers, energy companies, fuel cell technology companies, and government agencies, including SCAQMD. This report summarizes CaFCP activity in or related to Southern California for the period July 2010-September 2010.

From 2008-2012, CaFCP will focus on building the foundations for the commercialization of hydrogen fuel cell vehicles:

1. Establish and maintain a common vision for the market transition in California
2. Identify hydrogen fuel needs by year and location
3. Provide a forum to match fueling station partners
4. Facilitate an ongoing dialogue to determine future hydrogen fueling stations
5. Maintain an accurate database of existing and planned stations in California
6. Prepare communities in California by educating local officials, including fire professionals about hydrogen and fuel cell vehicles

The following activities are examples of work toward achieving these goals.

Public Events and Conferences

The 8th Annual Corn Feed Run and Car Show, August 28, 2010

CaFCP showed off the Toyota FCHV-adv. to residents of Chino, CA and Mayor Dennis Yates (right)



San Bernardino Route 66 Custom Car Show, September 16-19, 2010

CaFCP assisted AQMD with a zero- and low-emission vehicle display (right)



Clean Tech OC, September 27, 2010

UCI displayed the Toyota FCHV and Honda Clarity, Hyundai displayed the Kia Borrego and the CaFCP had a tabletop display inside the conference hall.



NREL UCLA TweetUp, September 28, 2010

CaFCP reached out to faculty and students at UCLA by displaying the Daimler B-Class F-Cell and the Chevy Fuel Cell Electric Vehicle at Bruin Plaza. This event was in conjunction with the NREL Renewable Energy Permitting Workshop that also took place on campus the same day, and was sponsored by UCLA's HERC.(Hydrogen Engineering Research Consortium)



NREL Workshop, September 28, 2010

CaFCP along with NREL and HERC held a permitting workshop for local, city and county permitting officials. HERC students had the opportunity to show off their hydrogen fuel cell hybrid (ultracaps) go-cart.



Emergency Responder Training

Emergency responder training and fire community outreach is an important aspect of the goal to support member fleets and stations. Workshops given by CaFCP and by our members include:

- DOE Flame Prop Course-Rio Hondo Fire Academy (Santa Fe Springs, CA)- August 3-5
- DOE Flame Prop Course-Orange County Fire Authority, Irvine, CA-August 17-19
- The Continuing Challenge Haz Mat Conference, Sacramento, CA-September 7-9
- DOE Flame Prop Course –Sunnyvale Dept. of Public Safety, Sunnyvale, CA- September 15-17

DOE Flame Prop Course-OCFA- Aug. 16-20

Jennifer Hamilton co-instructed for the DOE Flame Prop ER course for three days at each location (Rio Hondo, OCFA and Sunnyvale DPS). The CaFCP supported at all three locations with FCVs for static display and drives.



Date	Southern California Training	Northern California Training	Out of State	Total
Q1 2010	100	100		200
Q2 2010	175	15	30	220
Q3 2010	294	110		404
Q4 2010				

Technical Program Updates

CaFCP has several technical programs with teams that meet regularly to work on interoperability issues such as hydrogen quality, fueling systems, station testing and public access. This work helps achieve the goal of enabling a California fueling infrastructure.

CaFCP Bus Team

The latest Bus Team meeting occurred on Tuesday August 24 at AC Transit in Oakland. The following organizations presented, followed by discussions on each topic:

- AC Transit: Four new VanHool/UTC fuel cell buses, with eight more to come. FCBs integrated by bus manufacturer, which is not the case with any of the other FCBs in the US.

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One of older generation FCB FC systems has achieved over 7,500 hrs of operation and will be transplanted in one of the new FCBs to see how much longer it will be able to perform in regular revenue service.

- Linde: update on implementation of Emeryville bus fueling station
- Calstart: update on BAE Systems SF MTA FCB and other Calstart administered CA projects.
- Hydrogen bus fueling project: CaFCP lead for SAE J2601 to include hydrogen bus fueling
- ARB update on ZBus Regulations: ARB likes to see another large ZBus deployment as soon as feasible, ideally before the 12 FCB ZEBA demo (Bay Area program led by AC Transit) will be concluded. Difficulty with AB118 for funding FCB projects is restriction to fund projects that are used to meet regulatory requirements.
- Proterra update: Burbank FCB running well. Also, Foothill Transit received their first battery bus, development of battery charging unit underway.
- CaFCP/FTA: International Fuel Cell Bus Workshop in conjunction with National Fuel Cell Bus Program will be in San Francisco. Early December is targeted for this event.
- Ballard Whistler FCB update (presented by CHFCA): FCBs have acquired more than 500,000 km (>312k mi) in >22,000 hrs of operation. Transport for London: first bus delivered and operational. Ballard: cost reduction is directly related to volume of buses manufactured.

Infrastructure Development

Partnering

- CaFCP is continuing to participate in site visits to current retail gasoline owners' stations to educate them about hydrogen and FC vehicle rollouts in Southern California. This is the first step in an ongoing dialogue with fuel retailers who will be responsible for deciding which fuels are sold at their stations in the future. Early meetings have clearly shown a lack of information and understanding on retailers' part regarding hydrogen capabilities as a motor fuel both on the station and vehicle side. This will need to be addressed by the CaFCP, primarily with a plan to ensure adequate information for hydrogen is provided to retailers as they plan their mid and long term strategies for alternative fuels.

Hydrogen Vehicle Authorization System (HVAS)

HVAS is a system to identify vehicles as authorized to fuel by means of static communication. The HVAS team was formed to identify the communication technology or technologies, to determine the information to be transmitted, as well as the scope and purpose of the system. The HVAS team identified RFID as the means to communicate the HVAS signal for the pilot demo and are proceeding to evaluate the robustness of the system. The prototype for the system has been developed and is going to be installed in Torrance. All resources related to the HVAS project are posted at <http://cafcpmembers.org/membersonly/technical-programs/hvas>.

Hydrogen Quality

MBS: The MBS project is considered tabled for the current quarter. The composition has been identified and no additional steps are currently required.

HQSA: No testing was conducted in Q2 of 2010.

Codes and Standards

CaFCP staff support multiple codes and standards efforts including ASTM, ASME, CSA, DMS, ISO, NIST and SAE. The staff provides liaison reports to the standard development organizations ensuring collaboration as well as reporting back to the members.

ASTM: Five work items have been sent to main committee ballot and one more item is being edited for published.

NIST: The draft changes to HB44 and HB130 were accepted by the NCWM and will be incorporated into the handbooks next year.

SAE: J2601 has been published as a TIR and is available for purchase on the SAE website. J2601 is working towards a standard, and TIR J2719 is being edited for an updated edition.

Media Outreach, Legislative Outreach, Website Activity and Materials

Outreach activities and tools show how CaFCP works towards the goal of being a leading source of information. The media and outreach position was relocated to Southern California, providing greater outreach potential for the region.

Media

CaFCP strives to be a credible source of information for journalist interested in hydrogen and fuel cell vehicle activity in California.

- Online:
 - EnergyBoom—Three-part interview with Catherine Dunwoody (August, 2010)
 - CaFCP's website remains the top resource for hydrogen stations in California (rank #1 on Google when searching for California H2 stations)
- Interviews:
 - Automotive Digest—Interview with Catherine Dunwoody (July, 2010)
- Total: 32 hits (As of September 2010)
 - Television: 5
 - Radio: 3
 - Print: 16
 - Online (Blogs and other news dedicated websites): 8

California Fuel Cell Partnership

CaFCP 2.0

In 2010, CaFCP continues to engage audiences through social media campaigns, actively utilizing new media tools in Web logs (blogs), Facebook, Twitter, CaFCP's public website and our monthly subscriber newsletter

Facebook

Facebook is a social media network we have been using to post videos, articles, information, and allow those with an interest in hydrogen and fuel cells to learn and connect.

The Facebook page can be a useful tool to gain awareness and promote upcoming CaFCP events. The first test was promoting the 2009 Santa Monica Alt Fuels. A number of conference attendees heard about the event through our Facebook page. The immediate goal is to increase page traffic and interaction. The longer-term goal is for fans to use it to share information and links with each other.

FACEBOOK	July-10	August-10	Sept-10
Fans	1,674	1,662	1,681
Posts	24	22	24
Interactions	94	75	87
Unique Visitors	259	165	202
Page views	2,087	2,181	1,748
Photo Views	66	78	76

Twitter

Twitter is one of the fastest growing social media tools today. CaFCP created its Twitter account on February 2, 2009 as part of a "listening" phase. After developing the Communications Team Social Media Strategy plan, it was found that Twitter would be a tool used for communicating in real time. CaFCP's tweets are focused on factual information about CaFCP member activity and technology.

TWITTER	July-10	August-10	Sept-10
Followers	237	256	271
Tweets	1,204	1,261	1,349
Retweets	212	218	223
TwitPics Posted	172	180	195
TwitPic Views	5,403	5,580	5,640

Legislative and Environmental Outreach

MEETING	DATE	ATTENDEES
Clean Energy Business Roundtable - Alt Fuels and Vehicles	09/29/2010	Chris Flores from Congresswoman Matsui's office Brandon Ida from Senator Boxer's office
Clean Power Champion Awards Benefit	09/14/2010	V. John White John Shears, Martin Schlageter,

California Fuel Cell Partnership

		Shankar Prasad, Jamie Knapp, Bill McGavern, Eileen Tutt
Meeting with Jerry Brown	08/30/2010	Jerry Brown, Democratic candidate
Coalition for Clean Air brainstorming session on environmental policies for new administration	08/17/2010	Wide range of environmental stakeholders and policy influencers (Alan Lloyd, Bob Sawyer, Jim Lents)
Silicon Valley Leadership Group Reception	08/05/2010	Carl Guardino, Pres and CEO Anne Smart, Energy and Env. Jessica Zenk, Transportation

Upcoming Southern California Activities in 2010

- Santa Monica Alt Car Expo, October 1-2
- South Pasadena Clean Air Car Show, Sunday, October 10

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 16

PROPOSAL: Execute Sole Source Contract to Purchase and Implement Contact Database of E-mail Addresses

SYNOPSIS: To communicate in a more interactive, cost-effective and time-sensitive manner with residents in the AQMD's jurisdiction, staff proposes to contract for an initial database of more than 900,000 contacts including e-mail addresses. CHMB Consulting Firm has the requisite knowledge, skills and experience for this effort, as they are proprietors of, and have invested substantial efforts into amassing and reviewing the information in the existing database. Categories included in the database would facilitate targeted contact with educators, health professionals, small business owners, advocates and supporters of environmental issues, and other core groups that might have interest in AQMD issues and activities. This action is to execute a sole source contract with CHMB Consulting Firm to purchase a database in an amount not to exceed \$100,000, and for consulting services for the implementation and other technical services in an additional amount not to exceed \$20,000.

COMMITTEE: Stationary Source, November 19, 2010, Recommended for Approval

RECOMMENDED ACTIONS:

1. Appropriate \$120,000 from the Undesignated Fund Balance to Information Management's FY 2010-11 Capital Outlays Major Object, Computer Software Intangible Account.
2. Authorize the Executive Officer to execute a contract with CHMB Consulting Firm to purchase and implement an electronic contact database.

Barry R. Wallerstein, D.Env.
Executive Officer

Background

The Administrative Committee and the Board Chair had previously requested the development of an electronic contact database for expedient digital outreach with diverse individuals and groups. Such a database would enable the AQMD to communicate more immediately with local residents, officials and stakeholders regarding air quality disturbances, items and events of community interest, and to inform targeted audiences on rulemaking and clean air initiatives of possible impact to them.

Proposal

Purchase of the contact database would provide immediate E-mail access to more than 900,000 voters in the South Coast basin who have opted-in to receive E-mail communications. The addresses break-out per county as follows:

Orange County	103,586
Riverside County	159,392
San Bernardino County	60,926
Los Angeles County	836,118

Database searches could be conducted using the following criteria: zip codes, race/ethnicity, language, age, gender, phone (some), address and E-mail address. Demographic information could be extrapolated from the database to target recipients by language, profession (such as educators and health professionals), and to identify residents with school-age children.

Additional categories which could be included in the database with additional research include small business owners, and other core groups that might have interest in AQMD issues and activities.

Specifically, CHMB Consulting Firm has proposed a project to increase the effectiveness and efficiency of the AQMD’s communication efforts through the utilization of precisely targeted unique E-mail databases.

This one-time purchase would provide information in a ready-to-use format. AQMD would own the information for its own use.

Benefits of purchasing an existing database rather than developing one include:

- Rapid deployment and communication with a larger number of Southland residents.

- Database consists of individuals who have already opted to receive information by E-mail.

Sole Source Justification

Section VIII.B.2 of the Procurement Policy and Procedures identifies circumstances under which a sole source purchase award may be justified. This request for a sole source contract is made under provision VIII (B.2.d) – the unique experience and capabilities of the proposed contractor or contractor team, CHMB Consulting Firm.

CHMB specializes in communications and strategic management, and has a wealth of experience providing outreach to elected officials, residents, local agencies, state and federal legislators. The firm has experience with successful internet/electronic media communication projects and has compiled a uniquely suitable database. CHMB has the requisite knowledge, skills and experience for this effort, as they are proprietors of, and have invested substantial efforts into amassing and reviewing the information in the existing database.

Resource Impacts

AQMD's Undesignated Fund Balance has sufficient resources and \$120,000 is recommended to be appropriated to Information Management's FY 2011-12 Budget, Capital Outlays Major Object, Computer Software Intangible Account, for this purpose. Once purchased and implemented, the database becomes property of the AQMD.

Staff Recommendation

Authorize the Executive Officer to execute a sole source contract with CHMB Consulting Firm to purchase and implement a contact information database to aid in improving digital communications with residents, stakeholders, elected officials, professionals, and business owners and operators.



BOARD MEETING DATE: December 3, 2010

AGENDA NO. 17

PROPOSAL: Approve Issuance of RFP for Development, Hosting & Maintenance of New Website and Approve Work Program Elements for FY 2010-11 AB 2766 Discretionary Fund Work Program

SYNOPSIS: The MSRC approved the elements and funding allocations totaling more than \$22 million for its FY 2010-11 AB 2766 Discretionary Fund Work Program as well as an RFP for one element of the Work Program. The MSRC seeks AQMD Board approval of the FY 2010-11 Work Program elements as well as issuance of one RFP for a new website at this time. Additional solicitations will be brought forward for approval in the near future.

COMMITTEE: Mobile Source Air Pollution Reduction Review, November 18, 2010, Recommended for Approval

RECOMMENDED ACTIONS:

1. Approve FY 2010-11 AB 2766 Discretionary Fund Work Program with the following elements or categories and funding allocations totaling \$22.7 Million:
 - a. Local Government Match Program, totaling \$5 Million;
 - b. Alternative Fuels Infrastructure, totaling \$5 Million;
 - c. Off-Road Engine Repowers, totaling \$3.5 Million
 - d. On-Road Engine Repowers, totaling \$3.5 Million;
 - e. Alternative Fuel School Bus Incentives, totaling \$1.5 Million;
 - f. School Bus Life Extension Program, totaling \$1.5 Million;
 - g. Event Center Shuttles, totaling \$1.5 Million;
 - h. Multi-Mobility Hubs, totaling \$1 Million; and
 - i. "511" Smart Phone Application, totaling \$200,000.
2. Approve issuance of RFP #P2011-13 for development, hosting and maintenance of new MSRC website, as part of the FY 2010-11 Work Program, as described in this letter and the attachment.

Greg Winterbottom
Chair, MSRC

Background

In September 1990 Assembly Bill 2766 was signed into law (Health & Safety Code Sections 44220-44247) authorizing the imposition of an annual \$4 motor vehicle registration fee to fund the implementation of programs exclusively to reduce air pollution from motor vehicles. AB 2766 provides that 30 percent of the annual \$4 vehicle registration fee subvented to the AQMD be placed into an account to be allocated pursuant to a work program developed and adopted by the MSRC and approved by the Board. It is estimated that nearly \$23 million is available for the FY 2010-11 AB 2766 Discretionary Fund Work Program.

Over the last few months the MSRC and its Technical Advisory Committee and support staff have been brainstorming categories for its FY 2010-11 AB 2766 Discretionary Fund Work Program. Five subcommittees were formed to assist with this process --Vehicles; Infrastructure; Local Government Match; Transportation Control Measures; and Showcase.

Previously at its October 21, 2010 meeting, the MSRC approved three elements of its FY 2010-11 Work Program. One of these was development of a new MSRC website including hardware upgrades and maintenance and hosting for two years. While the MSRC currently maintains an existing website (www.cleantransportationfunding.org), it was initially developed in 2005 by HiP Design on the MSRC's behalf. And over the last five years, a variety of new options for content management system platforms and hosting have become available. The newer platforms provide for more flexibility and smoother processing. Additionally, much of the current hosting hardware, although still operational, is outdated and needs replacement. The website's appearance also needs to be refreshed and updated. It has been determined that the existing MSRC database and its contents can be smoothly moved to newer platforms. The MSRC set aside \$100,000 for this RFP and directed staff to prepare an RFP for consideration at its next meeting. On November 18, 2010, the MSRC considered this RFP for release as well as the remaining work program elements or categories and the parameters thus far identified for each as well as funding target allocations for each category. Further details are provided below in the Proposals section.

Proposal

At its November 18, 2010 meeting, the MSRC unanimously approved a Request for Proposals #P2011-13 to identify and retain a contractor to develop, host and maintain their new website. Proposals will be due by 5 p.m. on Friday, January 7, 2011. It is anticipated that an award will be made on or about May 1, 2011. Award recommendations will be brought forward by the MSRC to the AQMD Board at that time. As mentioned above, the MSRC has allocated \$100,000 for this effort as part of its FY 2010-11 Work Program.

Also on November 18, 2010, the MSRC unanimously approved the remaining elements or categories of its FY 2010-11 AB 2766 Discretionary Fund Work Program, including funding target allocations, as follows:

- **Local Government Match Program** - \$5 Million - a Program Announcement with a mandatory online submission work program requirement will be developed and released to implement this program, and eligible applications will be funded on a first-come, first-serve basis; alternative fuel infrastructure and vehicles will continue to be eligible categories, along with potentially other eligible project types, but it is anticipated that funding per project and per entity will be reduced from past programs.
- **Alternative Fuels Infrastructure** - \$5 Million - a Program Announcement will also be developed and released to implement this program and funding applied on a first-come, first-served basis if applicants meet the criteria and conditions set forth in the PA; this program will be limited to CNG and LNG refueling stations and may be limited to new stations only.
- **Off-Road Engine Repowers** - \$3.5 Million – this program will provide funding to repower older natural gas engines in off-road equipment, targeting emission reductions for older “legacy” fleets.
- **On-Road Engine Repowers** - \$3.5 Million – this program will provide funding to repower older natural gas engines in on-road vehicles including transit buses, again targeting emission reductions for older “legacy” fleets and extending the lifespan of these existing alternative fuel engines.
- **Alternative Fuel School Bus Incentives** - \$1.5 Million – this allocation will support school districts and the AQMD’s fleet rules by providing incentives toward the purchase of alternative fuel school buses required to expand school district school bus fleets; a Request for Qualifications will probably be released to identify qualified vendors to implement the incentives, which will likely be lower than in prior years.
- **School Bus Life Extension Program** - \$1.5 Million – this program intends to provide incentives for school districts to install new natural gas engines and fuel tanks in existing natural gas school buses typically purchased about ten years ago; this will extend the life of the school buses and reduce emissions but without the need for substantial capital investment which would be required if new natural gas buses had to be purchased.
- **Event Center Shuttles** - \$1.5 Million – this program will provide funding to event centers to develop public transportation where congestion is a problem because they are not served by regular public transportation; this will be similar to the MSRC’s very successful Dodger Stadium Clean Fuel Shuttle Program implemented earlier this year.
- **Multi-Mobility Hubs** - \$1 Million – this effort, which supports the intent of SB 375, will assist public transit users, especially rail users, and offer options

for commute end transportation; multiple stakeholders and public/private partnerships are anticipated and the options will be tailored for each location/project to address the particular needs of that hub(s); and

- **“511” Smart Phone Application** - \$200,000 – an RFP will probably be developed to identify and retain a firm to develop this smart phone application which would bring real-time commute data to smart phones through an app accessing 511 information.

The AQMD Board will consider the FY 2010-11 Work Program elements or categories at its December 3, 2010 meeting. Solicitations to implement each category will be brought forward to the MSRC and AQMD Board for consideration in the near future.

At this time the MSRC requests the AQMD Board to approve the FY 2010-11 Work Program elements or categories and issuance of RFP #P2011-13 as part of the FY 2010-11 Work Program, as outlined above and in the attachment.

Outreach

In accordance with AQMD’s Procurement Policy and Procedure, a public notice advertising the RFP/RFQ and inviting bids will be published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and the Riverside Press-Enterprise newspapers to leverage the most cost-effective method of outreach to the entire South Coast Basin.

Additionally, potential bidders may be notified utilizing AQMD’s own electronic listing of certified minority vendors. Notice of the RFP/RFQ will be mailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, the State of California Contracts Register website, and placed on the AQMD’s Web site (<http://www.aqmd.gov>) where it can be viewed by making menu selections “Inside AQMD”/“Employment and Business Opportunities”/“Business Opportunities” or by going directly to <http://www.aqmd.gov/rfp/index.html>). Information is also available on AQMD’s bidder’s 24-hour telephone message line (909) 396-2724.

Bidders’ Conference

To assist potential bidders in submitting qualified applications in response to RFP #P2011-13 for development, hosting and maintenance of the MSRC’s website, a non-mandatory Bidders’ Conference will be conducted at AQMD headquarters at 9:30 a.m. on Thursday, December 16, 2010. Interviews of finalists will also be conducted on January 25, 2011.

Proposal Evaluation and Panel Composition

Proposals received in response to the RFP (further outlined under the Proposals section) will be evaluated by members of the MSRC’s Technical Advisory Committee (MSRC-TAC), comprised of individuals appointed by participating member agencies as prescribed in the Health & Safety Code.

Resource Impacts

The AQMD acts as fiscal administrator for the AB 2766 Discretionary Fund Program (Health & Safety Code Section 44243). Money received for this program is recorded in a special revenue fund (Fund 23) and the contracts will be drawn from this fund. These contracts will have no fiscal impact on the AQMD's operational budget.



Development, Hosting and Maintenance of the MSRC Website

www.CleanTransportationFunding.org

Request for Proposals

P2011-13

December 3, 2010

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SECTION 1 – Solicitation Overview

I.A. Introduction

The Mobile Source Air Pollution Reduction Review Committee (MSRC) requests proposals from qualified website designers and developers to assist in the development, improvement, activation, testing, hosting, and maintenance of the MSRC's site on the World Wide Web. For the purpose of this solicitation, the terms "bidder", "contractor" and "website developer" are used interchangeably.

I.B. Background

The Mobile Source Air Pollution Reduction Review Committee, or "MSRC", is responsible for funding transportation projects that reduce air pollution in Southern California. The MSRC was created in 1990 by the California State Legislature as part of Assembly Bill (AB) 2766, which authorizes the Department of Motor Vehicles to collect a \$4 surcharge on vehicle registration fees. Under AB 2766, the MSRC receives 30% of the surcharge as part of a Discretionary Fund to support projects that reduce pollution from mobile sources, such as cars, trucks, and buses. The Discretionary Fund has an annual budget of approximately \$14 million.

In 1999, the MSRC contracted with a website development firm for the design, development, activation, testing, hosting, and maintenance of its first website. Located under the domain name www.msrc-cleanair.org, the MSRC used this site as a medium to disseminate both time sensitive and historical information to current MSRC contractors, prospective project applicants, and other interested parties. The website was developed and ultimately launched in July 2000. In 2005, the MSRC contracted with a website development firm to develop a successor website which incorporated almost all of the features of the original plus substantial new functionality. A few upgrades have been made in the ensuing years, but essentially this is the current MSRC website located under the domain name www.CleanTransportationFunding.org. Key features of the current website include:

- § Ability for the public to download current solicitation documents in either Microsoft Word and PDF format;
- § A key-word searchable library containing summaries of all MSRC-funded projects, photos and final reports for many projects, as well as past solicitation documents;
- § Current MSRC and MSRC-Technical Advisory Committee (MSRC-TAC) meeting agendas and archives of past meeting agendas and minutes;
- § Current and past MSRC press releases;
- § Relevant news clips, photos and articles of interest;
- § History of the MSRC, related statutes and list of current MSRC and MSRC-TAC members;
- § Links to other pertinent websites;
- § A subscription system by which interested parties can sign up to receive e-mail notifications of solicitations, agendas, and news articles, as well as a related system to assemble and distribute an electronic newsletter;
- § An interface for MSRC contractors to download guidance documents and templates, and to upload photos, summaries and final reports, which can then be downloaded by MSRC staff;
- § A home page "ticker" to call attention to breaking news; and
- § Ability to submit applications and proposals online (feature built, but not yet activated).

Furthermore, much of the current website's content is able to be added, deleted or modified by MSRC staff without assistance of the website contractor.

While the current website has served the MSRC well for over five years, the MSRC has identified desirable features and functionality not supported by the current site. Additionally, while still functional, much of the website's hardware is dated and should be replaced. Due to the magnitude of the desired website improvements, as well as advancements in website development software technology, the MSRC has requested the development of a new website as opposed to extensively modifying the existing website.

Therefore, the purpose of this Request for Proposals (RFP) is to solicit qualified website developer(s) to submit proposals in accordance with requirements specified herein for the design, development, activation, testing, hosting, and maintenance of a new MSRC website.

I.C. Schedule of Events

This solicitation will be conducted in accordance with the timeline illustrated in Table I, below. Proposals may be submitted at any time during the period commencing December 3, 2010 and ending January 7, 2011. *Please note that proposals must be received no later than 5:00 p.m. on January 7, 2011.*

Table I - Key Procurement Events & Dates

MSRC Website Development Key Procurement Events	Date
Request for Proposals Release	December 3, 2010
Bidders' Conference, 9:30 a.m. at AQMD	December 16, 2010
Latest Date and Time to Submit Proposal	January 7, 2011 @ 5:00 pm
Proposal Evaluation Period	January 8 - 18, 2011
Interviews/Oral Presentations of Short-Listed Bidders	January 25, 2011
Contractor Selection Review & Approval by MSRC-TAC	February 3, 2011
Contractor Selection Review & Approval by MSRC	February 17, 2011
AQMD Governing Board Approval	March 4, 2011
Contract Execution/Authority to Proceed	May 1, 2011

I.D. Bidders' Conference

A Bidders' Conference for the MSRC Website Development RFP will be held on Thursday, December 16, 2010. While this is **not a mandatory conference** for a Proposal to be accepted, this will be the only opportunity to discuss and clarify any questions Bidders may have regarding the RFP directly with MSRC staff. Due to the uniqueness of the MSRC, and the complexity of the staffing, support, and program structure, it is **strongly recommended** that prospective Bidders attend the Bidders' Conference. The purpose of the conference is to provide new or updated solicitation information, provide clarification regarding this RFP, and answer general questions regarding proposal preparation. In addition, the Bidders' Conference will provide a forum to address individual proposal preparation issues and provide one-on-one guidance to potential Bidders. The location and time for the Bidders' Conference is as follows:

Date: December 16, 2010
 Time: 9:30 a.m. – 11:00 a.m.
 Location: South Coast AQMD Headquarters, Room CC6
 Address: 21865 Copley Drive
 Diamond Bar, California 91765

In addition, MSRC staff members are available to answer questions and provide guidance as appropriate during the proposal preparation period. Please refer to Section I.E. of this document for a list of MSRC Staff contacts.

I.E. If You Need Help

This RFP can be obtained by accessing the MSRC website at www.CleanTransportationFunding.org. MSRC staff members are available to answer questions during the proposal acceptance period. In order to help expedite assistance, please direct your inquiries to the applicable staff person, as follows:

- § For **General and Administrative Assistance**, please contact:

Cynthia Ravenstein
MSRC Contracts Administrator
Phone: 909-396-3269
Fax: 909-396-3682
E-mail: cynthia@cleantransportationfunding.org

- § For **Technical Assistance**, please contact:

Ray Gorski
MSRC Technical Advisor
Phone: 909-396-2479
Fax: 909-396-3682
E-mail: ray@cleantransportationfunding.org

- § For **Contractual Assistance**, please contact:

Dean Hughbanks
AQMD Procurement Manager
Phone: 909-396-2808
E-mail: dhughbanks@aqmd.gov

I.F. Addenda

The MSRC may issue supplementary information or guidelines relative to this RFP during the proposal preparation period of December 3, 2010 to January 7, 2011.

Please note that the source of MSRC **Clean Transportation Funding**[™] is motor vehicle registration fees collected by the California Department of Motor Vehicles (DMV) in accordance with the California Health and Safety Code. Thus, the availability of MSRC **Clean Transportation Funding**[™] is contingent upon the timely receipt of funds from the DMV. Neither the MSRC nor South Coast AQMD can guarantee the collection or remittance of registration fees by the DMV.

SECTION II: Statement of Work

II.A. Designer/Contractor Minimum Qualifications

Bidders responding to this solicitation must show evidence of at least four (4) years related experience, including serving as prime contractor for the development of a minimum of ten (10) websites, at least two (2) of which are for public agencies. Bidder must have demonstrated expertise in art direction, writing, programming, systems administration, database design, and multimedia programming. Contractor must be willing to work closely with MSRC-TAC members and MSRC/AQMD staff on a continuing basis throughout the course of the contract term.

1. Proposals will only be accepted from Bidders who meet the following requirements:
 - a) Experience in planning, development and maintenance of websites that involve manually-coded XHTML documents, and incorporation of graphics, text and computer-generated imagery or other scripting languages;
 - b) Experience in creating a website designed to be updated by staff with little HTML experience. Significant experience with MySQL, PHP, XHTML, and JavaScript, and/or other high-level programming languages.
2. All proposals must contain the following information:
 - a) A thorough description of how the Bidder satisfies the requirements listed under Section II.A, Designer/Contractor Minimum Qualifications;
 - b) A conceptual website description demonstrating how the Bidder will fulfill items listed under Sections II.B, Deliverable Items/Performance Requirements and II.C., Description of MSRC Website Requirements and Content;
 - c) Key personnel and reporting structure, including resumes or background descriptions of all key personnel to be assigned to this project;
 - d) Information on work similar to the MSRC Website Development project completed by Bidder over the past four (4) years. A minimum of three (3) complete references must be submitted, including domain names for websites developed by the Bidder;
 - e) A list of work to be subcontracted by the Bidder to fulfill the items listed under Section II, Statement of Work. Information on subcontractor qualifications must also be included in the proposal submission, including resumes of individuals supporting the work effort in a subcontractor capacity;
 - f) A summary of the approach the Bidder will use to work with MSRC-TAC members and MSRC/AQMD staff to ensure project communications will be conducted efficiently and that project milestones will be met.

II.B. Deliverable Items/Performance Requirements

1. Period of Performance - The period of performance will commence on the date the contract is signed by all parties and extend for two (2) full years. The contract may be extended, or successor contracts let, for two (2) additional two-year options, upon agreement by both parties.
2. Deliverable Items - All XHTML (or similar) documents, database programming, CGI or other scripts, design elements, graphics and supporting materials (including results of on-going site evaluations) associated with a complete website.
3. Delivery Deadlines - Deadlines for delivery of all items listed above shall be negotiated with the successful bidder prior to contract execution.

II.C. Description of MSRC Website Requirements & Content

The following Sections describe the minimum requirements to be implemented within the Statement of Work covered by this RFP.

1. Project Design and Development Approach

The Bidder shall fully describe their website project design and development approach in producing a high-quality product, in a cost-effective manner, and within timeline constraints set for a project. The MSRC will be looking to the Bidder to provide a high level of expertise. Therefore, it is important that the Bidder detail how they intend to step staff through their website development process. Each step

of the proposed process should be described in sufficient detail to convey how the Bidder plans to work efficiently and effectively with staff. At a minimum, staff anticipates the following type of process:

- § Phase 1: Needs Assessment
- § Phase 2: Develop Flowcharts
- § Phase 3: Develop Information Architecture
- § Phase 4: Beta Test
- § Phase 5: Site Activation
- § Phase 6: Training
- § Phase 7: Maintenance and Upgrades

Throughout the development cycle, the approval process will consist of a website development subcommittee comprised of MSRC staff and MSRC-TAC members. AQMD staff may provide technical expertise. As each deliverable is provided to us, the subcommittee will review and give answers to Cynthia Ravenstein, who will be your day-to-day point of contact. Every effort will be made to provide feedback as rapidly as possible while working within this structure.

2. Technical Environment

The MSRC's website is currently hosted on an MSRC-owned server located at the current contractor's facility. Please refer to Attachment A for a description of the current configuration. It is the MSRC's requirement that the existing website remain fully operational during development of the new website.

While it is desirable that any website software developed as part of this RFP be compatible with the existing server and its capabilities, the MSRC is requiring Bidders to include replacement of the current hardware as part of their proposals. Any software licensing costs, and their renewals, must also be included for the term of the development and maintenance period. Hardware, including any hardware provided out of the selected Bidder's existing inventory, will become property of the MSRC. It is the objective of the MSRC that any website developed as part of this RFP process be expandable to accommodate future growth and additional features.

3. Website Features

In general, it is expected that the website will include a number of operating features, *including but not limited to those listed below*. Several of these features incorporate content which must be migrated, regardless of whether the existing architecture is preserved or a new feature is built to serve the same purpose. The bidder shall provide a full discussion under this Section regarding website features that demonstrates their understanding of the Project and needs of the MSRC. Further, the discussion should identify any other features that the MSRC should consider in the development process of the software architecture and functionality.

General Attributes

- § Compatibility with major web browsers - at a minimum, the three most commonly used browsers at time of contract execution;
- § Smooth and rapid loading of all pages within the website, including the back-end administration pages;
- § Easy access and downloading of information in either PDF or Microsoft Word format by public users;
- § A menu system indicating each section of the website that facilitates easy movement between the home page, sections and individual pages;

- § Mechanisms/paths that enable Web search engines to “spider” and index content on every page of the website;
- § Professional and inviting look that incorporates existing logos of the current website;
- § Consistency in appearance and functionality throughout the site;
- § Open architecture, compatible with industry standards;
- § User-friendly navigation that is logical and easily understood to the general public;
- § “Smart” search by key word(s) in titles as well as content throughout all levels of the website, including the back-end administration;
- § “Open source” software or other standard language such as XHTML, JAVA, etc;
- § Scalable and modular design so that functionality can be easily added without further modification to the software;
- § Remote on-line access for purposes of troubleshooting and maintenance of the system by any authorized Contractor or off-site staff;
- § At least two different password secured levels of access to the website for purposes of:
 - Uploading/replacing/archiving documents of all formats (including photos); and
 - Editing website screen text;
- § Firewall protection that maintains the integrity of the MSRC existing information system infrastructure from the website;
- § Accommodates the inclusion of a wide variety of information formats including but not limited to: MS Word, Excel, Access, Power Point, printed brochures, videos, and digital and scanned photographs (color, and black and white);
- § Allows for a large volume of documents, many hundreds of pages in length to be easily added, archived and deleted from the website;
- § Administrative reports and usage tracking by website and individual page(s).

Specific Features for which Existing Content Must Be Migrated

- § A library database feature including, but not limited to, the ability to archive, search, and retrieve summaries of past projects, project final reports, past Committee agendas, photographs, press releases, as well as other text and photographic documents;
- § Links to other websites;
- § A subscription system by which interested parties can sign up to receive e-mail notifications of solicitations, agendas, and news articles;
- § Electronic newsletter function which allows:
 - members of the public to subscribe and receive the e-newsletter via the subscription system described above;
 - MSRC staff ability to manage subscriber list, assemble the e-newsletter components, including both text and images (with captions), compile them into a finished product, and distribute to the subscriber list; and
 - E-newsletter also to be accessible on the website.
- § Meetings schedule page with ability for MSRC staff to add, modify or delete meetings and post related agendas and minutes;

- § An interface for MSRC contractors to download guidance documents and templates, and to upload photos (TIFF or high-resolution JPG) and final reports (Microsoft Word) and to complete an online, form-based project summary, all of which can then be managed and downloaded by MSRC staff;
- § A feature for the public to submit applications and proposals online in PDF format (feature is built, but not activated for purposes of this RFP) which includes, at a minimum, the following basic attributes:
 - Feature must be highly reliable, with redundancy and/or other means available to ensure feature remains live during critical proposal/application submission periods (i.e., capable of handling numerous electronic proposal submittals during the final closing minutes of an application period);
 - Ability to “timestamp” the time of arrival of the proposal document;
 - Registration process to enable proposal submission;
 - Automatically send a receipt to the document sender;
 - Notify designated AQMD staff via e-mail that a proposal has been received;
 - Possess adequate security features to allow protection of a bidder’s proprietary information.
- § Many pages of text

4. Task and Timeline Table

It is expected that the development of the website, from executing the Contract to launching the website, should be completed within a four (4) month time period. Based on Section II.C.1, the Bidder shall provide a detailed description of all tasks to be accomplished along with specific dates for each task. In addition, all deliverables and review time by MSRC staff as well as the deliverables of the Bidder should be clearly identified. The MSRC envisions that any payment for services rendered will be tied to specific deliverables. Therefore, the Bidders Cost Proposal should be coordinated with the Task and Timeline Table contained in this Section.

5. Software Ownership Rights/Confidentiality

The Bidder shall be required to agree and shall provide a written statement specifying that all rights, title and interest in work product developed under this project, including but not limited to website software, source code, documentation, reports, files, and all derivative works thereof, shall remain with MSRC/AQMD. This shall include work product developed by Bidder/Contractor and its employees, subcontractors and agents. The Bidder shall be required to agree that any and all work product shall be deemed to be works made for hire within the meaning of the copyright laws of the U.S. and that MSRC/AQMD shall own all rights, including, but not limited to, all copyright rights, in and to such Work Product. Bidder shall be required to warrant that any Work Product produced will be original work and will not infringe upon or violate any rights, including any patent, copyright, trademark or trade secret of any person or entity. Furthermore, all software source codes, graphic elements, and any other intellectual property associated with the website shall be provided to the MSRC within one month of activation (after it is live and accepted by the MSRC), and any updates or changes will be provided to the MSRC at the end of the contract term.

The Bidder shall also acknowledge that all information and graphic materials provided to the Bidder by MSRC/AQMD for use in development and incorporation into the Project is confidential. The Bidder shall agree not to use any MSRC information or graphic materials for the Bidder’s own benefit, or divulge, disclose, or communicate in any manner said items to any third party without the prior written consent of the MSRC.

6. Training

The MSRC seeks to have the selected Bidder provide both system administrator and support staff training as part of its work tasks. In addition, the MSRC requires the provision of training manuals, which may be in electronic format. Sufficient training shall be provided to the system administrator so that, upon acceptance of the Project, the system administrator is fully able to perform all necessary functions for the day to day operations of the website. Training for support staff is anticipated to be at a lower level than the system administrator but sufficient enough to upload/download documents and edit/delete information. In this Section, the Bidder shall outline their training process and format including but not limited to: 1) hours of training, 2) location of training, 3) type and content of training, and 4) on-call training options for future staff.

7. Website Hosting and Maintenance, and Support Services

The MSRC desires a high level of customer support in terms of quality and responsiveness for any work that may be required after the project has been accepted by the MSRC. The Bidder shall describe their ability to host the server/equipment on or offsite, their customer support services in detail as well as programming services to enhance/amend the website should the MSRC desire to include on-call services as part of any Contract. It is anticipated that hosting and minor maintenance, including management of the MSRC's domain registrations, would be covered under a set monthly fee. Hourly rates for on-call services shall be clearly detailed and any terms and conditions that may apply should be fully disclosed.

SECTION III: Proposal Preparation & Submission

Only proposals that follow the instructions within this RFP will be reviewed and evaluated. The following instructions are intended to assist the Bidder in preparing a proposal for consideration under this RFP.

In general the Proposal should be concise, well organized and demonstrate the Bidder's qualifications and experience applicable to the Project

Written proposals are to reflect and/or include the following elements, in the following order:

III.A. Proposal Preparation Instructions

1. Cover Letter - Transmittal of the proposal must specify the subject of the proposal, the RFP number, and Bidder's name, address, e-mail address, and telephone/fax number. The letter shall specify contact person(s) for technical and contractual matters, and be signed by the person(s) authorized to contractually bind the bidding entity. For joint venture proposals, the Bidder must include a statement confirming authorization to act on behalf of all co-bidders. The Bidder must include a letter of confirmation from all proposing entities of a joint proposal including project contact name and all other information as required of the Bidder.
2. Project Description and Statement of Work – This section comprises the body of the proposal. The Bidder should describe their project concept in detail, addressing all project requirements as specified in RFP Sections II.A., II.B., and II.C., above. Bidders should place special emphasis on the following key proposal elements:
 - a) Website Design and Development – Describe in detail the proposed methodology for designing, developing, migrating content, and activating the MSRC Website, including but not limited to: a) Website design and creative development; b) how the website will be activated and beta tested before it goes live; c) training for MSRC staff, d) Website administration, including program documentation and reporting; and e) Website maintenance;
 - b) Bidder Qualifications – The Bidder shall fully describe their firm's qualifications and experience in performing the type of work as described in Section II.A. of this RFP. If subcontractors are

being used or the proposal is being submitted by a team of firms, a full description of each participating firm should be included. All key personnel are to be identified and resumes provided as part of any proposal submitted;

- c) Related Work - The Bidder shall list at least three (3) successfully completed projects of a similar nature to that described in this RFP for the design and activation of a website. Submit only those projects in which the Bidder served as the lead Contractor. Provide a brief description of the work performed and include the organizations name, project contact name, telephone/fax numbers, value of the contract, and website address. The website references will be assessed as part of the evaluation process.
3. Website Development Schedule - This section shall identify anticipated dates of completion of all tasks specified in the Project Description and Statement of Work, including a list of milestones. Specifically, this section should include:
 - a) A time schedule to complete each of the tasks described, by task; and
 - b) A list of significant milestones and the projected delivery dates.
 4. Project Organization - This section shall describe the organization proposed to implement the project. This shall include assigned personnel, all subcontractors and their related tasks and responsibilities, clearly detailed.
 5. Conflict of Interest - Address any possible conflicts of interest with other clients affected by actions performed by the firm on behalf of the MSRC. Although the Bidder will not be automatically disqualified by reason of work performed for such firms, the MSRC reserves the right to consider the nature and extent of such work in evaluating the proposal.
 6. Cost Proposal – shall be broken down into two components:
 - a) Line Item Budget - The Line Item Budget shall detail the following cost components for initial two-year contract term for the Bidder and any subcontractors for the Project:
 - i. Labor - Identify each professional category of direct project support, the number of hours for each, and the fully burdened rate per hour. The rates quoted must include labor, general, administrative, and overhead costs;
 - ii. Equipment and Supplies - Provide an itemized list of equipment to be used and/or purchased, including the manufacturer, number of each, and the unit cost. **Please note that all equipment purchased in fulfillment of this contract will remain the property of the MSRC;**
 - iii. Subcontractor Costs - Identify any subcontractors by name, the basis for the subcontractor's selection, and describe in detail the work the subcontractors will be hired to perform, list their cost per hour or per day, and the number of hours or days their services will be used and the related tasks;
 - iv. Miscellaneous Costs - if any.
 - b) Maintenance Costs – proposal for continuing the MSRC Website hosting and maintenance for two (2) additional two-year option periods. The cost breakdown for the priced options should include all costs included with website hosting and maintenance, on a line item basis as defined above.

Consider the following when preparing the cost schedules:

- § Charges for supplies, equipment, and subcontractors will be paid at cost. No profit will be paid on these costs;

- § The Bidder must warrant that the cost proposal will remain in effect for at least 90 days and state such in this section;
 - § Costs are reimbursed on an as-incurred basis only; describe billing procedures for the project and how costs will be documented for invoicing the MSRC for reimbursement of expenditures;
 - § The Bidder is required to certify as part of their proposal submission that the prime contractor and subcontractor rates contained in the proposal are no higher than the rates offered to the prime or subcontractor's most-favored customer;
 - § Identify all subcontractors by name, and include their hourly or daily rate of compensation and the number of hours or days their services will be utilized. If subcontractors are not yet identified, provide an estimate of their rates of compensation and number of hours or days the subcontractors' services will be utilized.
7. Certifications – All applicants must complete and submit the following forms, located in Attachment B, as elements of their Application:
- a) Internal Revenue Service Form W-9 – Request for Taxpayer Identification Number and Certification. If you are selected for an award, you cannot be established as a vendor without this information.
 - b) Campaign Contribution Disclosure Form - This information must be provided at the time of application in accordance with California law. You may be asked for an update when awards are due to be considered.
 - c) Disadvantaged Business Certification. The AQMD needs this information for their vendor database. IT WILL NOT BE CONSIDERED IN THE DETERMINATION OF YOUR MSRC AWARD.
8. Certificates of Insurance - Bidders are required to provide a statement that upon notification of award, a certificate(s) of insurance naming the AQMD as an additional insured will be provided within forty-five (45) days. Entities that are self-insured are required to provide a statement to that effect in their proposal.

III.B Proposal Submittal Instructions

1. Format - The maximum length of proposals accepted will be twenty (20) 8-1/2 X 11 sheets of paper. Technical appendices, of no more than fifty (50) 8-1/2 X 11 sheets of paper, including information on Bidder's past projects, experience, and resumes may be attached. All pages and appendices must be numbered and double sided, and should be unbound, and printed on recycled paper to the extent feasible. No videos will be accepted with proposals. However, images from relevant websites may be included on the CD-ROM discussed below.
2. Due Date - The Bidder shall submit four (4) complete copies of the proposal in a sealed envelope, plainly marked in the upper left-hand corner with the name and address of the Bidder and the words "MSRC Website RFP P2011-13". All proposals should be directed to:

Procurement Unit
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

In addition to the paper proposal, proposers must also submit an electronic copy of their proposal in either PDF format or Microsoft Word. This should be provided via CD-ROM in care of the Procurement Unit at the street address listed above.

Please note that the proposal is only deemed "received" when the four (4) complete paper copies are submitted in accordance with the above instructions - submittal of an electronic proposal only

does not constitute receipt by the AQMD. In addition, please note that faxed proposals will not be accepted. All proposals will be time and date stamped upon receipt by the South Coast Air Quality Management District. **PLEASE NOTE THAT ANY PROPOSAL TIME STAMPED 5:01 P.M. OR LATER ON JANUARY 7, 2011 WILL NOT BE REVIEWED AND WILL NOT BE AWARDED FUNDING.** No exceptions will be granted regardless of reason or circumstances.

3. Additional Grounds for Rejection - A proposal may be immediately rejected if:
 - § It is not prepared in the format described contained within this RFP; or
 - § It is not signed by an individual authorized to represent the proposing entity.
4. Disposition of Proposals - The MSRC reserves the right to reject any or all proposals. All responses become the property of MSRC. One copy of the proposal shall be retained for AQMD files. Additional copies and materials will be returned only if requested and at the Bidder's expense.
5. Modification or Withdrawal - Once submitted, proposals cannot be altered without the prior written consent of MSRC. All proposals shall constitute firm offers and may not be withdrawn for a period of ninety (90) days following the last day to accept proposals.

Section IV. Proposal Evaluation Process

The MSRC-TAC and MSRC Staff will evaluate all proposals to determine responsiveness to the RFP. AQMD staff may provide administrative and technical assistance during the proposal evaluation process.

Proposals will be evaluated and points awarded based upon the criteria outlined below. The evaluation criteria are included to provide the Bidder additional guidance as to the particular components of the proposal that will be evaluated.

The MSRC reserves the right to approve only a portion of the Bidder's Statement of Work and funding request. In this case, the Bidder will be required to submit a revised work statement, schedule of deliverables, and cost breakdown within forty-five (45) calendar days of notification of selection.

Each Bidder should review the attached Sample Contract (Attachment C). Any exceptions to the sample contract terms and conditions should be identified in the Bidder's initial proposal.

The most qualified Bidders will be short-listed and may be interviewed by an MSRC-TAC Evaluation Subcommittee on January 25, 2011. Please keep this date available for possible interviews at the AQMD Headquarters in Diamond Bar, California. (Please see Section I.C, Table 1 – Key Procurement Events and Dates). The proposals and interviews will be evaluated based on the selection criteria below.

The MSRC reserves the right to not make any award. The project will be effectuated through a contract with South Coast AQMD, which must also approve the award.

IV.A Proposal Evaluation & Contractor Selection Criteria

Proposals will be evaluated based on the proposals demonstrating an understanding of the RFP objectives and work involved, and on the demonstrated capability of the Bidder to accomplish the work. The following evaluation criteria form the basis upon which proposal scoring and selection will be conducted. The maximum score available is 110 points.

1. Proposal Completeness

Maximum Points Available: 10 points

Proposals will be evaluated on their completeness, accuracy and responsiveness to the RFP and all of its requirements.

2. Qualifications, Staffing and References

Maximum Points Available: 30 points

Bidders shall have extensive and successful experience in the design, development, activation, testing, hosting and maintenance of websites of similar scope within this RFP. The Bidder shall detail previous work experience demonstrating proficiency in current versions of HTML, PHP, JavaScript and MySQL. In addition, each Bidder shall provide a minimum of three (3) references and current website addresses from the last four (4) years to demonstrate the skills necessary to complete projects similar in scope to the current proposed project. Bidder website references will be reviewed as part of the evaluation process. Factors to be considered include, but are not limited to, ease of movement within the site, functionality, page layout, design elements, search functions, etc.

3. Statement of Work

Maximum Points Available 35 Points

As discussed in the RFP Section II, Subsection III.C., Bidders are required to submit a comprehensive discussion of preliminary website design, development, testing, training, activation, and maintenance concepts. Bidders shall clearly and professionally describe their understanding of the Project. Responses must thoroughly address all areas including project approach, technical environment, website features, tasks and timeline, ownership rights, training, ongoing maintenance and customer support. The technical merits of the Bidder will be evaluated, based upon the level of completeness and specificity of the proposed concepts.

4. Cost Proposal

Maximum Points Available 25 Points

Bidders are required to submit a detailed cost breakdown for the proposed project. Following a comprehensive review of the cost proposal, the Evaluation Subcommittee will assign a score based upon the competitiveness, completeness, documentation quality, accuracy, and substantiation of the information provided. Costs will be assessed to determine if they are reasonable and appropriately allocated among tasks. Consideration will also be given to the number of hours assigned to Bidder's staff in relationship to tasks to be performed, hourly rates, and whether the costs are realistic in relationship to projects of similar size.

5. DVBE/Local Business/Small Business Status

Maximum Points Available: 10 points

It is the policy of the MSRC to encourage participation by disabled veteran business entities, local businesses and small business and in the bidding process. The MSRC shall provide five (5) points each for Proposers who meet the following criteria, with the maximum points available not-to-exceed ten (10) points. Points will only be awarded should the Proposer, upon submission of its proposal, provide documents from a state or local agency certifying that it qualifies in the categories described below:

#1 "Disabled Veteran" as used herein is a United States military, a naval, or air service veteran with at least 10 percent service-connected disability. "Disabled Veteran Business Enterprise" as used herein means a sole proprietorship or partnership or corporation which is at least 51 percent

owned by one or more disabled veterans and whose management and control of the daily business operations are by one or more disabled veterans.

#2 "Local Business" as used herein means a Proposer which can demonstrate that it has an on-going business within the South Coast AQMD at the time of the bid application and performs 90% of the work related to the contract within the South Coast AQMD.

#3 "Small Business" as used herein means a business that is:

- 1) Independently owned and operated business, and
- 2) Not dominant in its field or operation and
- 3) Together with affiliates is either a service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars or less over the previous three years, or a manufacturer with 100 or fewer employees.

Attachment A – Existing MSRC Website and Assets

HARDWARE (note: must include replacement as part of your proposal)

- 1999 Pentium III 550Mhz server
- Back-up hard drive, 500GB

SOFTWARE

- XHTML
- Custom CMS
- Website coding and database is 100% PHP and BSD Unix

WEBSITE DETAILS

- The current database size is 6 MB. However, weekly backups of everything (website files, documents and database) are approximately 6 GB.
- At least 10 GB/month bandwidth required

The items listed below represent content from MSRCADMIN to website:

- § RFPs or other solicitation documents
- § Contact Info, MSRC and MSRC-TAC member lists and many other pages of text
- § Meetings
- § Agendas
- § Minutes
- § News (press releases & other)
- § Video
- § Project summaries, photos and final reports (administrator-added)
- § Related links
- § Electronic newsletter (includes graphs, articles, photos)
- § Subscriber list entries (administrator-added/deleted)
- § Home page “ticker”

The items listed below represent content from website to MSRCADMIN:

- § Subscriber list entries (public subscriptions)
- § MSRC contractor-uploaded photos, project summaries, and final reports
- § Library search function
- § Online proposal submittal function

Attachment B – Certifications

<p>Form W-9 (Rev. January 2005) Department of the Treasury Internal Revenue Service</p>	<p>Request for Taxpayer Identification Number and Certification</p>	<p>Give form to the requester. Do not send to the IRS.</p>
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Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶ <input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number 	Employer identification number
or	

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must check out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶
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Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or

- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

- The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
- The treaty article addressing the income.
- The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or
2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).
2. The United States or any of its agencies or instrumentalities.
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities.
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

- 7. A foreign central bank of issue,
- 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
- 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
- 10. A real estate investment trust,
- 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
- 12. A common trust fund operated by a bank under section 584(a),
- 13. A financial institution,
- 14. A middleman known in the investment community as a nominee or custodian, or
- 15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7 ²

¹See Form 1099-MISC, Miscellaneous Income, and its instructions.

²However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.socialsecurity.gov/online/ss-5.pdf. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses/ and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or single-owner LLC	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

²Circle the minor's name and furnish the minor's SSN.

³You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

⁴List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.



CAMPAIGN CONTRIBUTIONS DISCLOSURE

California law prohibits a party, or an agent, from making campaign contributions to AQMD Governing Board Members or members/alternates of the Mobile Source Air Pollution Reduction Review Committee (MSRC) of \$250 or more while their contract or permit is pending before the AQMD; and further prohibits a campaign contribution from being made for three (3) months following the date of the final decision by the Governing Board or the MSRC on a donor's contract or permit. Gov't Code §84308(d). For purposes of reaching the \$250 limit, the campaign contributions of the bidder or contractor plus contributions by its parents, affiliates, and related companies of the contractor or bidder are added together. 2 C.C.R. §18438.5.

In addition, Board Members or members/alternates of the MSRC must abstain from voting on a contract or permit if they have received a campaign contribution from a party or participant to the proceeding, or agent, totaling \$250 or more in the 12-month period prior to the consideration of the item by the Governing Board or the MSRC. Gov't Code §84308(c). When abstaining, the Board Member or members/alternates of the MSRC must announce the source of the campaign contribution on the record. *Id.* The requirement to abstain is triggered by campaign contributions of \$250 or more in total contributions of the bidder or contractor, *plus* any of its parent, subsidiary, or affiliated companies. 2 C.C.R. §18438.5.

In accordance with California law, bidders and contracting parties are required to disclose, at the time the application is filed, information relating to any campaign contributions made to Board Members or members/alternates of the MSRC, including: the name of the party making the contribution (which includes any parent, subsidiary or otherwise related business entity, as defined below), the amount of the contribution, and the date the contribution was made. 2 C.C.R. §18438.8(b).

The list of current AQMD Governing Board Members can be found at the AQMD website (www.aqmd.gov). The list of current MSRC members/alternates can be found at the MSRC website (<http://www.cleantransportationfunding.org>).

SECTION I. Please complete Section I.

Contractor:

RFP #: P2011-13

List any parent, subsidiaries, or otherwise affiliated business entities of Contractor: (*See definition below*).

DEFINITIONS

Parent, Subsidiary, or Otherwise Related Business Entity.

- (1) *Parent subsidiary. A parent subsidiary relationship exists when one corporation directly or indirectly owns shares possessing more than 50 percent of the voting power of another corporation.*
- (2) *Otherwise related business entity. Business entities, including corporations, partnerships, joint ventures and any other organizations and enterprises operated for profit, which do not have a parent subsidiary relationship are otherwise related if any one of the following three tests is met:*
 - (A) *One business entity has a controlling ownership interest in the other business entity.*
 - (B) *There is shared management and control between the entities. In determining whether there is shared management and control, consideration should be given to the following factors:*
 - (i) *The same person or substantially the same person owns and manages the two entities;*
 - (ii) *There are common or commingled funds or assets;*
 - (iii) *The business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis;*
 - (iv) *There is otherwise a regular and close working relationship between the entities; or*
 - (C) *A controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.*

2 Cal. Code of Regs., §18703.1(d).

DISADVANTAGED BUSINESS CERTIFICATION

Federal guidance for utilization of disadvantaged business enterprises allows a vendor to be deemed a small business enterprise (SBE), minority business enterprise (MBE) or women business enterprise (WBE) if it meets the criteria below.

- is certified by the Small Business Administration or
- is certified by a state or federal agency or
- is an independent MBE(s) or WBE(s) business concern which is at least 51 percent owned and controlled by minority group member(s) who are citizens of the United States.

Following state guidance, a vendor may be deemed a disabled veteran business enterprise (DVBE) if it meets the following:

- is an independent business concern which is at least 51 percent owned and controlled by disabled veteran(s), and the home office is located in the U.S.

Statements of certification:

As a prime contractor to the SCAQMD, _____ (name of business) will engage in good faith efforts to achieve the fair share in accordance with 40 CFR Section 31.36(e), and will follow the six affirmative steps listed below **for contracts or purchase orders funded in whole or in part by federal grants and contracts.**

1. Place qualified SBEs, MBEs, and WBEs on solicitation lists.
2. Assure that SBEs, MBEs, and WBEs are solicited whenever possible.
3. When economically feasible, divide total requirements into small tasks or quantities to permit greater participation by SBEs, MBEs, and WBEs.
4. Establish delivery schedules, if possible, to encourage participation by SBEs, MBEs, and WBEs.
5. Use services of Small Business Administration, Minority Business Development Agency of the Department of Commerce, and/or any agency authorized as a clearinghouse for SBEs, MBEs, and WBEs.
6. If subcontracts are to be let, take the above affirmative steps.

(a) Self-Certification Verification:

Check all that apply:

- | | |
|---|---|
| <input type="checkbox"/> Small business enterprise | <input type="checkbox"/> Women-owned business enterprise |
| <input type="checkbox"/> Local business | <input type="checkbox"/> Disabled veteran-owned business enterprise |
| <input type="checkbox"/> Minority-owned business enterprise | |

Percent of ownership: _____ %

Name of Qualifying Owner(s): _____

I, the undersigned, hereby declare that to the best of my knowledge the above information is accurate. Upon penalty of perjury, I certify information submitted is factual.

B.	NAME	TITLE
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C.	TELEPHONE NUMBER	DATE
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(a) *Definitions*

Disabled Veteran-Owned Business Enterprise means a business that meets all of the following criteria:

- is a sole proprietorship or partnership of which is at least 51 percent owned by one or more disabled veterans, or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more disabled veterans; a subsidiary which is wholly owned by a parent corporation but only if at least 51 percent of the voting stock of the parent corporation is owned by one or more disabled veterans; or a joint venture in which at least 51 percent of the joint venture's management and control and earnings are held by one or more disabled veterans.
- the management and control of the daily business operations are by one or more disabled veterans. The disabled veterans who exercise management and control are not required to be the same disabled veterans as the owners of the business.
- is a sole proprietorship, corporation, partnership, or joint venture with its primary headquarters office located in the United States and which is not a branch or subsidiary of a foreign corporation, firm, or other foreign-based business.

Joint Venture means that one party to the joint venture is a MBE/WBE/DVBE and owns at least 51 percent of the joint venture. In the case of a joint venture formed for a single project this means that MBE/WBE/DVBE will receive at least 51 percent of the project dollars.

Local Business means a business that meets all of the following criteria:

- has an ongoing business within the boundary of the SCAQMD at the time of bid application.
- performs 90 percent of the work within SCAQMD's jurisdiction.

Minority-Owned Business Enterprise means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more minority persons or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more minority persons.
- is a business whose management and daily business operations are controlled or owned by one or more minority person.
- is a business which is a sole proprietorship, corporation, partnership, joint venture, an association, or a cooperative with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

"Minority" person means a Black American, Hispanic American, Native American (including American Indian, Eskimo, Aleut, and Native Hawaiian), Asian-Indian American (including a person whose origins are from India, Pakistan, or Bangladesh), Asian-Pacific American (including a person whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the United States Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, or Taiwan).

Small Business Enterprise means a business that meets all of the following criteria:

- a. 1) an independently owned and operated business; 2) not dominant in its field of operation; 3) together with affiliates is either:
 - A service, construction, or non-manufacturer with 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or
 - A manufacturer with 100 or fewer employees.
- b. Manufacturer means a business that is both of the following:
 - 1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products.
 - 2) Classified between Codes 2000 to 3999, inclusive, of the Standard Industrial Classification (SIC) Manual published by the United States Office of Management and Budget, 1987 edition.

Women-Owned Business Enterprise means a business that meets all of the following criteria:

- is at least 51 percent owned by one or more women or in the case of any business whose stock is publicly held, at least 51 percent of the stock is owned by one or more women.
- is a business whose management and daily business operations are controlled or owned by one or more women.
- is a business which is a sole proprietorship, corporation, partnership, or a joint venture, with its primary headquarters office located in the United States, which is not a branch or subsidiary of a foreign corporation, foreign firm, or other foreign business.

ATTACHMENT C – SAMPLE CONTRACT



South Coast Air Quality Management District



SAMPLE CONTRACT

1. PARTIES - The parties to this Contract are the South Coast Air Quality Management District (hereinafter referred to as "AQMD") whose address is 21865 Copley Drive, Diamond Bar, California 91765-4178, and *** (hereinafter referred to as "CONTRACTOR") whose address is ***.
2. RECITALS
 - A. AQMD is the local agency with primary responsibility for regulating stationary source air pollution in the South Coast Air Basin in the State of California (State). AQMD is authorized under State Health & Safety Code Section 44225 (Assembly Bill (AB) 2766) to levy a fee on motor vehicles for the purpose of reducing air pollution from such vehicles and to implement the California Clean Air Act.
 - B. Under AB 2766 the AQMD'S Governing Board has authorized the imposition of the statutorily set motor vehicle fee. By taking such action the State's Department of Motor Vehicles (DMV) is required to collect such fee and remit it periodically to AQMD.
 - C. AB 2766 further mandates that thirty (30) percent of such vehicle registration fees be placed by AQMD into a separate account for the sole purpose of implementing and monitoring programs to reduce air pollution from motor vehicles.
 - D. AB 2766 creates a regional Mobile Source Air Pollution Reduction Review Committee (MSRC) to develop a work program to fund projects from the separate account. Pursuant to approval of the work program by AQMD'S Governing Board, AQMD Board authorized a contract with CONTRACTOR for services described in Attachment 1 - Statement of Work, expressly incorporated herein by this reference and made a part hereof of this Contract. CONTRACTOR warrants that it is well qualified, experienced, and has the expertise to provide such services on the terms set forth here.
3. DMV FEES - CONTRACTOR acknowledges that AQMD cannot guarantee the amount of fees to be collected under AB 2766 will be sufficient to fund this Contract. CONTRACTOR further acknowledges that AQMD'S receipt of funds is contingent on the timely remittance by State's DMV. AQMD assumes no responsibility for the collection and remittance of motor vehicle registration fees by DMV to AQMD in a timely manner.
4. AUDIT - Additionally, CONTRACTOR shall, at least once every two years, or within two years of the termination of the Contract if the term is less than two years, be subject to an audit by AQMD or its authorized representative to determine if the revenues received by CONTRACTOR were spent for the reduction of pollution from Motor Vehicles pursuant to the Clean Air Act of 1988. AQMD shall coordinate such audit through CONTRACTOR'S audit staff. If an amount is found to be inappropriately expended, AQMD may withhold revenue from CONTRACTOR in the amount equal to the amount which was inappropriately expended. Such withholding shall not be construed as

AQMD'S sole remedy and shall not relieve CONTRACTOR of its obligation to perform under the terms of this Contract.

5. SERVICES - CONTRACTOR agrees to furnish all labor, materials, equipment, required licenses, permits, fees, and other appropriate legal authorization from all applicable federal, state, and local jurisdictions necessary to perform and complete, per schedule, in a professional manner, the services described herein.
6. REPORTING - CONTRACTOR shall submit reports to AQMD as outlined in Attachment 1 - Statement of Work. AQMD reserves the right to review, comment, and request changes to any report produced as a result of this Contract.
7. TERM - The term of this Contract is from the date of execution by both parties to *******, unless terminated earlier as provided for in Clause 9 below entitled Termination, extended by modification of this Contract in writing, or unless all work is completed and a final report is submitted and approved by AQMD prior to the termination date. No work shall commence prior to the Contract start date, except at CONTRACTOR'S cost and risk, and no charges are authorized until this Contract is fully executed. Any additional funding must be allocated by the MSRC and the AQMD Governing Board. Upon written request and with adequate justification from CONTRACTOR, the MSRC Contracts Administrator may extend the Contract up to an additional six months at no additional cost. Term extensions greater than six months must be reviewed and approved by the MSRC.
8. TERMINATION - In the event any party fails to comply with any term or condition of this Contract, or fails to provide the services in the manner agreed upon by the parties, including, but not limited to, the requirements of Attachment 1 - Statement of Work, this shall constitute a material breach of the Contract. The nonbreaching party shall have the sole and exclusive option either to notify the breaching party that it must cure this breach within fifteen (15) days or provide written notification of its intention to terminate this Contract with thirty (30) day's written notice. Notification shall be provided in the manner set forth in Clause 16 below, entitled - Notices. Termination shall not be the exclusive remedy of the nonbreaching party. The nonbreaching party reserves the right to seek any and all remedies provided by law. AQMD will reimburse CONTRACTOR for actual costs incurred (not to exceed the total Contract value), including all noncancellable commitments incurred in performance of this Contract through the effective date of termination for any reason other than breach.
9. INSURANCE
 - A. CONTRACTOR shall furnish evidence to AQMD of workers' compensation insurance for each of its employees, in accordance with either California or other states' applicable statutory requirements prior to commencement of any work on this Contract.
 - B. CONTRACTOR shall furnish evidence to AQMD of general liability insurance with a limit of at least \$1,000,000 per occurrence, and \$2,000,000 in a general aggregate prior to commencement of any work on this Contract. AQMD shall be named as an additional insured on any such liability policy, and thirty (30) days written notice prior to cancellation of any such insurance shall be given by CONTRACTOR to AQMD.
 - C. CONTRACTOR shall furnish evidence to AQMD of automobile liability insurance with limits of at least \$100,000 per person and \$300,000 per accident for bodily injuries, and \$50,000 in property damage, or \$1,000,000 combined single limit for bodily injury or property damage, prior to

commencement of any work on this Contract. AQMD shall be named as an additional insured on any such liability policy, and thirty (30) days written notice prior to cancellation of any such insurance shall be given by CONTRACTOR to AQMD.

- D. CONTRACTOR shall furnish evidence to AQMD of Professional Liability Insurance with an aggregate limit of not less than \$5,000,000. [OPTIONAL FOR PROFESSIONAL SERVICES]
 - E. If CONTRACTOR fails to maintain the required insurance coverage set forth above, AQMD reserves the right either to purchase such additional insurance and to deduct the cost thereof from any payments owed to CONTRACTOR or terminate this Contract for breach.
 - F. All insurance certificates should be mailed to: AQMD Risk Management, 21865 Copley Drive, Diamond Bar, CA 91765-4178. **The AQMD Contract Number must be included on the face of the certificate.**
 - G. CONTRACTOR must provide updates on the insurance coverage throughout the term of the Contract to ensure that there is no break in coverage during the period of contract performance. Failure to provide evidence of current coverage shall be grounds for termination for breach of Contract.
10. INDEMNIFICATION - CONTRACTOR agrees to hold harmless, defend, and indemnify, AQMD, its officers, employees, agents, representatives, and successors-in-interest against any and all loss, damage, cost, or expenses which AQMD, its officers, employees, agents, representatives, and successors-in-interest may incur or be required to pay by reason of any injury or property damage caused or incurred by CONTRACTOR, its employees, subcontractors, or agents in the performance of this Contract.

11. PAYMENT

- A. AQMD shall reimburse CONTRACTOR up to a total amount of *** Dollars (\$***) in accordance with Attachment 2 - Cost Schedule, expressly incorporated herein by this reference and made a part hereof of this Contract. Any funds not expended upon early contract termination or contract completion shall revert to the AB 2766 Discretionary Fund. Payment of charges shall be made by AQMD to CONTRACTOR within thirty (30) days after approval by AQMD of an itemized invoice prepared and furnished by CONTRACTOR, referencing the task completed or a percent of work accomplished and detailing line item expenditures as listed in Attachment 2, Costs by Category, and the amount of charge claimed.
- B. An invoice submitted to AQMD for payment must be prepared in duplicate, on company letterhead, and list AQMD'S contract number, period covered by invoice, and CONTRACTOR'S social security number or Employer Identification Number and submitted to:
 - South Coast Air Quality Management District
 - 21865 Copley Drive
 - Diamond Bar, CA 91765-4178
 - Attn: Cynthia Ravenstein, MSRC Contract Administrator
- C. AQMD'S payment of invoices shall be subject to the following limitations and requirements:
 - 1. Charges for equipment, material, and supply costs, travel expenses, subcontractors, and other charges, as applicable, must be itemized by CONTRACTOR. Reimbursement for equipment, material, supplies, subcontractors, and other charges shall be made at actual cost. Supporting documentation must be provided for all individual charges (with the exception of direct labor charges provided by CONTRACTOR).

2. CONTRACTOR'S failure to provide receipts shall be grounds for AQMD'S non-reimbursement of such charges. AQMD may reduce payments on invoices by those charges for which receipts were not provided.
- D. AQMD shall pay CONTRACTOR for travel-related expenses only if such travel is expressly set forth in Attachment 2 - Cost Schedule of this Contract or pre-authorized by AQMD in writing.
- E. CONTRACTOR must submit final invoice no later than ninety (90) days after the termination date of this Contract or invoice may not be paid.
12. MOBILE SOURCE EMISSION REDUCTION CREDITS (MSERCs)
- A. The MSRC has adopted a policy that no MSERCs resulting from AB 2766 Discretionary Funds may be generated and/or sold.
- B. CONTRACTOR has the opportunity to generate MSERCs as a by-product of the project if a portion of the air quality benefits attributable to the project resulted from other funding sources. These MSERCs, which are issued by AQMD, are based upon the quantified vehicle miles traveled (VMT) by project vehicles or other activity data as appropriate. Therefore, a portion of prospective MSERCs, generated as a result of AB 2766 Funds, must be retired. The portion of prospective credits funded by the AB 2766 program, and which are subject to retirement, shall be referred to as "AB 2766-MSERCs."
- C. The determination of AB 2766-MSERC's is to be prorated based upon the AB 2766 program's contribution to the cost associated with the air quality benefits. In the case where AB 2766 Discretionary Funds are used to pay for the full differential cost of a new alternative fuel vehicle or for the retrofitting or repowering of an existing vehicle, all MSERCs attributable to AB 2766 Discretionary Funds must be retired. The determination of AB 2766-MSERCs for infrastructure and other ancillary items is to be prorated based upon the AB 2766 program's contribution to the associated air quality benefits. Determination of the project's overall cost will be on a case-by-case basis at the time an MSERC application is submitted. AQMD staff, at the time an MSERC application is submitted, will calculate total MSERCs and retire the AB 2766-MSERCs. CONTRACTOR would then receive the balance of the MSERCs not associated with AB 2766 funding.
13. NOTICES - Any notices from either party to the other shall be given in writing to the attention of the persons listed below or to other such addresses or addressees as may hereafter be designated in writing for notices by either party to the other. A notice shall be deemed received when delivered or three days after deposit in the U.S. Mail, postage prepaid, whichever is earlier.

AQMD: South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178
Attn: Cynthia Ravenstein, MSRC Contract Administrator

CONTRACTOR: ***

Attn: ***

14. EMPLOYEES OF CONTRACTOR

- A. CONTRACTOR warrants that it will employ no subcontractor without written approval from AQMD. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation, vacation replacements, sick leave, severance pay and pay for legal holidays.
- B. CONTRACTOR shall also pay all federal and state payroll taxes for its employees and shall maintain workers' compensation and liability insurance for each of its employees.
- C. CONTRACTOR, its officers, employees, agents, or representatives shall in no sense be considered employees or agents of AQMD, nor shall CONTRACTOR, its officers, employees, agents, or representatives be entitled to or eligible to participate in any benefits, privileges, or plans, given or extended by AQMD to its employees.
- D. CONTRACTOR warrants that it has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. CONTRACTOR further represents that in performance of this Contract, no person having any such interest shall be employed by CONTRACTOR or any subcontractor.

15. CONFIDENTIALITY - It is expressly understood and agreed that the information which either CONTRACTOR or AQMD designates as confidential or proprietary information must be clearly identified as such by means of restrictive stamp, legend, or marking. With respect to such designated information the parties agree to:

- A. Observe complete confidentiality with respect to such information, including without limitation, agreeing not to disclose or otherwise permit access to such information by any other person or entity in any manner whatsoever, except that such disclosure or access shall be permitted to employees and subcontractors of either party requiring access in fulfillment of the services provided under this Contract. Such information may be used by either party as follows:
 - 1. only be used, duplicated and/or disclosed by the receiving party solely for the purposes of performance under this Contract and for no other purpose whatsoever; and
 - 2. not be used, duplicated and/or disclosed by the receiving party for any other purpose whatsoever, including, without limiting the generality of the foregoing, for manufacture or procurement except as may be specifically granted under Clause 20, below entitled - Ownership; and
 - 3. not be duplicated, reproduced or copied, in whole or in part, unless the sending party's restrictive legend or marking is prominently displayed on said copy or reproduction.
- B. Oral or visual communications, identified by either party at the time of disclosure as confidential or proprietary information, shall be protected by the receiving party according to the terms hereof, provided that the disclosing party confirms in writing to the receiving party the confidential or proprietary nature of said communication within ten (10) calendar days of said oral or visual disclosure.
- C. Neither party shall be liable to the other party in any manner whatsoever for the use, duplication and/or disclosure of any part of the confidential or proprietary information which is:
 - 1. not identified as confidential or proprietary information in accordance with Clause 18 (basic) and subparagraph B hereof, (save and except for any claims arising through infringement of registered patents owned or controlled by the disclosing party); or
 - 2. now or hereinafter comes into the public domain without breach of this Contract; or

3. shown by the receiving party to be previously known to, or developed by it, prior to the disclosure of said confidential or proprietary information; or
 4. shown by the receiving party to have been received from a third party without similar restrictions and without breach of this Contract; or
 5. disclosed without restrictions by the sending party to a third party; or
 6. used, duplicated, or disclosed by the receiving party five (5) years or more after the disclosure of such confidential or proprietary information.
- D. Both parties hereby covenant and agree to provide to each other thirty (30) calendar days prior written notice before use and/or disclosure is made of confidential or proprietary information, protected according to the terms hereof, based upon the exceptions contained in Sections 1 through 6 of subparagraph C above and as may be specifically granted under Clause 20, below entitled - Ownership.
- E. All confidential or proprietary information disclosed hereunder shall remain the property of the disclosing party and all originals and copies of said confidential or proprietary information shall be returned promptly to the disclosing party upon the expiration or termination of this Contract, excepting any reports provided to AQMD by CONTRACTOR including the final report become the property of AQMD in perpetuity and after five (5) years time may be used, duplicated, or disclosed without any restrictions.
- F. Other than those rights and privileges granted expressly herein, neither the execution and delivery of this Contract, nor the delivery of any confidential or proprietary information hereunder, shall be construed as granting either expressly, or by implication, estoppel or otherwise, any right in or license under any present or future confidential or proprietary information disclosed under this Contract, or under any invention of patent now or hereafter owned or controlled by either party except as maybe specifically granted under Clause 20, below entitled - Ownership.
- G. Each party shall notify promptly and in writing of the circumstances surrounding any possession, use, or knowledge of such information or any part thereof by any person or entity other than those authorized by this clause.
- H. Take at CONTRACTOR'S expense, but at AQMD'S option and in any event under AQMD'S control, any legal action necessary to prevent unauthorized use of such information by any third party or entity which has gained access to such information at least in part due to the fault of CONTRACTOR.
- I. Take at AQMD'S expense, but at CONTRACTOR'S option and in any event under CONTRACTOR'S control, any legal action necessary to prevent unauthorized use of such information by any third party or entity which has gained access to such information at least in part due to the fault of AQMD.
- J. Notwithstanding the above, nothing herein is intended to abrogate or modify the provisions of Government Code Section 6250 et.seq. (Public Records Act).

16. PUBLICATION

- A. Information, data, documents, or reports developed by CONTRACTOR for AQMD, pursuant to this Contract, shall be part of AQMD'S public record excepting data provided under Clause 18 above, entitled Confidentiality. CONTRACTOR may use or publish, at its own expense, such information provided to AQMD. The following acknowledgment of support and disclaimer must appear in each document disseminated, whether copyrighted or not, and based upon the work performed under this Contract.

"This report was prepared as a result of work sponsored by the Mobile Source Air Pollution Reduction Review Committee (MSRC). The opinions, findings, conclusions, and recommendations are those of the author and do not necessarily represent the views of AQMD. AQMD, its officers, employees, contractors, and subcontractors make no warranty, expressed or implied, and assume no legal liability for the information in this report. AQMD has not approved or disapproved this report, nor has AQMD passed upon the accuracy or adequacy of the information contained herein."

- B. CONTRACTOR shall inform its officers, employees, and subcontractors involved in the performance of this Contract of the restrictions contained herein and require compliance with the above publication terms.
- C. AQMD shall have the right of prior written approval of any document which shall be disseminated to the public by CONTRACTOR in which CONTRACTOR utilized information obtained from AQMD in connection with performance under this Contract.

17. OWNERSHIP - Title and full ownership rights to any products purchased or developed under this Contract shall at all times remain with CONTRACTOR. CONTRACTOR shall also retain title and full ownership rights to any documents or reports developed under this Contract. All of the above shall be subject to the following limitations:

- A. PATENT RIGHTS - CONTRACTOR shall have patent rights, as well as title and full ownership rights, for invention(s) developed under this Contract, subject to AQMD retaining a no-cost, nonexclusive, nontransferable, irrevocable license to use or test such invention(s) for AQMD purposes. CONTRACTOR must obtain agreements to effectuate this clause with all persons or entities obtaining an ownership interest in the patented subject invention(s). Previously documented (whether patented or unpatented under the patent laws of the United States, 35 U.S.C. 1 et seq., or any foreign country) inventions are exempt from this provision. CONTRACTOR shall submit a written report to AQMD'S Agent disclosing each subject invention and specifying patents applied for, patents issued, and patent application(s) abandoned and/or cosponsored participants on subject invention(s).
- B. RIGHTS OF TECHNICAL DATA - AQMD shall have unlimited right to use technical data resulting from performance of CONTRACTOR under this Contract. CONTRACTOR shall have the right to use data for its own benefit.
- C. COPYRIGHT - CONTRACTOR agrees to grant AQMD a royalty free, nonexclusive, irrevocable, nontransferable license to produce, translate, publish, use, and dispose of all copyrightable material first produced or composed in the performance of this Contract.
- D. SOFTWARE RIGHTS - CONTRACTOR agrees to grant AQMD a worldwide, royalty free, nonexclusive, irrevocable, nontransferable license in perpetuity to use any software developed by CONTRACTOR in performing its obligations under this Contract. CONTRACTOR further agrees to obtain the rights required from any third party for AQMD to have a worldwide, royalty free, nonexclusive, irrevocable license in perpetuity to use any other software essential to performance of CONTRACTOR'S obligations under this Contract or necessary to the operation of the software developed by CONTRACTOR. CONTRACTOR shall provide AQMD with documentation confirming CONTRACTOR'S right to assign the use of such software. CONTRACTOR shall also provide AQMD with all documentation and manuals required to operate the software developed by it or third parties.
- E. CONTRACTOR'S INSOLVENCY OR BANKRUPTCY, or PROJECT'S DISCONTINUATION - CONTRACTOR agrees that in the event that CONTRACTOR becomes insolvent or files for bankruptcy during the term of the Contract or does not complete the intent of the project, title to goods, services software, and equipment purchased for the performance of this Contract with AB 2766 Discretionary Funds shall revert to the AQMD. Public agencies and schools are exempt from this clause.

18. NON-DISCRIMINATION - In the performance of this Contract, CONTRACTOR shall not discriminate in recruiting, hiring, promotion, demotion, or termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, or physical handicap and shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900, *et seq.*), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, Executive Order No. 11246 (30 Federal Register 12319), and all administrative rules and regulations issued pursuant to said Acts and Order. CONTRACTOR shall likewise require each subcontractor to comply with this clause and shall include in each such subcontract language similar to this clause.
19. SOLICITATION OF EMPLOYEES - CONTRACTOR expressly agrees that CONTRACTOR shall not, during the term of this Contract, nor for a period of six months after termination, solicit for employment, whether as an employee or independent contractor, any person who is or has been employed by AQMD during the term of this Contract without the consent of AQMD.
20. PROPERTY AND SECURITY - Without limiting CONTRACTOR'S obligations with regard to security, CONTRACTOR shall comply with all the rules and regulations established by AQMD for access to and activity in and around AQMD'S premises.
21. ASSIGNMENT - The rights granted hereby may not be assigned, sold, licensed, or otherwise transferred by either party without the prior written consent of the other, and any attempt by either party to do so shall be void upon inception.
22. NON-EFFECT OF WAIVER - CONTRACTOR'S or AQMD'S failure to insist upon the performance of any or all of the terms, covenants, or conditions of this Contract, or failure to exercise any rights or remedies hereunder, shall not be construed as a waiver or relinquishment of the future performance of any such terms, covenants, or conditions, or of the future exercise of such rights or remedies, unless otherwise provided for herein.
23. ATTORNEYS' FEES - In the event any action (including arbitration) is filed in connection with the enforcement or interpretation of this Contract, each party in said action shall pay its own attorneys' fees and costs.
24. FORCE MAJEURE - Neither AQMD nor CONTRACTOR shall be liable or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, strikes, labor disputes, shortages of suitable parts, materials, labor or transportation, or any similar cause beyond the reasonable control of AQMD or CONTRACTOR.
25. SEVERABILITY - In the event that any one or more of the provisions contained in this Contract shall for any reason be held to be unenforceable in any respect by a court of competent jurisdiction, such holding shall not affect any other provisions of this Contract, and the Contract shall then be construed as if such unenforceable provisions are not a part hereof.

26. HEADINGS - Headings on the clauses of this Contract are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.
27. DUPLICATE EXECUTION - This Contract is executed in duplicate. Each signed copy shall have the force and effect of an original.
28. GOVERNING LAW - This Contract shall be construed and interpreted and the legal relations created thereby shall be determined in accordance with the laws of the State of California. Venue for resolution of any dispute shall be Los Angeles County, California.
29. PRECONTRACT COSTS - Any costs incurred by CONTRACTOR prior to CONTRACTOR receipt of a fully executed Contract shall be incurred solely at the risk of the CONTRACTOR. In the event that a formal Contract is not executed, neither the MSRC nor the AQMD shall be liable for any amounts expended in anticipation of a formal Contract. If a formal Contract does result, precontract cost expenditures authorized by the Contract will be reimbursed in accordance with the cost schedule and payment provision of the Contract.
30. APPROVAL OF SUBCONTRACT
 - A. If CONTRACTOR intends to subcontract a portion of the work under this Contract, written approval of the terms of the proposed subcontract(s) shall be obtained from AQMD's Executive Officer or designee prior to execution of the subcontract. No subcontract charges will be reimbursed unless such approval has been obtained.
 - B. Any material changes to the subcontract(s) that affect the scope of work, deliverable schedule, and/or cost schedule shall also require the written approval of the Executive Officer or designee prior to execution.
 - C. The sole purpose of AQMD's review is to insure that AQMD's contract rights have not been diminished in the subcontractor agreement. AQMD shall not supervise, direct, or have control over, or be responsible for, subcontractor's means, methods, techniques, work sequences or procedures or for the safety precautions and programs incident thereto, or for any failure of subcontractor to comply with any local, state, or federal laws, or rules or regulations.
31. MEMORANDA OF UNDERSTANDING (MOUs)/TEAMING AGREEMENTS - If an MOU or Teaming Agreement is required to perform the tasks set forth in Attachment 1, Statement of Work, CONTRACTOR shall provide the MSRC Contracts Administrator with a copy of the fully executed MOU or Teaming Agreement prior to initiating any contract work. Notwithstanding Clause 32, CONTRACTOR will not receive any payment until the fully executed copy of the MOU or Teaming Agreement is received by AQMD.
32. CHANGE TERMS - Changes to any part of this Contract must be requested in writing by CONTRACTOR, submitted to AQMD and approved by MSRC in accordance with MSRC policies and procedures. Requests to expend funds above the Contract value stated in Clause 12A must be approved prior to the expenditure of additional funds. CONTRACTOR must make such request a minimum of 90 days prior to desired effective date of change. All modifications to this Contract shall be in writing and signed by both parties.

33. ENTIRE CONTRACT - This Contract represents the entire agreement between the parties hereto related to CONTRACTOR providing services to AQMD and there are no understandings, representations, or warranties of any kind except as expressly set forth herein. No waiver, alteration, or modification of any of the provisions herein shall be binding on any party unless in writing and signed by the party against whom enforcement of such waiver, alteration, or modification is sought.

IN WITNESS WHEREOF, the parties to this Contract have caused this Contract to be duly executed on their behalf by their authorized representatives.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

By: _____
Dr. William A. Burke, Chairman, Governing Board

By: _____

Date: _____

Date: _____

ATTEST:
Saundra McDaniel, Clerk of the Board

By: _____

APPROVED AS TO FORM:
Kurt R. Wiese, District Counsel

By: _____

//MSRC04StandardBoilerplate
15October2003

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 18

PROPOSAL: Legislative and Public Affairs Report

SYNOPSIS: This report highlights October 2010 outreach activities of Legislative and Public Affairs, which include: Environmental Justice Update, Community Events/Public Meetings, Business Assistance, and Outreach to Business and Federal, State, and Local Government.

COMMITTEE: Not Applicable

RECOMMENDED ACTION:
Receive and file.

Barry R. Wallerstein, D.Env.
Executive Officer

OA:AG:MC:DA

Background

This report summarizes the activities of Legislative and Public Affairs for October 2010. The report includes four major areas: Environmental Justice Update; Community Events/Public Meetings (including the Speakers Bureau/Visitor Services, Communications Center, and Public Information Center); Business Assistance; and Outreach to Business and Federal, State, and Local Governments.

Environmental Justice Update

The following are key environmental justice-related activities in which staff participated during October 2010. These events involved communities which suffer disproportionately from adverse air quality impacts.

- Staff hosted educational booths at the Archdiocese of Los Angeles' launching of a "Tool Kit" for greening parishes. Staff discussed air quality and sustainability

issues, including Environmental Justice issues in both English and Spanish with attendees. The following are the church locations and dates which staff attended:

October 10 Sts. Peter and Paul, Wilmington
October 10 Mary Immaculate Church, Pacoima
October 17 Holy Family, South Pasadena
October 31 St. Jerome, Los Angeles

- On October 16, staff hosted an educational booth at the Arrowhead Regional Medical Center's Health and Safety Fair which took place in Colton. Staff distributed air quality information and showcased the Quantum plug-in hybrid electric version of the Ford Escape. Approximately 1,200 attended the event.
- On October 16, staff attended San Bernardino County Supervisor Paul Biane's Tree Planting Partnership Program at Glen Helen Regional Park in San Bernardino. The Glen Helen Regional Park is located at the junction of Interstates 15 (a large goods movement artery) and 215. Match funding was provided by AQMD's Tree Planting Partnership program.
- On October 19, staff met with a representative of Providence Little Company of Mary Hospital in San Pedro and discussed a partnership incorporating air quality events and Environmental Justice outreach.
- On October 19, staff hosted an educational booth at the 10th Annual Seniors Celebrating Life Luncheon in South Los Angeles. Staff distributed air quality information. Approximately 1,500 community members attended the event.
- On October 21, staff made a presentation to the Crenshaw Chamber of Commerce at Holman's Methodist Church regarding the AQMD's African-American newspaper outreach campaign and air quality issues.
- On October 30, staff hosted a booth at Saddleback High School for its solar system unveiling event in Santa Ana. Staff discussed air quality issues with students and parents.
- On October 30, staff hosted an educational booth at Congressman Joe Baca's Health and Safety Fair/Nutrition and Diabetes Expo which took place at the Community Hospital of San Bernardino County. Staff distributed air quality information and displayed the Quantum PHEV Ford Escape.

COMMUNITY EVENTS/PUBLIC MEETINGS

Each year, thousands of residents engage in valuable information exchanges through events and meetings that AQMD sponsors alone, or in partnership with others.

Attendees typically receive the following information: tips on reducing their exposure to smog and its health effects; invitations or notices of conferences, seminars, workshops and other public events, ways to participate in AQMD rule and policy development; and assistance in resolving air quality-related problems. The events that AQMD staff attended and provided information and updates include:

October 2	Los Angeles Society of Allergy, Asthma and Clinical Immunology Fall 2010 Symposium, Los Angeles
October 2	2 nd Annual Seniors and Children Go Green Day, Riverside
October 2	San Bernardino Fire Safety & Prevention Fair, San Bernardino
October 2	Green Port Fest, Long Beach
October 2	Environmental Youth & Leadership Conference, Rancho Cucamonga
October 5	Temecula Valley Chamber of Commerce 2010 Legislative Summit
October 5-9	Inland Empire Rideshare Week
October 8	Bank of America Health and Wellness Fair, Los Angeles
October 10	2010 Clean-Air Car Show and Green-Living Expo, South Pasadena
October 15	2 nd Annual City of Palm Springs & Clean Cities Coachella Valley - Electric & Alternative Fuel Vehicle Fair
October 16	California School Nurses Organization Southern Section Fall Conference, Whittier
October 16	Tree Partnership 2010, San Bernardino
October 17	Archdiocese of Los Angeles Environmental Tool Kit Launch, South Pasadena
October 20	Red Ribbon Week, Arroyo Vista Elementary School, South Pasadena
October 20	Health & Wellness Fair, Century City
October 22	Cucamonga Valley Water District 6 th Annual Kids Environmental Festival, Rancho Cucamonga
October 22-23	Moving Forward Together, Carson
October 23	3 rd Annual South County Disaster Preparedness Expo, Mission Viejo
October 27	4 th Annual Inland Empire's Largest Mixer, Ontario
October 29	2010 Mobility21 Southern California Transportation Summit, Anaheim
October 30	U.S. Representative Joe Baca Nutrition and Diabetes Expo, San Bernardino

Speakers Bureau/Visitor Services

AQMD receives requests for staff to speak on a variety of air quality-related issues. The requests come from organizations such as trade associations, chambers of commerce, community-based groups, schools, hospitals and health-based organizations. AQMD also hosts visitors from around the world who meet with staff on a wide range of air quality issues.

On October 14, staff provided a briefing and tour of AQMD's facility and laboratory for twenty students and staff from the Automotive Design Class of the Arts Center College of Design in Pasadena.

On October 20, staff provided a presentation on Rule 1147 and compliance issues related to auto body repair facilities to approximately 100 representatives of the California Auto Body Association, Orange County Chapter at the Old Ranch Country Club, Seal Beach.

On October 29, staff provided a presentation on AQMD and career opportunities to thirty Los Angeles Valley College students in San Fernando.

Communication Center Statistics

The Communication Center handles calls on the AQMD main line, 1-800-CUT-SMOG[®] line and Spanish line. Calls received in the month of October 2010 are summarized below:

Main Line Calls	3,210
1-800-CUT-SMOG [®] Line	1,634
After Hours Calls*	380
Spanish Line Calls	48
Clean Air Connections	25
Total Phone Calls	5,297

*Saturday, Sunday, holidays and after 9:00 p.m., Monday through Friday.

Public Information Center Statistics

The Public Information Center (PIC) handles phone calls and walk-in requests for general information. Information for the month of October 2010 is summarized below:

Visitor Transactions	186
Packages Mailed Out	0
Calls Received by PIC Staff	51
Calls to Automated System	1,525
Total Phone Calls	1,576
E-mail Advisories Sent	51,141

BUSINESS ASSISTANCE

AQMD assists businesses by notifying them of proposed regulations so they can participate in the development of these rules. AQMD also works with other agencies and states to identify efficient, cost-effective ways to reduce air pollution and shares that information broadly. Additionally, staff provides personalized assistance to small businesses both over the telephone and by on-site consultation. The information is summarized below.

- Conducted four free on-site consultations
- Provided assistance in filing one request for variance
- Provided permit application assistance to 168 companies
- Issued 20 clearance letters

Types of business assisted:

Markets	Building management
Auto body shops	Cabinet manufacturing
Gasoline stations	Restaurants
Medical center	Dry cleaners
Printing press	Equipment rental

OUTREACH TO BUSINESS AND FEDERAL, STATE, AND LOCAL GOVERNMENT

Field visits and communications were conducted with staff from the following cities:

Alhambra, Agoura Hills, Aliso Viejo, Anaheim, Arcadia, Artesia, Avalon, Azusa, Baldwin Park, Banning, Beaumont, Bell, Bell Gardens, Bellflower, Beverly Hills, Big Bear Lake, Bradbury, Brea, Buena Park, Burbank, Calabasas, Calimesa, Canyon Lake, Carson, Cathedral City, Cerritos, Chino, Chino Hills, Claremont, Coachella, Colton, Commerce, Compton, Corona, Costa Mesa, Covina, Cudahy, Culver City, Cypress,

Dana Point, Desert Hot Springs, Diamond Bar, Downey, Duarte, El Monte, El Segundo, Fontana, Fountain Valley, Fullerton, Garden Grove, Gardena, Glendale, Glendora, Grand Terrace, Hawaiian Gardens, Hawthorne, Hemet, Hermosa Beach, Hidden Hills, Highland, Huntington Beach, Huntington Park, Indian Wells, Indio, Industry, Inglewood, Irvine, Irwindale, La Cañada Flintridge, La Habra, La Habra Heights, La Mirada, La Palma, La Puente, La Quinta, La Verne, Laguna Beach, Laguna Hills, Laguna Niguel, Laguna Woods, Lake Elsinore, Lake Forest, Lakewood, Lawndale, Loma Linda, Lomita, Long Beach, Los Alamitos, Lynwood, Malibu, Manhattan Beach, Maywood, Menifee, Mission Viejo, Monrovia, Montclair, Montebello, Monterey Park, Moreno Valley, Murrieta, Newport Beach, Norco, Norwalk, Ontario, Orange, Palm Desert, Palm Springs, Palos Verdes Estates, Paramount, Pasadena, Perris, Pico Rivera, Placentia, Pomona, Rancho Cucamonga, Rancho Mirage, Rancho Palos Verdes, Rancho Santa Margarita, Redlands, Redondo Beach, Rialto, Riverside, Rolling Hills, Rolling Hills Estates, Rosemead, San Bernardino, San Clemente, San Dimas, San Fernando, San Gabriel, San Jacinto, San Juan Capistrano, San Marino, Santa Ana, Santa Clarita, Santa Fe Springs, Santa Monica, Seal Beach, Sierra Madre, Signal Hill, South El Monte, South Gate, South Pasadena, Stanton, Temecula, Temple City, Torrance, Tustin, Upland, Vernon, Villa Park, Walnut, West Covina, West Hollywood, Westlake Village, Westminster, Whittier, Wildomar, Yorba Linda, and Yucaipa.

Visits and/or communications were conducted with elected officials or staff from the following offices:

- U.S. Representative Mary Bono Mack
- U.S. Representative Judy Chu
- U.S. Representative David Dreier
- U.S. Representative Jane Harman
- U.S. Representative Adam Schiff
- Senator Bob Huff
- Senator Lou Correa
- Senator Denise Ducheny
- Senator Bob Dutton
- Senator Bill Emerson
- Senator Bob Huff
- Senator Anthony Portantino
- Assembly Member Manuel Pérez
- Assembly Member Curt Hagman
- Assembly Member Ted Lieu

Staff represented AQMD and/or provided a presentation to the following groups:

American Lung Association
Anaheim Chamber of Commerce
Arroyo Vista Elementary School
Asthma Coalition of Los Angeles County
Asthma and Allergy Foundation of America
Beach Cities Health District
Better World Club
Beverly Hills Chamber of Commerce
Breathe LA
Brotherhood Crusade
California Black Women's Health Project
California Nurses Association
California School Nurses Organization
California State University, Long Beach
California Women's Leadership Association
Cedars-Sinai Medical Center
Charles Drew University
Claremont Chamber of Commerce
Clean Agency
CleanTech Los Angeles
Community Hospital of San Bernardino
Compton Chamber of Commerce
Concerned Citizens of Compton
Congregation Ner Tamid, South Bay
Congregation Tikvat Jacob
Cucamonga Valley Water District
Diamond Bar High School
Eastern Municipal Water District
Environmental Charter High School
Greater New Bethel Baptist Church
Health Dimensions
Healthy African American Families
Highways Health Ministries
IKAR
Indio Chamber of Commerce
Inglewood Chamber of Commerce
Kellen Resources
Kiwanis Club of Corona
Lake Arrowhead Communities Chamber of Commerce
League of California Cities, Los Angeles Division

LAX Coastal Area Chamber of Commerce
Long Beach Memorial Medical Center
Los Angeles Alliance for a New Economy
Los Angeles County Medical Association
Los Angeles County Metropolitan Transportation Authority
Los Angeles Lakers
Los Angeles Metropolitan Churches
Los Angeles Society of Allergy, Asthma and Clinical Immunology
Los Angeles Sparks
Los Angeles World Airports
Magic Johnson Foundation
Manhattan Beach Coordinating Council
Mobility21
Moreno Valley Chamber of Commerce
National Association for the Advancement of Colored People
Omnitrans
Orange County Council of Governments
Orange County Hispanic Chamber of Commerce
Pico Rivera Chamber of Commerce
Port of Long Beach
Providence Saint Joseph Medical Center
Psomas
Redondo Beach Senior and Family Services
Greater Riverside Chambers of Commerce
Saint Bernadine Medical Center
San Bernardino Area Chamber of Commerce
San Bernardino Associated Governments
San Fernando Valley Council of Governments
San Gabriel Valley Council of Governments
San Gabriel Valley Economic Partnership
Santa Fe Springs Chamber of Commerce
SEALab
South Bay Cities Green Task Force
South Bay Family Healthcare Center
South Orange County Regional Chambers of Commerce
Southern California Association of Governments
Southern California Edison
Southern California Gas Company
The Children's Clinic
Temecula Valley Chamber of Commerce
Temple Menorah
Torrance Memorial Medical Center
United Negro College Fund

University of California, Los Angeles
University of Southern California
Watts Labor Community Action Committee
Western Riverside Council of Governments
Whittier Area Chamber of Commerce

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 19

REPORT: Hearing Board Report

SYNOPSIS: This reports the actions taken by the Hearing Board during the period of October 1 through October 31, 2010.

COMMITTEE: Not Applicable

RECOMMENDED ACTION:

Receive and file this report.

Edward Camarena
Chairman of Hearing Board

SM

Three summaries are attached: **Rules From Which Variances and Orders for Abatement Were Requested in 2010** and **October 2010 Hearing Board Cases**.

The total number of appeals filed during the period October 1 to October 31, 2010 is 1; and total number of appeals filed during the period of January 1 to October 31, 2010 is 12.

Report of October 2010 Hearing Board Cases

Case Name and Case No.	Rules	Reason for Petition	District Position/ Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
1. Chevron Products Company Case #831-356 (J. Panasiti)	203(b) 2004(f)(1) 3002(c)(1)	The caustic scrubber serving the sulfuric acid tank must be disconnected for inspection and maintenance while the acid tank remains in service.	Not Opposed/Granted	SV granted commencing 10/18/10 and continuing through 11/07/10.	None.
2. Evergreen Cemetery Case #5785-1 (J. Panasiti)	1147	The crematory does not comply with Rule 1147 NO _x limit.	Opposed/Denied	RV denied.	N/A
3. ExxonMobil Oil Corporation Case #1183-449 (K. Manwaring)	203(b) 2004(f)(1) 3002(c)(1)	The flare must be disconnected from refinery storage tanks and taken out of service for maintenance and repair.	Not Opposed/Granted	AOC & SV is granted for 14 consecutive days in a window-of-time beginning 11/29/10 and continuing through 12/13/10.	None.
4. Free-Flow Packaging International, Inc. Case #3664-4 (T. Barrera)	203(b) 3002(c)(1)	The boiler cannot comply with the 50 ppm CO permit condition.	Opposed/Denied	SV denied.	N/A
5. San Diego Gas & Electric Company Case #3607-12 (K. Manwaring)	203(b) 1110.2(d)(1)(B)(ii) 2004(f)(1) 3002(c)(1)	Petitioner cannot conduct testing to demonstrate technically achievable VOC limit pending District's approval of the test plan. Otherwise, petitioner exceeds the current limit.	Not Opposed/Granted	M/E granted commencing 11/02/10 and continuing through 10/7/11.	ROG: Actual emissions generated TBD as follows: 11/3/10 thru 12/31/10 due 1/31/11; 1/1/11 thru 3/31/11 due 4/30/11; 4/1/11 thru 6/30/11 due 7/31/11; 7/1/11 thru 9/7/11 due 9/7/11.

Case Name and Case No.	Rules	Reason for Petition	District Position/ Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
6. Santana Cycles, Inc. Case #4403-4 (J. Panasiti)	203(b) 1171 California Health & Safety Code Section 42303	Petitioner uses coatings with excess VOC content.	Not opposed/Denied	RV denied.	N/A
7. SCAQMD vs. ARCO Terminal Services Corporation Case #4545-13 (No Appearance) (Consent Calendar Item) (T. Barrera)	203(b) 3002(c)(1)	Respondent no longer requires VOC emission controls on storage tanks because the tanks no longer store gasoline. Respondent is waiting for the District to approve the final permit change.	Stipulated/Issued	Mod. O/A issued. The Hearing Board shall retain jurisdiction over this matter until 1/15/11.	N/A
8. SCAQMD v Flavorchem Corporation Case #5791-1 (K. Manwaring)	203(a)	Respondent operates a spray dryer without a VOC emission control system.	Stipulated/Issued	O/A issued. The Hearing Board shall retain jurisdiction over this matter until 10/14/11.	N/A
9. Southern California Gas Company Case #137-68 (K. Manwaring)	203(b) 1110.2(d)(1)(B)(ii) 2004(f)(1) 3002(c)(1)	Petitioner cannot conduct testing to demonstrate technically achievable VOC limit pending the District's approval of the test plan. Otherwise, petitioner exceeds the current limit.	Not Opposed/Granted	M/E granted commencing 11/2/10 and continuing through 10/7/11.	ROG: Actual emissions generated TBD as follows: 11/3/10 thru 12/31/10 due 1/31/11; 1/1/11 thru 3/31/11 due 4/30/11; 4/1/11 thru 6/30/11 due 7/31/11; 7/1/11 thru 9/7/11 due 9/7/11.

Acronyms

AOC: Alternative Operating Conditions
CEMS: Continuous Emissions Monitoring System
CFR: Code of Federal Regulations
CO: Carbon Monoxide
EV: Emergency Variance
FCCU: Fluid Catalytic Cracking Unit

FCDFCD: Final Compliance Date
HC: HC: Hydrocarbons
ICE: ICE: Internal Combustion Engine
I/P: Increments of Progress
IV: Interim Variance

MFCD/EXT: Modification of a Final Compliance
and Date/Extension of a Variance
Mod. O/A: Modification of Order for Abatement
N/A: Not Applicable
NH3: Ammonia
NOV: Notice of Violation

Case Name and Case No.	Rules	Reason for Petition	District Position/ Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
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NOx: Oxides of Nitrogen
 O/A: Order for Abatement
 PM: Particulate Matter
 RV: Regular Variance
 SCR: Selective Catalytic Reduction
 SO2: Sulfur Dioxide
 SOx: Oxides of Sulfur
 SV: Short Variance
 TBD: To be determined
 VOC: Volatile Organic Compounds

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 20

REPORT: Civil Filings and Civil Penalties Report

SYNOPSIS: This reports the monthly penalties from September 1 through September 30, 2010, and legal actions filed by the District Prosecutor during October 1 through October 31, 2010. An Index of District Rules is attached with the penalty report.

COMMITTEE: Stationary Source, October 15, 2010, Reviewed

RECOMMENDED ACTION:
Receive and file this report.

Kurt R. Wiese
General Counsel

KRW:lc

Violations

Civil Actions Filed

2 SAIB ALRABADI dba NEWHALL CHEVRON
Los Angeles Superior Court
Case No. 10C03526; Filed 10.8.10 (JMP)
P55067, P53385
R. 461 – Gasoline Transfer and Dispensing

2 Violations

1 Case

ATTACHMENTS

September 2010 Penalty Report
Index of District Rules and Regulations

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
District Prosecutor's Office**

September 2010 Penalty Report

Total Penalties

Civil Penalties:	\$275,450.00
MSPAP Penalties:	\$46,101.00
Hearing Board Penalties:	\$36,973.64
Miscellaenous:	\$1,000.00

Total Cash Penalties:	\$359,524.64
Total SEP Value:	\$0.00

Fiscal Year through Sept. 2010 Cash Total:	\$1,497,800.00
Fiscal Year through Sept. 2010 SEP Value Only Total:	\$115,000.00

FAC ID	COMPANY NAME	RULE NUMBER	RECLAIM ID	SETTLED DATE	ATTY INT	NOTICE NO	TOTAL SETTLEMENT
CIVIL PENALTIES							
23837	ACME CASTINGS INC Suspended penalty of \$2,000 permanently suspended if ACME remains in compliance for one year beginning 8/13/10 to 8/13/11.	203(B)		9/14/10	KCM	P58650	\$750.00
42676	AES PLACERITA INC	2004	Y	9/21/10	JMP	P55511	\$550.00
164700	AMERICAN GAS	203(A), 461 461, 41960.2		9/21/10	NAS	P46526 P46522	\$1,500.00
34505	BIG BEAR CITY AIRPORT	203, 461		9/21/10	TRB	P56373	\$2,400.00
129683	BOSTIK INC	203 (B)		9/28/10	JMP	P30671	\$9,000.00
131249	BP WEST COAST PRODUCTS	2011, 2012 461 3002(C)(1)	Y	9/24/10	JMP	P37210 P54879 P52608	\$22,500.00
150207	BREITBURN OPERATING	203 (B)		9/3/10	TRB	P49539	\$15,000.00

150201	BREITBURN OPERATING	203, 1148.1, 1173 1173 203, 1148.1, 1176 1173 3002(C)(1) 2012(E)(2)(B) 203 (B), 1173 203(B), 1173, 1148.1 203 (B), 1173		9/14/10	JMP	P53635 P53634 P53636 P55709 P53638 P53649 P53647	\$36,000.00
127579	CHEVRON DLR, ENCINO CHEVRON	461 41960.2		9/9/10	TRB	P53390	\$2,200.00
139445	CHILLED WATER PLANT, LLC	1110.2		9/9/10	NAS	P56901	\$3,000.00
56940	CITY OF ANAHEIM/COMB TURBINE	2004	Y	9/16/10	NAS	P53119	\$700.00
162342	E5, INC.	42402		9/22/10	JMP	P56375	\$5,000.00
154989	HOOVER VALERO	41960.2, 461 461, 41960.2		9/17/10	TRB	P52089 P56137	\$2,750.00
800373	LAKELAND DEVELOPMENT COMPANY	2004 2004 402	Y	9/17/10	KCM	P55515 P55517 P53761	\$4,500.00
133117	M & M GAS STATION & MINI MART	203 (B), 461		9/28/10	KCM	P56122	\$1,500.00

145755	NEW MISSION CUSTOM	203 (B)	9/16/10	TRB	P54423	\$650.00
147219	OLYMPIC ATLANTIC OIL	461 461 461 461	9/15/10	KCM	P54461 P56105 P56109 P56128	\$6,100.00
156782	ONTARIO 76	461, 41960.2	9/22/10	TRB	P54473	\$1,800.00
142818	PRO IRON WORK/ F & B, INC.	201, 203(A)	9/10/10	NAS	P49590	\$1,000.00
137249	PROMAX GAS, ASHRAF ENYAD D	203, 41960.2, 203(B) 461 461 461(C)(2)(A)	9/15/10	TRB	P54562 P54568 P54571	\$3,500.00
136105	RENE'S WELDING	109, 203 (B)	9/15/10	KCM	P53716	\$300.00
19111	ROY E. HANSON JR MFG CO.	203(B)	9/21/10	KCM	P52697	\$66,850.00
90875	SAINT JOHN'S HOSPITAL	1146.2 3004 3002(C)(1) 3002(C)(1), 1470 1146.2 3002(C)(1)	9/13/10	NSF	P55168 P55167 P55172 P51235 P51236 P51241	\$18,500.00

140963	SULTANY & SULTANA INC/SHELL	461, 206		9/2/10	JMP	P48931	\$1,300.00
97081	THE TERMO COMPANY	462, 2004(F)(1)	Y	9/17/10	JMP	P51132	\$50,000.00
62411	UNION DLR, RED CARPET CARWASH	461(C)(2)(B)		9/24/10	JMP	P56456	\$100.00
137828	UNION PACIFIC	402, 403 403(D)(1) 403(D)(1)		9/8/10	NSF	P52954 P52966 P52967	\$17,500.00
154427	UNIVERSAL CHEVRON	41960.2 461(C)(2)(B)		9/23/10	NAS	P57152	\$500.00

TOTAL CIVIL PENALTIES: \$275,450.00

MSPAP SETTLEMENTS:

160381	9440 SANTA MONICA BLVD. BL	203		9/8/10		P55570	\$900.00
137047	A&B AUTOBODY, ARMANDO CHAV	203		9/3/10		P51569	\$410.00
146888	AL SAL OIL CO. INC. #33	461		9/14/10		P57007	\$415.00
70630	ALMORE DYE HOUSE INC	1146		9/10/10		P57452	\$3,640.00

155262	ARCO #1597, MIRAMAR ENTERPRISE	461(C)(2)(B) 41960.2	9/7/10	P57155	\$1,625.00
54010	ARCO DLR, AFSARI & NAJAFI	461	9/30/10	P57162	\$120.00
40828	ARCO DLR, N&H ALLAHVERDI	461	9/14/10	P56854	\$600.00
25273	BARLOW RESPIRATORY HOSPITAL	203(B), 1470	9/1/10	P54811	\$1,400.00
86607	CAMPUS CLEANERS, D MARKARI	1102	9/1/10	P53677	\$225.00
143022	CITY OF COMMERCE, TRANSPORTATION	201, 203 (A)	9/30/10	P54281	\$825.00
161736	CITY OF HUNTINGTON PARK-CI	203(A)	9/16/10	P58652	\$550.00
162341	CITY OF LOS ANGELES, DEPT	203	9/14/10	P56169	\$410.00
111825	CONOCOPHILLIPS CO-255510 A	461	9/30/10	P56488	\$1,200.00
117388	CONOCOPHILLIPS #2705764	461(C)(2)(B)	9/30/10	P54540	\$1,200.00
164167	CROWN REALTY & DEVELOPMENT	203 (A)	9/16/10	P56265	\$550.00

78293	DESERT FALLS COUNTRY CLUB	203(A) 461 (E) (2)	9/7/10	P54675	\$880.00
164208	DR HORTON-SONORA WELLS	403 403.1	9/24/10	P56012	\$5,290.00
5322	EL MONTE CITY, PUB WKS DEPT.	1110.2	9/30/10	P52326	\$634.00
136235	EL MONTE CITY, WATER DEPARTMENT	1110.2	9/30/10	P52327	\$536.00
163638	ELIDIA SANDOVAL GARCIA	203 (A)	9/14/10	P57114	\$400.00
139466	G & K MANAGEMENT CO., INC.	203 (B)	9/30/10	P55966	\$1,000.00
156843	GONZO'S AUTOBODY & PAINT	109 1151 203 (A)	9/16/10	P54723	\$1,223.00
45329	I T L INC	461	9/22/10	P56142	\$800.00
128777	ICC COLLISION CENTERS	203 (B)	9/7/10	P55562	\$468.00
110927	JOHN'S VILLAGE CLEANERS	1421 1402	9/22/10	P56429	\$250.00

16315	KAISER VENTURES INC	461	9/21/10	P56008	\$2,000.00
158426	KALMIA GAS MART	461	9/23/10	P58457	\$225.00
17829	L.A. PIERCE COMMUNITY COLL	461 (E) (2)	9/23/10	P53915	\$1,000.00
1629	LA UNI SCH DIST, MANN MIDD	203 (A)	9/16/10	P56425	\$225.00
160393	LEONARD CHAIDEZ INC.	PERP 2458 Title 13	9/16/10	P55756	\$600.00
161743	LITTLE TOKYO GALLERIA/3 AL	1470, 1472, 203(A)	9/3/10	P55846	\$1,600.00
155198	LUXURIOUS PROPERTIES, LLC	461	9/17/10	P57003	\$550.00
143678	MACERICH LAKEWOOD, LLC	203(A), 203 (B) 1470	9/16/10	P49546	\$1,000.00
134087	MISSION HILLS COUNTRY CLUB	461 461 (E) (2)	9/23/10	P54667	\$3,900.00
149935	MJM VALLEJO MINI MARKET, I	461	9/3/10	P46517	\$1,075.00
118984	NORTHRIDGE HOSPITAL MEDICA	1146	9/21/10	P54248	\$1,000.00

162653	OROZCO LANDSCAPE & TREE CO	203(A)	9/10/10	P56227	\$550.00
163116	PACIFIC READY MIX	PERP 2458	9/23/10	P55377	\$500.00
146672	PETROL OIL GROUP, INC.	461	9/3/10	P54595	\$250.00
162774	PRADO COMMUNITY ASSOCIATIO	203 (A)	9/30/10	P48451	\$900.00
152379	RAMONA EXPRESSWAY, LLC	461 (E) (1)	9/30/10	P58458	\$1,100.00
101321	RIVERSIDE CTY, MENIFEE FIR	461, 461(E)(2)	9/30/10	P30675	\$675.00
115011	S.V. HOLDING, INC, SANTA C	461	9/10/10	P56861	\$1,350.00
147452	SOUTHERN CALIFORNIA RECYCL	PERP 2459 Title 13	9/8/10	P55361	\$800.00
119259	STEVE BUBALO CONSTRUCTION	PERP 2458 Title 13	9/30/10	P55757	\$1,100.00
163306	UNITED COM	203 (A)	9/30/10	P55775	\$150.00

TOTAL MSPAP SETTLEMENTS: \$46,101.00

MISCELLANEOUS SETTLEMENTS:

165481	TAMPA 76		9/15/10	MIS126	\$1,000.00
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TOTAL MISCELLANEOUS SETTLEMENTS: \$1,000.00

HEARING BOARD SETTLEMENTS:

800051	ARCO TERMINAL SERVICES CORP. Hearing Board Case No. 4545-13 Facility to pay \$1,000/month for ever month Tanks 791 and 797 are in violation of existing permit terms.	203, 3002	9/3/10	TRB	HRB1931	\$1,000.00
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158308	DEL REAL FOODS, LLC Hearing Board Case No. 5754-1 Facility to pay penalty until the date that a source test is conducted and shows that the regenerated thermal oxidizer installed meets BACT requirements. Facility to pay \$5,000 a month. Penalty is for June and July 2010.	203	9/3/10	NSF	HRB1930	\$10,000.00
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151532	LINN WESTERN OPERATING INC Hearing Board Case No. 5711-6 Facility to pay \$250/day plus calculated daily excess emission fees for each day gas flare exceeds	1148, 203, 2004 3004	Y	9/14/10	TRB	HRB1933	\$8,747.80
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6MMCF/month because of failure in catalyst in Turbine 2.

131425	<p>MATRIX OIL CORPORATION - R Hearing Board Case No. 5776-1 Matrix shall pay \$1,000/day it operates the facility's flare in noncompliance with Permit conditions. Penalty covers 7/1 thru 8/31/10.</p>	201, 203, 203(A) 203(b)	9/16/10	NAS	HRB1934	\$9,475.84
144681	<p>WARREN E&P, INC Hearing Board Case No. 5649-2 Facility agreed to pay \$250/day for each day it operates microturbines without a permit to operate. Penalty covers August 2010.</p>		9/7/10	KCM	HRB1932	\$7,750.00

TOTAL HEARING BOARD SETTLEMENTS: \$36,973.64

Total Penalties

Civil Penalties:	\$275,450.00
MSPAP Penalties:	\$46,101.00
Hearing Board Penalties:	\$36,973.64
Miscellaenous:	\$1,000.00

Total Cash Penalties:	\$359,524.64
Total SEP Value:	\$0.00

Fiscal Year through Sept. 2010 Cash Total:	\$1,497,800.00
Fiscal Year through Sept. 2010 SEP Value Only Total:	\$115,000.00

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1110.2
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1146.2
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1148.1
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1402
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2004
2004
2011
2012
2012
3002
3004
41700
41960.2
42402
PERP 2458
PERP 2459
Title 13

DISTRICT RULES AND REGULATIONS INDEX FOR SEPTEMBER 2010 PENALTY REPORT

REGULATION I - GENERAL PROVISIONS

Rule 109 Recordkeeping for Volatile Organic Compound Emissions (*Amended 5/2/03*)

REGULATION II – PERMITS

List and Criteria Identifying Information Required of Applicants Seeking A Permit to Construct from the South Coast Air Quality Management - District (*Amended 4/10/98*)

Rule 201 Permit to Construct (*Amended 12/3/04*)

Rule 203 Permit to Operate (*Amended 12/3/04*)

Rule 206 Posting of Permit to Operate (*Amended 10/8/93*) *Explains how and where permits are to be displayed.*

REGULATION IV - PROHIBITIONS

Rule 402 Nuisance (*Adopted 5/7/76*)

Rule 403 Fugitive Dust (*Amended 6/3/05*)

Pertains to solid particulate matter emitted from man-made activities.

Rule 461 Gasoline Transfer and Dispensing (*Amended 3/7/08*)

Rule 462 Organic Liquid Loading (*Amended 5/14/99*)

Rule 463 Storage of Organic Liquids (*Amended 3/11/94*)

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1102 Petroleum Solvent Dry Cleaners (*Amended 12/7/90*)

Rule 1110 Emissions from Stationary Internal Combustion Engines (Demonstration) (*Repealed 11/14/97*)

Rule 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters (*Amended Rule*)

Rule 1148 Thermally Enhanced Oil Recovery Wells (*Adopted 11/5/82*)

Rule 1151 Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations (*Amended 12/11/98*)

Rule 1173 Fugitive Emissions of Volatile Organic Compounds (*Amended 5/13/94*)

Rule 1175 Control of Emissions from the Manufacture of Polymeric Cellular (Foam) Products (*Amended 5/13/94*)

Rule 1176 Sumps and Wastewater Separators (*Amended 9/13/96*)

REGULATION XIV - TOXICS

Rule 1402 Control of Toxic Air Contaminants from Existing Sources (*Amended 3/17/00*)

Rule 1421 Control of Perchloroethylene Emissions from Dry Cleaning Operations (*Amended 6/13/97*)

- Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines
Rule 1472 Requirements for Facilities with Multiple Stationary Emergency Standby Diesel Fueled Internal Combustion Engines

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

- Rule 2004 Requirements (*Amended 4/6/07*)
Rule 2011 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Sulfur (SO_x) Emissions (*Amended 5/11/01*)
Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO_x) Emissions (*Amended 5/6/05*)

REGULATION XXX - TITLE V PERMITS

- Rule 3002 Requirements (*Amended 11/14/97*)
Rule 3004 Permit Types and Content (*Amended 12/12/97*)

CALIFORNIA HEALTH AND SAFETY CODE § 41700

- 41701 Violation of General Limitations
41960 Gasoline Vapor Recovery
42402 Violation of Emission Limitations – Civil Penalty

CALIFORNIA CODE OF REGULATIONS

- Title 13 Mobile Sources and Fuels
PERP 2458 Portable Equipment
PERP 2459 Portable Equipment

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 21

REPORT: Rule and Control Measure Forecast

SYNOPSIS: This report highlights AQMD rulemaking activity and public workshops potentially scheduled for the year 2011.

COMMITTEE: Not Applicable

RECOMMENDED ACTION:
Receive and file.

Barry R. Wallerstein, D.Env.
Executive Officer

EC:LT:cg

Background

AQMD is required by State law to publish a list of all rules potentially scheduled for consideration during the coming year. This Rule and Control Measure Forecast Report is expanded for said purpose. In order to implement the 2007 AQMP, continue to reduce exposure to toxic air contaminants, and address CARB and U.S. EPA concerns, staff may potentially bring approximately 32 proposed rulemakings before the Board in 2011. Approximately five rules or rule amendments will be considered by the Board in 2011 as strategies to reduce air toxic emissions, including backstop rules to reduce emissions at the ports.

There is a master calendar which lists all rules, regardless of the nature of the project, by month. Attachment A lists rules designed to implement AQMP control measures. Attachment B includes programmatic as well as source-specific toxic-related rules. Attachment C refers to administrative rules or changes to an existing rule to clarify or improve rule enforceability, make SIP corrections, or implement state or federal regulations. Attachment D lists rules that will implement the AQMD's Climate Change Policy or make AQMD rules consistent with state or federal greenhouse gas rules.

2010 MASTER CALENDAR Advance Target for Board Hearings

Below is a list of all rulemaking activity scheduled for the year 2010. The last four columns refer to the type of rule adoption or amendment. A more detailed description of the proposed rule adoption or amendment is located in the Attachments (A through D) under the type of rule adoption or amendment (i.e. AQMP, Toxics, Other and Climate Change).

**An asterisk indicates that the rulemaking is a potentially significant hearing.*

+This proposed rule will reduce criteria air contaminants and assist toward attainment of ambient air quality standards.

¹Subject to Board approval

California Environmental Quality Act shall be referred to as "CEQA."

Socioeconomic Analysis shall be referred to as "Socio."

2011

January		AQMP	Toxics	Other	Climate Change
1315*	Federal New Source Review Tracking System			√	
February					
317*+	Clean Air Act Emissions Fees for Major Stationary Sources of VOC and NOx (MCS-08))	√			
1150.1	Control of Gaseous Emissions from Active Landfills				√
March					
1113*+	Architectural Coatings (MCS-07)	√			
1133.1	Chipping and Grinding Activities (MCS-04)	√			
1133.3 ⁺	Emission Reduction from Green Waste Composting (MCS-04)	√			
Reg. IX	Standards of Performance for New Stationary Sources (NSPS)			√	
Reg. X	National Emissions Standards for Hazardous Air Pollutants (NESHAPS)			√	
2005	New Source Review for RECLAIM			√	
2202	On-Road Motor Vehicle Mitigation Options			√	
April					

2010 MASTER CALENDAR (continued)

1162	Polyester Resin Operations (MCS-07)	√			
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2010 MASTER CALENDAR (continued)

2011

April	(continued)	AQMP	Toxics	Other	Climate Change
1470	Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines		√		
1471	Agricultural Stationary Compression Ignition Engines		√		
May					
Reg. III	Fees			√	
1107	Coating of Metal Parts and Products (MCS-07)	√			
1132	Further Control of VOC Emissions from High-Emitting Spray Booth Facilities			√	
2511	Credit Generation Program for Locomotive Head End Power Unit Engines			√	
2512	Credit Generation Program for Ocean-Going Vessels at Berth			√	
June					
1114 ^{*+}	Control of Emissions from Refinery Coking Operations (MCS-07)	√			
2301 ^{*+}	Control of Emissions from New or Redevelopment Projects (EGM-01)	√			
4010 ^{*+}	General Provisions and Requirements for Ports of Los Angeles and Long Beach (MOB-03)	√	√		
4020 ^{*+}	Backstop Requirements for Ports of Los Angeles and Long Beach (MOB-03)	√	√		
July					
314	Fees for Architectural Coatings			√	
1177	Liquified Petroleum Gas Transfer and Dispensing (MCS-07)	√			

2010 MASTER CALENDAR (continued)

2011

July	(continued)	AQMP	Toxics	Other	Climate Change
1110.2	Emissions from Gaseous- and Liquid- Fueled Engines			√	
September					
463	Storage of Organic Liquids			√	
1123	Pilot Program for Refinery Start-up, Shutdown and Turnaround Procedures (MCS-06)	√			
1118	Control of Emissions from Refinery Flares			√	√
1138 ^{*+}	Charbroilers (BCM-05)	√			
October					
1173	Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants				√
November					
1420	Emissions Standard for Lead		√		

2011 TO-BE DETERMINED

TBD		AQMP	Toxics	Other	Climate Change
102	Definition of Terms			√	
223	Emission Reductions Permits for Large Confined Animal Facilities	√			
1127 ⁺	Emission Reductions from Livestock Waste (MCS-05)	√			
1127.1 ⁺	Control of Emissions from Hog and Poultry Operations (MCS-05)	√			
402	Nuisance			√	
461	Gasoline Transfer and Dispensing			√	
701	Air Pollution Emergency Contingency Actions			√	

2010 MASTER CALENDAR (continued)

2011 TO-BE DETERMINED

TBD		AQMP	Toxics	Other	Climate Change
1106	Marine Coating Operations (MCS-07)	√			
1106.1	Pleasure Craft Coating Operations (MCS-07)	√			
1143	Consumer Paint Thinners and Multi-Purpose Solvents			√	
1144	Metalworking Fluids and Direct-Contact Lubricants			√	
1147	NOx Reductions from Miscellaneous Sources			√	
1151	Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations			√	
1168	Adhesive and Sealant Applications			√	
1171	Solvent Cleaning Operations			√	
1190 Series	Fleet Vehicle Requirements			√	
Reg. XIII	New Source Review			√	
1401	New Source Review of Toxic Air Contaminants		√		
1402	Control of Toxic Air Contaminants from Existing Sources		√		
1420	Emissions Standard for Lead		√		
1420.2	Emission Standard for Lead from Medium Lead Emitting Facilities		√		
1903*+	Emission Budgets and Mitigation Program for General Conformity Projects (EGM-02)	√			
1610	Old-Vehicle Scrapping			√	
Reg. XXVII	Climate Change				√

2010 MASTER CALENDAR (continued)

2011 TO-BE DETERMINED

TBD		AQMP	Toxics	Other	Climate Change
Reg. IV, IX, X, XI, XIV, XX and XXX Rules	Various rule amendments may be needed to meet the requirements of state and federal laws, address variance issues/technology-forcing limits, or to seek additional reductions to meet the SIP short-term measure commitment. The Clean Communities Plan (CCP has been updated to include new measures to address toxic emissions in the basin. The CCP includes a variety of measures that will reduce exposure to air toxics from stationary, mobile, and area sources. Rule amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures.	√	√	√	√

Note: AQMD may add control measures necessary to satisfy federal requirements, to abate a substantial endangerment to public health or welfare, state regulatory requirements or SIP commitment.

ATTACHMENT A

AQMP Rule Activity Schedule

This attachment lists those control measures that are being developed into rules or rule amendments for the Board consideration that are designed to implement the amendments to the 2007 Air Quality Management Plan.

2011

February	
317 ^{*+}	<p>Clean Air Act Emissions Fees for Major Stationary Sources of VOC and NO_x (MCS-08) <i>[Projected Emission Reduction: N/A]</i> The proposed amendment will implement Section 185 in the South Coast Air Basin. <i>Laki Tisopulos 909.396.3123 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
March	
1113 ^{*+}	<p>Architectural Coatings (MCS-07) <i>[Projected Emission Reduction: TBD]</i> The proposed amendments would further clarify language to improve rule enforceability and seek additional VOC reductions from colorants and specialty coating categories. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1133.1 1133.3 ⁺	<p>Chipping and Grinding Activities (MCS-04) Emission Reductions from Green Waste Composting (MCS-04) <i>[Projected Emission Reduction: TBD]</i> Proposed Rule 1133.3 and amendments to 1133.1 would reduce volatile organic compounds (VOC) and ammonia (NH₃) emissions from green waste composting. <i>Jill Whynot 909.396.3104 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
April	
1162	<p>Polymer Resin Operations (MCS-07) <i>[Projected Emission Reduction: N/A]</i> Proposed amendments to Rule 1162 would require further VOC reductions from new or emerging technologies such as the use of low-monomer resins and other adjustments based on the availability of technology. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
May	
1107	<p>Coating of Metal Parts and Products (MCS-07) <i>[Projected Emission Reduction: N/A]</i> Amendments to Rule 1107 would further reduce VOC emissions and improve rule clarity and enforceability. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

ATTACHMENT A

AQMP Rule Activity Schedule (continued)

2011

June	
1114 ^{*+}	<p>Control of Emissions from Refinery Coking Operations (MCS-07) <i>[Projected Emission Reduction for both rules: TBD]</i> Proposed Rule 1114 will establish emission limits and other requirements for the operation of coking units at petroleum refineries <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
2301 ^{*+}	<p>Control of Emissions from New or Redevelopment Projects (EGM-01) <i>[Projected Emission Reduction: Committed to reduce 0.5 tons per day of VOC, 0.8 tons per day of NOx, and 0.5 tons per day of PM2.5 in 2023.]</i> Rule 2301 would implement Control Measure EGM-01 of the 2007 AQMP to manage emissions growth from new and redevelopment projects. <i>Carol Gomez 909.396.3264 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
4010 ^{*+} 4020 ^{*+}	<p>General Provisions and Requirements for Ports of Los Angeles and Long Beach (MOB-03) Backstop Requirements for Ports of Los Angeles and Long Beach (MOB-03) <i>[Projected Emission Reduction: TBD]</i> The proposed rules will address toxic and criteria pollutant emissions from new and existing port-related sources. <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
July	
1177	<p>Liquid Petroleum Gas Transfer and Dispensing (MCS-07) <i>[Projected Emission Reduction for both rules: TBD]</i> Proposed Rule 1177 will establish controls for transfer and dispensing of liquefied propane gas. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
September	
1123	<p>Pilot Program for Refinery Start-up, Shutdown and Turnaround Procedures (MCS-06) <i>[Projected Emission Reduction: N/A]</i> Rule 1123 would implement 2007 AQMP, Control Measure MCS-06 by identifying improved operating procedures and best management practices to reduce emissions from start-up, shutdown and turnaround operations. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Leu (3059)</i></p>
1138 ^{*+}	<p>Control of Emissions from Restaurant Operations (BCM-05) <i>[Projected Emission Reduction: TBD]</i> The proposed amended rule will add requirements for under-fired charbroilers and implement 2007 AQMP Control Measure BCM-05. <i>Jill Whynot 909.396.3104 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

ATTACHMENT A

AQMP Rule Activity Schedule (continued)

TO-BE DETERMINED 2011

To-Be Determined	
<p>223 1127⁺ 1127.1⁺</p>	<p>Emission Reduction Permits for Large Confined Animal Facilities Emission Reductions from Livestock Waste (MCS-05) Control of Emissions from Hog and Poultry Operations (MCS-05) <i>[Projected Emission Reduction unknown and TBD]</i> Proposed amendments to Rule 223 may be necessary to harmonize rule requirements with those in Rules 1127 and 1127.1. Proposed amendments to Rule 1127 and Proposed Rule 1127.1 will seek to reduce VOC and other pollutant emissions from livestock operations and implement control measure MCS-05 of the 2007 AQMP. <i>Laki Tisopulos 909.396.3123 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<p>1106</p>	<p>Marine Coating Operations (MCS-07) <i>[Projected Emission Reduction: N/A]</i> Proposed amendments will further reduce VOC emissions from the application of marine coatings. Amendments may also improve clarity and enforceability. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<p>1106.1</p>	<p>Pleasure Craft Coating Operations (MCS-07) <i>[Projected Emission Reduction: unknown]</i> Amendments to Rule 1106.1 will reduce VOC emissions from the application of coatings to pleasure craft and improve the enforceability and clarity of the rule. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<p>1903^{*+}</p>	<p>Emission Budgets and Mitigation Program for General Conformity Projects (EGM-02) <i>[Projected Emission Reduction: N/A]</i> Rule 1903 would implement Control Measure EGM-02 of the 2007 AQMP. The rule would specify procedures for how federal projects subject to general conformity could access an emission budget and/or pay mitigation fees for emissions from the project. <i>Joe Cassmassi 909.396.3155 909.396.3155 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

ATTACHMENT A

AQMP Rule Activity Schedule (continued)

TO-BE DETERMINED 2011

To-Be Determined	(continued)
Reg. IV, IX, X, XI, XIV, XX and XXX Rules	Various rule amendments may be needed to meet the requirements of state and federal laws, address variance issues/technology-forcing limits, or to seek additional reductions to meet the SIP short-term measure commitment. The Clean Communities Plan (CCP) has been updated to include new measures to address toxic emissions in the basin. The CCP includes a variety of measures that will reduce exposure to air toxics from stationary, mobile, and area sources. Rule amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures.

ATTACHMENT B

Toxics Rule Activity Schedule

This attachment lists those rules or rule amendments for the Governing Board consideration that are designed to implement the Air Toxics Control Plan.

2011

April	
1470	Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines
1471	<p>Requirements for Diesel-Fueled Internal Combustion and Other Compression Ignition Engines Used in Agricultural Operations <i>[Projected Emission Reduction: TBD]</i> CARB has amended the ATCM for stationary diesel-fueled internal combustion engines to reduce particulate emissions from stationary diesel powered agricultural engines that are used for growing crops, raising fowl or other animals at farms, ranches, universities, or other places. Proposed Rule 1471 will consolidate requirements for existing and new diesel-powered agricultural engines. <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
June	
4010 ^{*+}	General Provisions and Requirements for Ports of Los Angeles and Long Beach (MOB-03)
4020 ^{*+}	<p>Backstop Requirements for Ports of Los Angeles and Long Beach (MOB-03) <i>[Projected Emission Reduction: TBD]</i> The proposed rules will address toxic and criteria pollutant emissions from new and existing port-related sources. <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
November	
1420	<p>Emissions Standard for Lead <i>[Projected Emission Reduction: TBD]</i> Rule 1420 would be amended to incorporate the 2008 National Ambient Air Quality Standard for Lead and may include measures to reduce lead emissions to ensure compliance with the new standard. <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

ATTACHMENT B

Toxics Rule Activity Schedule (continued)

To-Be Determined 2011

To-Be Determined	
<p>1401 1402</p>	<p>New Source Review of Toxic Air Contaminants</p> <p>Control of Toxic Air Contaminants from Existing Sources <i>[Projected Emission Reduction: TBD]</i> The Office of Environmental Health Hazard Assessment (OEHHA) periodically reviews the list of toxic compounds and revises or establishes risk values. Rules 1401 and 1402 will be amended to revise the list of TACs. OEHHA is currently revising their risk assessment guidelines and, when adopted, District guidelines will be amended requiring Board approval. In addition, other administrative changes may be proposed. <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<p>1420 1420.2</p>	<p>Emission Standard for Lead</p> <p>Emission Standard for Lead from Medium Lead Emitting Facilities <i>[Projected Emission Reduction: TBD]</i> In October 2008, EPA lowered the National Ambient Air Quality Standard for lead from 1.5 to 0.15 ug/m³. Proposed Amended Rule 1420 and Proposed Rule 1420.2 will apply to lead sources and will include requirements to ensure the Basin meets the new lead standard. <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
<p>Reg. IV, IX, X, XI, XIV, XX and XXX Rules</p>	<p>Various rule amendments may be needed to meet the requirements of state and federal laws, address variance issues/technology-forcing limits, or to seek additional reductions to meet the SIP short-term measure commitment. The Clean Communities Plan (CCP) has been updated to include new measures to address toxic emissions in the basin. The CCP includes a variety of measures that will reduce exposure to air toxics from stationary, mobile, and area sources. Rule amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures.</p>

ATTACHMENT C

Other Rule Activity Schedule

This attachment lists those rules or rule amendments for the Governing Board consideration that are designed to improve rule enforceability, SIP corrections, or implementing state or federal regulations.

2011

January	
1315*	<p>Federal New Source Review Tracking System <i>[Projected Emission Reduction: N/A]</i> Proposed of Rule 1315 will codify the emission reduction tracking procedure used to demonstrate equivalence of the AQMD New Source Review Program with the Federal New Source Review Program. <i>Mohsen Nazemi 909.396.2662 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
March	
Reg. IX Reg. X	<p>Standards for Performance for New Stationary Sources National Emission Standards for Hazardous Air Pollutants Periodic amendments to Regulation IX and X incorporate new or amended standards by reference that were approved during the prior calendar year. <i>Jill Whynot 909.396.3104 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
2005	<p>New Source Review for RECLAIM <i>[Projected Emission Reduction: TBD]</i> The proposed amendment is to address recurring RTC holding requirements for emission increases at existing RECLAIM facilities. <i>Danny Luong 909.396.2622 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
2202	<p>On-Road Motor Vehicle Mitigation Options <i>[Projected Emission Reduction: unknown]</i> Proposed Rule 2202 amendments will include language to clarify program options, facilitate meeting rule emission reduction targets, and clarify definitions. Rule 2202 supporting guidelines will also be updated to reflect rule requirements, policies, and practices. <i>Carol Gomez 909.396.3264 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
May	
Reg. III	<p>Fees <i>[Projected Emission Reduction: N/A]</i> Amend fee rules in accordance with FY 2011-12 AQMD Budget. <i>Jill Whynot 909.396.3104 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

ATTACHMENT C

Other Rule Activity Schedule (continued)

2011

May	(continued)
1132	<p>Further Control of VOC Emissions from High-Emitting Spray Booth Facilities <i>[Projected Emission Reduction: N/A]</i> The proposed amendments will seek to revise the emission reporting from fiscal year to calendar year to reflect the revised reporting period. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
2511	<p>Credit Generation Program for Locomotive Head End Power Unit Engines <i>[Projected Emission Reduction: TBD]</i> Develop a rule to allow generation of PM mobile source emission reduction credits from Locomotive Head End Power Unit Engines. Credits will be generated by retrofitting engines with PM controls or replacing the engines with new lower-emitting engines. <i>Randal Pasek 909.396.2251 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
2512	<p>Credit Generation Program for Ocean-Going Vessels at Berth <i>[Projected Emission Reduction: TBD]</i> Develop a rule to allow generation of PM, NOx and SOx emission reduction credits from ocean going vessels while at berth. Credits will be generated by controlling the emissions from auxiliary engines and boilers of ships while docked. <i>Randal Pasek 909.396.2251 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
July	
314	<p>Fees of Architectural Coatings <i>[Projected Emission Reduction: TBD]</i> The proposed amendments would improve clarity and reporting requirements as well as consider an exemption from fees for small manufacturers. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1110.2	<p>Emissions from Gaseous- and Liquid-Fueled Engines <i>[Projected Emission Reduction: TBD]</i> Amendments to Rule 1110.2 are proposed to address the impacts of contaminants in biogas used to fuel power generators at landfills and municipal waste facilities. The amendments may result in a delay or loss of emissions reductions <i>Joe Cassmassi 909.396.3155 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

ATTACHMENT C

Other Rule Activity Schedule (continued)

2011

September	
463	<p>Storage of Organic Liquids <i>[Projected Emission Reduction: N/A]</i> The proposed amendment will seek to alter a test method for determining sulfur compounds with greater accuracy. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1118	<p>Control of Emissions from Refinery Flares <i>[Projected Emission Reduction: TBD]</i> Amendments may be necessary to address results of the additional analysis required by the adopting resolution for the last amendment and to consider the advances in monitoring technology. Amendments may also be necessary to implement an AB32 measure. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

To-Be Determined 2011

To-Be Determined	
102	<p>Definition of Terms <i>[Projected Emission Reduction: N/A]</i> Proposed amendments to Rule 102 may be necessary to include compounds exempted by the U.S. EPA with consideration for health risks as defined by the Office of Environmental Health Hazard Assessment (OEHHA). <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
402	<p>Nuisance <i>[Projected Emission Reduction: TBD]</i> The AQMD staff will assess the feasibility of expanding the current nuisance rule as part of a proposed measure in the draft Clean Communities Plan (CCP). The assessment may result in a recommendation to amend Rule 402 to make it more effective and more responsive to public complaints. <i>Susan Nakamura 909.396.3105 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
461	<p>Gasoline Transfer and Dispensing <i>[Projected Emission Reduction: TBD]</i> Proposed amendments to Rule 461 will explore the feasibility of further reducing VOC and toxic emissions from gasoline dispensing facilities by improving implementation of the Enhanced Vapor Recovery Regulation. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

ATTACHMENT C

Other Rule Activity Schedule (continued)

To-Be Determined 2011

To-Be Determined	(continued)
701	<p>Air Pollution Emergency Contingency Actions <i>[Projected Emission Reduction: N/A]</i> Proposed amendments to Rule 701 will update the episode criteria to reflect newly established standards and clarify air quality reporting and dissemination protocol. <i>Joe Cassmassi 909.396.3155 909.396.3155 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1143	<p>Consumer Paint Thinners and Multi-Purpose Solvents <i>[Projected Emission Reduction: N/A]</i> Proposed amendments may be necessary for further clarification and possible exemptions. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1144	<p>Metalworking Fluids and Direct-Contact Lubricants <i>[Projected Emission Reduction: N/A]</i> Proposed amendments may be necessary to incorporate results from on-going technology assessments for specific facilities. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1147	<p>NOx Reductions From Miscellaneous Sources <i>[Projected Emission Reduction: N/A]</i> Proposed amendments may be necessary to make administrative modifications. <i>Joe Cassmassi 909.396.3155 909.396.3155 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1151 ^{*+}	<p>Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations <i>[Projected Emission Reduction: unknown]</i> Amendments to the rule may be necessary to reflect further findings relative to recordkeeping requirements for tertiary butyl acetate (TBAC). <i>Laki Tisopulos 909.396.3123 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1168	<p>Adhesive and Sealant Applications <i>[Projected Emission Reduction: N/A]</i> Amendments to Rule 1168 may be necessary to reflect improvements in adhesive and sealants technology. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1171	<p>Solvent Cleaning Operations <i>[Projected Emission Reduction: N/A]</i> The proposed amendment may consider technology assessments the cleanup of affected equipment. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

ATTACHMENT C

Other Rule Activity Schedule (continued)

To-Be Determined 2011

To-Be Determined	(continued)
1190 Series	<p>Fleet Vehicle Requirements <i>[Projected Emission Reduction: TBD]</i> Amendments to Rule 1190 series fleet rules may be necessary to address remaining outstanding implementation issues and in the event the court's future action requires amendments. In addition, the current fleet rules may be expanded to achieve additional air quality and air toxic benefits. <i>Dean Saito 909.396.2647 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
Reg. XIII	<p>New Source Review <i>[Projected Emission Reduction: TBD]</i> Proposed amendments will address U.S. EPA comments on SIP approvability issues and/or requirements that may result from U.S. EPA amendments, legislation or CARB requirements. Amendments may also be proposed for clarity and improved enforceability. <i>Jill Whynot 909.396.3104 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
1610	<p>Old-Vehicle Scrapping <i>[Projected Emission Reduction: TBD]</i> Proposed amendment may be necessary to harmonize the rule with voluntary state vehicle scrapping program. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
Reg. IV, IX, X, XI, XIV, XX and XXX Rules	<p>Various rule amendments may be needed to meet the requirements of state and federal laws, address variance issues/technology-forcing limits, or to seek additional reductions to meet the SIP short-term measure commitment. The Clean Communities Plan (CCP) has been updated to include new measures to address toxic emissions in the basin. The CCP includes a variety of measures that will reduce exposure to air toxics from stationary, mobile, and area sources. Rule amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures.</p>

ATTACHMENT D

Climate Change

This attachments lists rules or rule amendments for the Governing Board consideration that are designed to implement South Coast Air Quality Managements District’s Climate Change Policy or for consistency with state or federal rules.

2011

February	
1150.1	<p>Control of Gaseous Emissions from Active Landfills <i>[Projected Emission Reduction: TBD]</i> The proposed amendments will incorporate provisions to make the rule consistent with a CARB statewide rule for landfills, add NESHAP requirements which are already in effect, make minor corrections for clarity and amendments to reduce recordkeeping and reporting requirements to multiple agencies. <i>Jill Whynot 909.396.3104 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
September	
1118	<p>Control of Emissions from Refinery Flares <i>[Projected Emission Reduction: TBD]</i> Amendments may be necessary to address results of the additional analysis required by the adopting resolution for the last amendment and to consider the advances in monitoring technology. Amendments may also be necessary to implement an AB32 measure. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>
October	
1173	<p>Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants <i>[Projected Emission Reduction: TBD]</i> Amendment to Rule 1173 may be necessary to address greenhouse gas emissions from petroleum facilities and chemical plants. <i>Naveen Berry 909.396.2363 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

To-Be Determined 2011

To-Be Determined	
Reg. XXVII	<p>Climate Change <i>[Projected Emission Reduction: TBD]</i> Additional protocols may be added to Rules 2701 and 2702. <i>Jill Whynot 909.396.3104 CEQA: Smith (3054) Socio: Lieu (3059)</i></p>

ATTACHMENT D

Climate Change (continued)

To-Be Determined 2011

To-Be Determined	(continued)
Reg. IV, IX, X, XI, XIV, XX and XXX Rules	Various rule amendments may be needed to meet the requirements of state and federal laws, address variance issues/technology-forcing limits, or to seek additional reductions to meet the SIP short-term measure commitment. The Clean Communities Plan (CCP) has been updated to include new measures to address toxic emissions in the basin. The CCP includes a variety of measures that will reduce exposure to air toxics from stationary, mobile, and area sources. Rule amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures.

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 22

REPORT: Lead Agency Projects and Environmental Documents Received by the AQMD

SYNOPSIS: This report provides, for the Board's consideration, a listing of CEQA documents received by the AQMD between October 1, 2010, and October 31, 2010, and those projects for which the AQMD is acting as lead agency pursuant to CEQA.

COMMITTEE: Mobile Source, November 19, 2010

RECOMMENDED ACTION:
Receive and file.

Barry R. Wallerstein, D.Env.
Executive Officer

EC:LT:SN:IM:AK

Background

CEQA Document Receipt and Review Logs (Attachments A and B) – Each month, the AQMD receives numerous CEQA documents from other public agencies on projects that could adversely affect air quality. A listing of all documents received during the reporting period of October 1, 2010 through October 31, 2010, is contained in Attachment A. A list of active projects from previous reporting periods for which AQMD staff is continuing to evaluate or prepare comments is included as Attachment B.

The Intergovernmental Review function, which consists of reviewing and commenting on the adequacy of the air quality analysis in CEQA documents prepared by other lead agencies, is consistent with the Board's 1997 Environmental Justice Guiding Principles and Initiative #4. Consistent with the Environmental Justice Program Enhancements for FY 2002-03 approved by the Board in September 2002, each of the attachments notes those proposed projects where the AQMD has been contacted regarding potential air quality-related environmental justice concerns. The AQMD has established an internal central contact to receive information on projects with potential air quality-related

environmental justice concerns. The public may contact the AQMD about projects of concern by the following means: in writing via fax, e-mail, or standard letters; through telephone communication; as part of oral comments at AQMD meetings or other meetings where AQMD staff is present; or submitting newspaper articles. The attachments also identify for each project the dates of the public comment period and the public hearing date, if known at the time the CEQA document is received by the AQMD.

At the January 6, 2006 Board meeting, the Board approved the Workplan for the Chairman's Clean Port Initiatives. One action item of the Chairman's Initiatives was to prepare a monthly report describing CEQA documents for projects related to goods movement and to make full use of the process to ensure the air quality impacts of such projects are thoroughly mitigated. In response to describing goods movement CEQA documents, Attachments A and B were reorganized to group projects of interest into the following categories: goods movement projects; schools; landfills and wastewater projects; airports; and general land use projects; etc. In response to the mitigation component, guidance information on mitigation measures were compiled into a series of tables relative to the following equipment: off-road engines, on-road engines, harbor craft, ocean-going vessels, locomotives, and fugitive dust. These mitigation measure tables are on the CEQA webpages portion of the AQMD's website. Staff will continue compiling tables of mitigation measures for other emission sources including airport ground support equipment, etc.

As resources permit, staff focuses on reviewing and preparing comments for projects: where the AQMD is a responsible agency; that may have significant adverse regional air quality impacts (e.g., special event centers, landfills, goods movement, etc.); that may have localized or toxic air quality impacts (e.g., warehouse and distribution centers); where environmental justice concerns have been raised; and those projects for which a lead or responsible agency has specifically requested AQMD review.

During the period October 1, 2010, through October 31, 2010, the AQMD received 76 CEQA documents. Of the total of 98 documents listed in Attachments A and B:

- 26 comment letters were sent;
- 30 documents were reviewed, but no comments were made;
- 36 documents are currently under review;
- 4 documents did not require comments (e.g., public notices, plot plans, Final Environmental Impact Reports); and
- 0 documents were not reviewed.

Copies of all comment letters sent to lead agencies can be found on the AQMD's CEQA webpage at the following internet address: www.aqmd.gov/ceqa/letters.html.

AQMD Lead Agency Projects (Attachment C) – Pursuant to CEQA, the AQMD periodically acts as lead agency for stationary source permit projects. Under CEQA, the lead agency is responsible for determining whether an Environmental Impact Report (EIR) or a Negative Declaration (ND) is appropriate for any proposal considered to be a “project” as defined by CEQA. An EIR is prepared when the AQMD, as lead agency, finds substantial evidence that the proposed project may have significant adverse effects on the environment. A ND or Mitigated Negative Declaration (MND) may be prepared if the AQMD determines that the proposed project will not generate significant adverse environmental impacts, or the impacts can be mitigated to less than significance. The ND and MND are written statements describing the reasons why proposed projects will not have a significant adverse effect on the environment and, therefore, do not require the preparation of an EIR.

Attachment C to this report summarizes the active projects for which the AQMD is lead agency and is currently preparing or has prepared environmental documentation. Through the end of October, the AQMD received two new requests to be the lead agency for stationary source permit application projects. No CEQA documents for permit application projects were certified in October. As noted in Attachment C, through the end of October 2010, the AQMD continued working on the CEQA documents for six active projects.

To date in 2010, AQMD staff has been responsible for preparing or having prepared CEQA documents for eight stationary source permit projects, four continuing from 2009. Through the end of October 2010, two CEQA documents have been certified for permit application projects.

Attachments

- A. Incoming CEQA Documents Log
- B. Ongoing Active Projects for Which AQMD Has or Will Conduct a CEQA Review
- C. Active AQMD Lead Agency Projects

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
OCTOBER 1, 2010 TO OCTOBER 31, 2010**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> <u>LAC101006-01</u> Wilshire Grand Redevelopment Project	This document consists of a notice of availability of the Final EIR. The proposed project consists of developing a 3.2-acre site with one 65-story structure and one 45-story structure. The proposed project includes demolition of the existing Wilshire Grand Hotel and Center, and the development of a maximum of 560 hotel rooms and/or condo-hotel units, 100 residential dwelling units, 1,500,000 square feet of office uses, 275,000 square feet of amenity areas including, but not limited to, projects serving retail and restaurant uses, conference and meeting rooms, ballrooms, spa, fitness center, and an acre of landscaped outdoor plaza as well as a rooftop helistop. Comment Period: N/A Public Hearing: 11/3/2010	Other	City of Los Angeles	Document reviewed - No comments
<i>General Land Use (residential, etc.)</i> <u>LAC101006-04</u> Conditional Use Permit & Design Review	The proposed project consists of constructing three detached, two-story condominium units over lower level garages in a Spanish Revival-style design. Comment Period: N/A Public Hearing: N/A	ND	City of South Pasadena	Document reviewed - No comments
<i>General Land Use (residential, etc.)</i> <u>LAC101012-01</u> Conditional Use Permit #5209, Colorado at Lake Project	This document consists of a notice of public hearing for a Conditional Use Permit and other entitlements for a two-phased, mixed-use project with hotel, office, retail, restaurant, and residential uses at 880-940 East Colorado Boulevard. Comment Period: N/A Public Hearing: 10/20/2010	Other	City of Pasadena	Document does not require comments
<i>General Land Use (residential, etc.)</i> <u>LAC101012-03</u> Gateway Apartments Projects Los Angeles	The proposed project consist of demolishing an existing one-story, 4,220 square-foot building and a surface parking lot and constructing a six-story, 68,250 square-foot building with one level of subterranean parking. Comment Period: 10/12/2010 - 11/2/2010 Public Hearing: N/A	Mitigated ND	City of Los Angeles	Document reviewed - No comments
<i>General Land Use (residential, etc.)</i> <u>LAC101015-06</u> Tentative Parcel Map 71329, Variance No. 131, Development Plan Application 1085	The proposed project consists of subdividing a single lot into three parcels for the development of three detached, two-story residential units and a common, private road and driveways. Comment Period: 10/15/2010 - 11/2/2010 Public Hearing: N/A	Mitigated ND	City of La Puente	Document reviewed - No comments

DEIR - Draft Environmental Impact Report
FEIR - Final Environmental Impact Report
RDEIR - Revised Draft Environmental Impact Report
SEIR - Subsequent Environmental Impact Report
SupEIR - Supplemental EIR

NOI - Notice of Intent to prepare an EIS
NOP - Notice of Preparation
IS - Initial Study
DEA - Draft Environmental Assessment
EIS - Environmental Impact Statement

FONSI - Finding of No Significant Impact
ND - Negative Declaration
Other - Typically notices of public meetings
N/A - Not Applicable
- Project has potential environmental justice concerns due to the nature and/or location of the project.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
OCTOBER 1, 2010 TO OCTOBER 31, 2010**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Plans and Regulations</i> <u>RVC101015-02</u> City of Desert Hot Springs General Plan Update	The proposed project consists of a General Plan update. The current City of Desert Hot Springs General Plan was adopted in 2000. Since then, several minor General Plan amendments have been adopted and most recently large areas at the southern portion of the City have been annexed into the City's boundaries. In addition, the City is making progress on being included as a permittee in the Coachella Valley Multi-Species Habitat Conservation Plan. The City has undertaken a comprehensive update of the General Plan to reflect a new vision for the community and to address issues relevant to Desert Hot Springs today. Comment Period: 10/15/2010 - 11/14/2010 Public Hearing: N/A	NOP (No IS Attached)	City of Desert Hot Springs	AQMD commented 10/28/2010
<i>Plans and Regulations</i> <u>SBC101026-03</u> Renaissance Specific Plan	This document consists of a Final EIR which includes responses to comments. The proposed project consists of the Renaissance Specific Plan. The Specific Plan is planned as an integrated community of varied housing types located near and linked to places of employment, retail outlets, services and schools. The project accommodates 16.2 million square feet of business and commercial uses, 1,667 residential units, one school, a community park, and multiple neighborhood parks all located in close proximity and organized in a grid pattern. Comment Period: N/A Public Hearing: 11/9/2010	FEIR	City of Rialto	Currently under review
<i>Retail</i> <u>RVC101008-02</u> 2010-064 PP CVS, 2010-065 Cup CVS and 2010-066 SPA	This document consists of a notice of public hearing for the construction of a 16,951 square-foot pharmacy/drugstore, to allow the sale of beer, wine and distilled spirits for offsite consumption and the amendment of Specific Plan 208 to allow a pharmacy/drugstore in the Planning Area 2-4. Comment Period: N/A Public Hearing: 11/9/2010	Other	City of Menifee	Document does not require comments
<i>Transportation</i> <u>ORC101008-03</u> Fullerton Transportation Center Specific Plan Project	This document consists of the Final EIR which includes responses to comments. The proposed project consists of the Fullerton Transportation Center Specific Plan to create a sustainable transit-oriented neighborhood near the Fullerton Train Depot. The proposed project is intended to, among other things focus growth and development around the train depot to link land use and transit. Comment Period: N/A Public Hearing: 10/19/2010	FEIR	City of Fullerton	Currently under review
<i>Transportation</i> <u>RVC101015-04</u> Interstate 215 Widening from Scott Road to Nuevo Road	The proposed project consists of widening Interstate 215 from Scott Road to Nuevo Road. The I-215 would be widened from two to three lanes in both northbound and southbound directions by adding a third mixed-flow lane. Comment Period: 10/18/2010 - 11/17/2010 Public Hearing: 10/27/2010	Mitigated ND	California Department of Transportation	Currently under review

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FONSI - Finding of No Significant Impact
ND - Negative Declaration
Other - Typically notices of public meetings
N/A - Not Applicable
- Project has potential environmental justice concerns due to the nature and/or location of the project.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
OCTOBER 1, 2010 TO OCTOBER 31, 2010**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> <u>ODP101015-01</u> Trucking Proposal for the Mesquite Regional Landfill and CUP #06-0003 APN 039-340-027-000/6330 E. State Highway 78, Brawley, CA	This document consists of a Final Subsequent EIR. The proposed project includes allowing truck hauling of up to 4,000 tons per day of municipal solid waste and treated ash from LA County to the Mesquite Regional Landfill site up to 4,000 tons per day, re-visiting travel restrictions to potentially allow truck transport during peak travel weekends, and allowing up to 600 tons per day of treated ash from waste-to-energy facilities. Comment Period: N/A Public Hearing: 11/10/2010	Final SubEIR	Imperial County	Currently under review
<i>Waste and Water-related</i> <u>ORC101028-02</u> Buck Gully Restoration Project	The proposed project consists of installing stepped-gabion (wire-mesh baskets filled with river rock) grade control structures with subsurface flow wetlands in the lower reach of Buck Creek and bend-way weirs along the upper bend of the creek. Comment Period: 10/19/2010 - 11/18/2010 Public Hearing: N/A	Mitigated ND	City of Newport Beach	Document reviewed - No comments
<i>Waste and Water-related</i> <u>ORC101029-04</u> Miraloma Recharge Basin	The proposed project consists of constructing an approximately 13-acre recharge basin that will be incorporated in the Warner Basin and Deep Basin System to help replenish the groundwater basin to ensure that adequate underground water supplies are available to Orange County residents. Comment Period: 10/29/2010 - 11/29/2010 Public Hearing: N/A	NOP/IS	Orange County Water District	Currently under review
<i>Waste and Water-related</i> <u>RVC101008-06</u> Master Sewer Plan District Project No. 3066	The proposed project consists of Master Sewer Plan which includes: a review of existing and projected study area characteristics, development of design criteria and basis of cost estimates, evolution of existing facilities, determination of projected wastewater flows, hydraulic analysis of the existing system, hydraulic analysis of the proposed system, and identification of required capital improvements and associated cost estimates. The types of facilities include trunk sewers, a force main, pump station expansions, and a lift station. Comment Period: 10/7/2010 - 11/6/2010 Public Hearing: 12/27/2010	Mitigated ND	Jurupa Community Services District	Document reviewed - No comments
<i>Waste and Water-related</i> <u>RVC101015-03</u> Whitewater River/Colorado River Aqueduct Siphon Scour Protection and Mine Reclamation and Cabazon Radial Gate Project	The proposed project consists of three specific objectives: 1) protect the Colorado River Aqueduct (CRA) siphon at the Whitewater River Crossing from erosion and failure, 2) reclaim the Whitewater Mine Pit in a safe manner with open space as the end use, and 3) prevent over-pressurization of the CRA in the event the San Jacinto Tunnel becomes blocked. Comment Period: 10/15/2010 - 11/14/2010 Public Hearing: N/A	Revised NOP/IS	Metropolitan Water District of Southern California	AQMD commented 10/28/2010

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SEIR - Subsequent Environmental Impact Report
SupEIR - Supplemental EIR

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IS - Initial Study
DEA - Draft Environmental Assessment
EIS - Environmental Impact Statement

FONSI - Finding of No Significant Impact
ND - Negative Declaration
Other - Typically notices of public meetings
N/A - Not Applicable
- Project has potential environmental justice concerns due to the nature and/or location of the project.

**ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH AQMD HAS
OR WILL CONDUCT A CEQA REVIEW**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> <u>ALL100825-01</u> Reach 9, Phase IIA Embankment	The proposed project consists of modifications to the Reach 9 Phase IIA portion of the Santa Ana River Mainstem project. There are two main embankment components to the project. One is comprised of approximately 4,500 feet of bank protection which generally wraps around the Green River Housing Estates. The second is designed to protect the 91 Freeway and is located upstream of the Green River Housing Estates portion and extends approximately 2,000 feet, terminating near the Prado Dam drop structure. The proposed project is an element of the Santa Ana River flood control project and accomodates raising the heights of the Prado Dam. Comment Period: 8/25/2010 - 9/20/2010 Public Hearing: N/A	Draft Sup EA	US Army Corps of Engineers	AQMD commented 10/5/2010
<i>Waste and Water-related</i> <u>LAC100819-07</u> Yorba Slaughter Adobe Dike Project	The proposed project consists of a Supplemental EA and addendum to the EIR necessary to update the existing environmental conditions and document the impacts of design refinements from the Yorba Slaughter Adobe Dike project on environmental resources since the 2001 Final SEIS/EIR was approved. The proposed project is an element of the Santa Ana River flood control project and accomodates raising the heights of the Prado Dam. Comment Period: 8/19/2010 - 9/8/2010 Public Hearing: N/A	Sup EA/ EIR Addendum	US Army Corps of Engineers	AQMD commented 10/5/2010
<i>Waste and Water-related</i> <u>RVC100914-04</u> Eagle Canyon Dam & Debris Basin	The proposed project consists of constructing, operating, and maintaining an earthen dam, debris catchment and underground storm drain for the purpose of flood retention and flood hazard mitigation for businesses and residents located downstream of the canyon. Comment Period: 9/14/2010 - 10/28/2010 Public Hearing: 9/21/2010	Draft EA/EIR	Riverside County Flood Control & Water Conservation District	AQMD commented 10/28/2010
<i>Waste and Water-related</i> <u>SBC100827-02</u> California Institution for Women Dike Project	The proposed project consists of constructing a dike around the California Institute for Women. The proposed project is an element of the Santa Ana River flood control project and accomodates raising the heights for the Prado Dam. Comment Period: 8/27/2010 - 9/8/2010 Public Hearing: N/A	Draft Sup EA	US Army Corps of Engineers	AQMD commented 10/5/2010

<p>TOTAL NUMBER OF REQUESTS TO AQMD FOR DOCUMENT REVIEW THIS REPORTING PERIOD: 0 TOTAL NUMBER OF COMMENT LETTERS SENT OUT THIS REPORTING PERIOD: 26 TOTAL NUMBER OF DOCUMENTS REVIEWED, BUT NO COMMENTS WERE SENT: 30 TOTAL NUMBER OF DOCUMENTS CURRENTLY UNDER REVIEW: 36 TOTAL NUMBER OF DOCUMENTS THAT DID NOT REQUIRE COMMENTS: 4 TOTAL NUMBER OF DOCUMENTS THAT WERE NOT REVIEWED: 0</p>
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DEIR - Draft Environmental Impact Report
FEIR - Final Environmental Impact Report
RDEIR - Revised Draft Environmental Impact Report
SEIR - Subsequent Environmental Impact Report
SupEIR – Supplemental EIR

NOI - Notice of Intent to prepare an EIS
NOP - Notice of Preparation
IS - Initial Study
DEA - Draft Environmental Assessment
EIS - Environmental Impact Statement

FONSI - Finding of No Significant Impact
ND - Negative Declaration
Other - Typically notices of public meetings
N/A - Not Applicable
- Project has potential environmental justice concerns due to the nature and/or location of the project.

**ATTACHMENT C
ACTIVE AQMD LEAD AGENCY PROJECTS
THROUGH OCTOBER 31, 2010**

Project Description	Project Proponent	Type of Document	Status	Consultant
# Operators of Warren E & P, Inc. are proposing to install a new flare, heater treater, etc., at their refinery facility in the Wilmington area of Los Angeles. The proposed project also includes bringing six microturbines into compliance with SCAQMD permit requirements.	E & P Warren	Subsequent Mitigated Negative Declaration	Based on comments received on the Draft Negative Declaration, circulated for a 30-day public review period on April 15, 2009, the document is being revised and will be circulated for public review and comment.	Environ International Corp.
The proposed project is a biomass-to-energy project that would be located at the Sunshine Canyon Landfill. Specifically, landfill operators are proposing to generate electricity by installing turbines to burn landfill gas that is currently flared.	Sunshine Canyon Landfill	Subsequent EIR	Public comment period for Notice of Preparation/Initial Study closed on December 18, 2009. Consultant is currently preparing the draft SEIR.	ARCADIS
Shell Carson Terminal operators are proposing a permit modification to base throughput on ethanol and gasoline, not just ethanol.	Shell Carson Distribution Terminal	EIR	Public comment period for Notice of Preparation/Initial Study closed May 18, 2010. Consultant is currently preparing Draft EIR.	AECOM
Petro Diamond operators are proposing to change current permit conditions to allow an increase in the number of annual marine vessel visits to the terminal, but limit ship visits per month.	Petro Diamond Terminal Company	Not Yet Determined	Consultant preparing Initial Study	SABS Environmental Services
The project consists of requiring the project proponent to obtain appropriate SCAQMD permits and go through the CEQA process for an illegally installed anhydrous ammonia storage tank.	Bodycote Thermal Processing	Not Yet Determined	Facility operators are in the process of selecting a CEQA consultant.	Not Yet Selected
The project is being proposed to comply with the recently approved amendments to the SOx RECLAIM program (Regulation XX). Specifically, the proposed project consists of installing a wet gas scrubber on the sulfuric acid plant to reduce SOx emissions.	Rhodia Inc., Dominguez Facility	Not Yet Determined	Facility operators are in the process of selecting a CEQA consultant.	Not Yet Selected

A shaded row indicates a new project.

= AQMD was contacted regarding potential environmental justice concerns due to the nature and/or location of the project.

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 23

PROPOSAL: Annual Audited Financial Statements for FY Ended June 30, 2010

SYNOPSIS: This agenda item transmits the annual audited financial statements of the AQMD. The AQMD has received an unqualified opinion (the highest obtainable) on its financial statements.

COMMITTEE: Administrative, November 12, 2010, Recommended for Approval

RECOMMENDED ACTION:

Receive and file the AQMD's Comprehensive Annual Financial Report (CAFR), Schedule of Federal Financial Assistance and Single Audit Reports for the FY ended June 30, 2010.

Barry R. Wallerstein, D.Env.
Executive Officer

MBO:SJ:lg

Background

The audit of the AQMD financial statements, along with the Schedule of Federal Awards and Single Audit Reports for the Fiscal Year ended June 30, 2010, have been completed by Thompson, Cobb, Bazilio & Associates, PC. AQMD has received an unqualified opinion on its financial statements. An unqualified opinion is the highest obtainable, assuring interested parties that AQMD's financial statements present fairly the agency's financial position.

Attachments

- The Comprehensive Annual Financial Report (CAFR), which includes the Independent Auditor's Report, was previously provided to Board Members and is available for public viewing at AQMD's library or website at www.aqmd.gov
- OMB Circular A-133 Reports that include Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards, Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133, and Schedule of Expenditures of Federal Awards. Copies were previously provided to Board Members and are available in AQMD's library for public viewing.

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 24

PROPOSAL: Status Report on Major Projects for Information Management
Scheduled to Start During First Six Months of FY 2010-11

SYNOPSIS: Information Management is responsible for data systems
management services in support of all AQMD operations. This
action is to provide the monthly status report on major automation
contracts and projects to be initiated by Information Management
during the first six months of FY 2010-11.

COMMITTEE: Not Applicable

RECOMMENDED ACTION:
Receive and file.

Barry R. Wallerstein, D.Env.
Executive Officer

JCM:MAH:OSM:nv

Background

Information Management (IM) provides a wide range of information systems and services in support of all AQMD operations. IM's primary goal is to provide automated tools and systems to implement Board-approved rules and regulations, and to improve internal efficiencies. The annual Budget specifies projects planned during the fiscal year to develop, acquire, enhance, or maintain mission-critical information systems. As provided in July for the first six months of the fiscal year, Information Management is providing this report to detail major projects/contracts or purchases that are expected during these six months.

Summary of Report

The attached report identifies each of the major projects/contracts or purchases that are expected to come before the Board between July 1 and December 31, 2010. Information provided for each project includes a brief project description, FY 2010-11 Budget, and the schedule associated with known major milestones (issue RFP/RFQ, execute contract, etc.).

Attachments(s)

Information Management Major Projects
for the Period July 1 through December 31, 2010

ATTACHMENT
December 3, 2010 Board Meeting
Information Management Major Projects
for the Period of July 1 through December 31, 2010

Item	Brief Description	Budgeted Funds	Schedule of Board Actions	Status
PeopleSoft and Oracle Software Support	Purchase PeopleSoft and Oracle software support maintenance for the integrated HR/Finance system.	\$238,800	Approve Sole Source Purchase July 9, 2010	Completed
Authorize Purchase of Off-Site Storage and Destruction Services	Obtain approval for the purchase of off-site storage services for paper records and nightly back-up tapes; and destruction services for paper records and microfiche for one year.	\$73,000	Approve Sole Source Purchase July 9, 2010	Completed
Electronic Document Management System Upgrade and Migration	Authorize the purchase of OnBase document management system licensing, service and support for one year; implementation and migration services; and replacement of server hardware.	\$207,061	Approve Purchase July 9, 2010	Completed
System Enhancements	Provide enhancements for: <ul style="list-style-type: none"> • CLASS Systems • eGovernment applications and infrastructure • PeopleSoft e-modules 	\$465,000	September 10, 2010	Completed
Network Server Upgrades	Replace obsolete Intel based servers to increase performance based on requirements to support network server applications.	\$75,000	Award Purchase from Approved Vendors List Bids September 10, 2010	Completed
Systems Development Outsourcing	Award contracts for short- and long-term system development and support services: <ul style="list-style-type: none"> • E-commerce System Development • CRM system assessment and implementation 	\$TBD	Release RFP September 10, 2010; Award Contract January 7, 2011	On Schedule
Desktop Computer Hardware Upgrades	Authorize the purchase of desktop upgrades.	\$150,000	Authorize Purchase from Approved Vendors List November 5, 2010	Completed
CLASS Database Software Support	Purchase Ingres database software support and maintenance for the CLASS system.	\$169,000	Approve Sole Source Purchase November 5, 2010	Completed
Sole Source Contract to Purchase and Implement Contacts Database	Award contract for Contacts Database to communicate with residents in the AQMD's jurisdiction.	\$120,000	Approve Sole Source Contract December 3, 2010	On Schedule

Double-lined Rows - Board Agenda items current for this month

Shaded Rows - activities completed

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 26

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee met on Friday, November 12, 2010. The Committee discussed various issues detailed in the Committee report. The next Administrative Committee meeting is scheduled for Friday, December 10, at 10:00 a.m. in Conference Room CC-8.

RECOMMENDED ACTION:

Receive and file.

Dr. William A. Burke, Chair
Administrative Committee

tc

Attendance: Attending the November 12, 2010 meeting was Chair William A. Burke via videoconference, and present at AQMD were Committee Members Mayor Dennis Yates and Jane Carney. Supervisor Josie Gonzales and Mayor Ron Loveridge were absent due to conflicts in their schedules.

ACTION/DISCUSSION ITEMS:

1. **Board Members' Concerns:** Dr. Wallerstein stated that Supervisor Benoit has made a request that AQMD's final Board agendas include the Committees' actions. He will ensure that this is administratively completed through the Agenda Tracking System (ATS).
2. **Chairman's Report of Approved Travel:** None.
3. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** None.

4. **Report of Approved Out-of-Country Travel:** Dr. Wallerstein stated that Dr. Burke will be traveling to London, England to attend the 5th Annual European Carbon Capture and Storage Conference on February 17-18, 2011, which is related to climate change policy.

5. **Presentation by Financial Statement Auditors:** Al Lucas, engagement partner of Thompson, Cobb, Bazilio & Associates, PC, stated that he, along with Michael Castro and Helen Chu, assisted with this audit where agency statements were deemed 'unqualified' and the financial reports and analysis were deemed consistent with no issues found. The audit was done according to government standards and controls and compliance criteria, and found no material weaknesses and no items to report. The auditors do not issue opinions on internal controls, but the federal funds (A-133 audit) received an opinion of major compliance with federal requirements, which means it was a clean audit. Mr. Lucas continued that new reporting requirements were evaluated to capitalize software as potential assets, and he acknowledged the cooperation of management and staff.

Mrs. Carney stated she encourages this Committee to create a little more independence and relationship with auditors with the Board Members on this Committee and requested to meet alone without staff present (public was welcome to stay in the room).

Staff absent from 10:27 - 10:32 a.m.

Upon staff's return, Dr. Burke asked whether the auditors were the ones who mandated three years ago to include location of where meetings were held on the expense claims. Dr. Wallerstein stated that he will review the policy and respond in writing.

6. **Proposal for Partnership with Local TV Affiliate to Promote AQMD's Check Before You Burn Program:** Sam Atwood, Media Office Manager, stated that AQMD has just begun a Check Before You Burn voluntary program for residents to not burn firewood in their fireplaces or wood stoves when the air is forecast to be unhealthy. He continued that it is anticipated that this notice will be issued fewer than 15 days per year. By November 2011, this program will become mandatory. Staff is requesting approval of a 10-week outreach program to include a TV partnership through February 2011, to solicit proposals from four local TV affiliates, and authorize the Executive Officer to select the best proposal for \$50,000.

Dr. Wallerstein added that his authority is being used to obtain the funds, but it is

staff's intention to return in December to replace the funds. He mentioned that the Bay Area has a similar program using a large banner on the Angel Island Bridge to remind residents of the program.

Mayor Yates mentioned that Henry DiCarlo has moved from Channel 2 to Channel 5, and could be available for this program. Based on consent of members present, Mrs. Carney directed staff to proceed with the program.

DECEMBER AGENDA ITEMS:

7. **Annual Audited Financial Statements for FY Ended June 30, 2010:** Mr. O'Kelly stated that a draft copy of the Comprehensive Annual Financial Report (CAFR), which includes the Independent Auditor's Report, will be provided in final form prior to the December 3rd Board meeting. He continued that the financial statements and audits are testament to AQMD and the Board's commitment to accountability in the use of AQMD's assets and recording. Those will be made available on-line and to the Government Financing Officers Association for consideration in their reporting excellence award program.

Moved by Carney; seconded by Yates; unanimously approved.

Dr. Burke asked whether the December 3rd Board package will be distributed via paper or iPad, and Dr. Wallerstein answered that during a two-month transition period, staff will provide the Board packages via paper until the system is operating smoothly in electronic form.

8. **Execute Contract for Consulting Services on Transportation and Goods Movement Strategies:**

Mrs. Carney recused herself from this item and left the room from 10:42-10:45 a.m.

Oscar Abarca, DEO/Legislative & Public Affairs, explained that reducing mobile source emissions is a high priority for the Governing Board. Three proposals were received, and two proposals were deemed not technically qualified. Staff recommends awarding a contract not to exceed \$100,000 with Germana Governmental Services Corporation for a one-year period, with two one-year period extensions subject to Board approval.

Moved by Yates, but there was no quorum for this item so it was moved forward with concurrence by the Committee Members.

9. **Amend Contract with Cordoba Corporation to Add Four Air Quality Institute Briefings and Issue RFP for Continuation of AQIs in 2011:** Mr. Abarca stated that the Board previously approved AQIs to inform communities, business and industry leaders and elected officers on air quality issues, and the effort has been successful. Staff is recommending: (1) to continue and expand the current contract with Cordoba Corporation to augment the current program with four additional AQIs not to exceed a total of \$68,000, and (2) approve the issuance of an RFP to solicit proposals for consulting services regarding the continuation of the AQI, at a cost not to exceed \$135,300 for a one-year period, with options for two one-year extensions, upon satisfactory performance, at the Board's discretion.

Dr. Wallerstein added that the funds will come from agency reserves.

Mrs. Carney asked if one briefing will be held in Sacramento, and Dr. Wallerstein answered that one can be held in Sacramento, one in the Inland Empire/Orange County, and one in Los Angeles County.

Dr. Burke stated he attended a senior citizen breakfast at the Los Angeles Convention Center, which turned out 3,000 seniors. He added that Councilwoman Perry's staff could assist in organizing events for AQMD, but AQMD could fund an event and help develop appropriate programming.

Moved by Yates; seconded by Carney; unanimously approved.

10. **Local Government & Small Business Advisory Group Minutes for the September 17, 2010 Meeting:** Attached for information only are the Local Government & Small Business Advisory Group Minutes of the September 17, 2010 meeting.

11. **Establish List of Prequalified Vendors to Provide Automotive Mechanical Repair and Service for AQMD's Fleet Vehicles:** Sylvia Oroz, Business Services Manager, Administrative & Human Resources, stated that this is a routine item where a prequalified list is established for automotive mechanical repairs and service for AQMD's fleet. The Board approved the RFQ in July and received ten responses, of which nine were complete and responsive and the list will be on file for three years.

Moved by Yates; seconded by Carney; unanimously approved.

12. **Reappropriate Funds from Undesignated Fund Balance to the Executive Office FY 2010-11 Budget for Activities Relating to AQMD's CBS-2 TV Weather Sponsorship:** Mr. Atwood stated that there have been unexpected delays in consummating this contract and consequently funds reverted to the general fund. Staff is requesting to reappropriate funds to the Executive Office budget. Dr. Burke asked what took CBS so long, and Mr. Atwood answered that he did not have a specific answer, but it did take over two months once KCBS sent the contract back to its New York office.

Moved by Yates; seconded by Carney; unanimously approved.

13. **Review December 3, 2010 Governing Board Agenda:** Dr. Wallerstein stated

14. **Other Business:** None.

15. **Public Comment:** None.

Meeting adjourned at 10:50 a.m.

Attachment

Minutes from the September 17, 2010 Local Government & Small Business Assistance Advisory Group meeting

**LOCAL GOVERNMENT & SMALL BUSINESS ASSISTANCE ADVISORY GROUP
FRIDAY, SEPTEMBER 17, 2010
MEETING MINUTES**

MEMBERS PRESENT:

Dennis Yates, AQMD Governing Board Member, LGSBA Chairman
Paul Avila, P.B.A. & Associates
Geoffrey Blake, Metal Finishers of Southern California/All Metals
Daniel Cunningham, Metal Finishing Association of Southern California
Jacob Haik, Office of School Board Member Richard Vladovic
Maria Elena Kennedy, Kennedy Communications
Rita Loof, RadTech International

MEMBERS ABSENT:

Ronald Loveridge, AQMD Governing Board Member, LGSBA Vice Chairman
Greg Adams, L.A. County Sanitation District
Felipe Aguirre, Vice Mayor, City of Maywood
Luis Ayala, City of Alhambra
Todd Campbell, Clean Energy
Lucy Dunn, Orange County Business Council
Samuel Garrison, Los Angeles Area Chamber of Commerce
Angelo Logan, East Yard Communities for Environmental Justice
Mary Ann Lutz, City of Monrovia
Kelly Moulton, Paralegal
Steve Mugg, South Orange County Representative, City of Mission Viejo

OTHERS PRESENT:

Earl Elrod, Board Member Assistant (*Yates*)
Jessica Duboff, Los Angeles Area Chamber of Commerce

AQMD STAFF:

Alan Caldwell, Community Relations Manager
Philip Crabbe, Community Relations Manager
Anupom Ganguli, Asst. Deputy Executive Officer/Public Advisor
Carol Gomez, Planning & Rules Manager
Kathryn Higgins, Program Supervisor
Henry Hogo, Asst. Deputy Executive Officer
John Kampa, Financial Analyst
Lori Langrell, Secretary
John Olvera, Principal Deputy District Counsel
Greg Ushijima, Air Quality Engineer II
Jill Whynot, Director of Strategic Initiatives

Agenda Item #1 - Call to Order/Opening Remarks

Dr. Anupom Ganguli called the meeting to order at 11:05 a.m. as Chair Yates was held up in the Administrative Committee meeting.

Agenda Item #2 – Approval of June 11, 2010 Meeting Minutes/Review of Follow-Up/Action Items

Dr. Ganguli called for approval of the meeting minutes.

The July 16, 2010 meeting minutes were approved.

Action Item: Provide to LGSBA members the Pilot Study Report on the High Performance Air Filtration systems.

The report was provided as a handout at the meeting. Completed.

Agenda Item #3 – Report on Natural Gas Fueling Infrastructure to Support the Implementation of Rule 1193 – Clean On-Road Residential and Commercial Refuse Collection Vehicles

Mr. Henry Hogo gave a presentation on Natural Gas Fueling Infrastructure to Support the Implementation of Rule 1193 – Clean On-Road Residential and Commercial Refuse Collection Vehicles.

Mr. Geoff Blake asked where propane fueled vehicles fit into fleets. Mr. Hogo replied that propane engine production just started up again in the last year as the other engines could not meet certification levels, and the propane refilling infrastructure was more widespread since there are a lot of propane tanks for users throughout the region. Mr. Blake asked what the potential for growth is in the future. Mr. Hogo replied that there may be growth, but not at the same pace as the demand is less. He added that there is no measurable benefit in greenhouse gas emissions with propane.

Ms. Maria Elena Kennedy asked if there are any natural gas fueling infrastructure initiatives for the private sector to help consumers. Mr. Hogo replied that the AQMD has an iPhone app to locate fueling stations, but also recognizes that there are not enough stations in the area. He added that home fueling stations are also available for the consumer. Ms. Kennedy asked if there are any tax credits available. There is a fuel tax credit for businesses, and the fuel providers have a tax credit as well, resulting in natural gas costs lower than gasoline.

Mr. Paul Avila asked whether industrial equipment are now made to run on natural gas or if older models can be retrofitted to natural gas. Mr. Hogo replied that most forklifts run on propane, and added that there are also electric models.

Mr. Jacob Haik asked if the Los Angeles Unified School District (LAUSD) can partner with the AQMD to add public access to fueling stations. Mr. Hogo indicated that the Mobile Source Air Pollution Reduction Review Committee will be soliciting fueling station projects over the coming months, and LAUSD can submit a bid for that solicitation. Dr. Ganguli added that LAUSD could approach the City of Los Angeles administration for Assembly Bill (AB) 2766 funding.

Ms. Rita Loof asked if the AQMD could place a link to forms on the website regarding available tax credits. Mr. Hogo replied that staff will consider the suggestion, and also commented that many tax credits can be applied on one form.

Agenda Item #4 – Proposed Regional Greenhouse Gas Emission Reduction Targets

Ms. Jill Whynot gave a presentation on proposed Regional Greenhouse Gas emission reduction targets.

Ms. Loof asked if there are consequences if metropolitan planning organizations (MPOs) do not achieve regional targets. Ms. Whynot replied, they are a regulatory target setting strong goals, but she is not aware of any sanctions or consequences to not meeting the target.

***Action Item:** Ms. Whynot to provide information regarding possible sanctions for not achieving regional greenhouse gas emission reduction targets created pursuant to SB 375.*

***Staff response:** Senate Bill (SB) 375 will require regional targets that MPOs will strive to meet through Sustainable Communities Plans or Alternative Planning Strategies. Regional targets are periodically reviewed and revised. SB 375 does not have specific penalties or sanctions if targets are not met. However, streamlined California Environmental Quality Act review for Greenhouse Gas projects would not be available if targets are not met. The MPOs may also not be as competitive for transportation funding.*

Agenda Item #5 – Annual Report on AB 2766 Funds from Motor Vehicle Registration Fees for FY 2008-2009

Ms. Kathryn Higgins provided a presentation on the Annual Report on AB 2766 Funds from motor vehicle registration fees for the fiscal year 2008-2009.

Mr. Haik asked if the \$14.8 million in funding for “LA” meant Los Angeles County, or the City of Los Angeles. Ms. Higgins replied that it relates to all cities within LA County. Mr. Haik further asked whether it has been determined how the funds are allocated. Dr. Ganguli replied that it is allocated by population.

Ms. Kennedy asked what will happen to these funds if AB 32 is repealed. Ms. Higgins replied it will have no effect. Dr. Ganguli added that AB 2766 was adopted in 1990 and is meant to be used in the reduction of emissions from mobile sources.

Agenda Item #7 – Monthly Report on Small Business Assistance Activities

No comments.

Agenda Item #8 – Update on Climate Change Activities (Written Report)

Ms. Jill Whynot provided a written report on climate change activities.

Agenda Item #9 - Other Business

Dr. Ganguli announced that the Clean Air Awards were coming up on October 1, 2010, and that all LGSBA Advisory Group members are invited to attend as our guest. He added that additional tickets can be purchased at a cost of \$40.00.

Agenda Item #10 - Public Comment

No comments.

Agenda Item #10 - Adjournment

The meeting adjourned at 11:50 p.m.

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 27

REPORT: Investment Oversight Committee

SYNOPSIS: The Investment Oversight Committee met Friday, November 19, 2010 and discussed various issues detailed in the Committee report. The next Investment Oversight Committee meeting is scheduled for Friday, February 18, 2011 at 12:00 noon in the Executive Office Conference Room.

RECOMMENDED ACTION:
Receive and file this report.

Michael Antonovich, Chair
Investment Oversight Committee

MBO:lg

Attendance: Present at AQMD was Committee Member David E. Ertel. Committee Members Michael Antonovich, Michael A. Cacciotti, and Joseph Lyou attended by teleconference. Absent were Committee Members Bill Campbell, Gary Burton and Paul Sundeen.

Investment Committee Action Items:

Quarterly Report of Investments: Reviewed the quarterly investment report to the Governing Board. For the month of September 2010, the AQMD's weighted average yield on total investments of \$508,179,936, from all sources, was 1.32%. The allocation by investment type was 92.17% in the Los Angeles County Pooled Surplus Investment Fund (PSI) and 7.83% in the State of California Local Agency Investment Fund (LAIF). The Committee approved the quarterly report.

Investment Committee Discussion Items:

Cash Flow Forecast: Michael O’Kelly reported on the cash flows for the current year and projected for the next three years. AQMD Investment Policy limits its Special Purpose investments to 75% of the minimum amount of funds available for investment during the Cash Flow Horizon. That limit, which includes all funds (General, MSRC, Clean Fuels), is approximately \$224.9 million.

Financial Market Update: Martha Vujovich provided the Committee with comments on current economic and investment market conditions. In summary, Ms. Vujovich commented on the State and local government bond markets, describing an oversupply of municipal bonds, with some local governments postponing bond issues until 2011. Questions remain as to whether the Federal government will extend the Build America Bond program after it ends in December 2010. Small gains are being seen in the unemployment rates.

Calendar Year 2011 Committee Meeting Dates: For CY 2011, quarterly Investment Oversight Committee meeting dates are Friday, February 18, Friday, May 20, and Friday, November 18. The August quarterly meeting has been cancelled in conjunction with the cancellation of all AQMD Board and Committee meetings during the month of August 2011.

Other Business:

Committee members expressed interest in a presentation of District retirement rates, pension obligations, and employee retirement eligibility statistics and asked if the Investment Oversight Committee was the appropriate forum for this information to be presented. In addition, a request was made of staff to present projections on investment earnings for the future.

Public Comment: None

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 28

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting on Friday, November 12, 2010. The next Legislative Committee meeting is scheduled for Friday, December 10, 2010 at 9:00 a.m. in Conference Room CC8. The Committee deliberated on agenda items for Board consideration and recommended the following actions:

Agenda Item	Recommended Action
2011 Legislative Goals & Objectives	Approve
Amend contracts for legislative consulting firms: Gonsalves & Son, Gonzalez Public Affairs and Sloat, Higgins, Jensen & Associates, in Sacramento for Calendar Year 2011	Approve, subject to the authority that was given to the Executive Officer
Amend contracts for legislative consulting firms: B & D Consulting and Kadash & Associates, LLC, in Washington D.C. for Calendar Year 2011	Approve, subject to the authority that was given to the Executive Officer

RECOMMENDED ACTION:

Receive and file this report, and approve agenda items as specified in this letter.

Jane Carney, Chair
Legislative Committee

Attendance [Attachment 1]

The Legislative Committee met on November 12, 2010. Committee Chair Jane Carney was present. Committee Member Michael D. Antonovich and AQMD Governing Board Chair Dr. William A. Burke (who was appointed to the Committee for this meeting) were present via videoconference.

Update on Federal Legislative Issues

Mr. Mark Kadash, AQMD federal legislative consultant, reported that there should be no leadership changes in the Senate on either side of the aisle. There may be some changes in committee makeup, such as with the Environment and Public Works (EPW) Committee, due to members retiring. The Senate Democrats' majority is now at 53-47. Additionally, Mr. Kadash stated that they will continue to work with the EPW Committee regarding the Section 185 issue. Mr. Kadash will be contacting Mr. Oscar Abarca, Deputy Executive Officer of Legislative & Public Affairs, to schedule a meeting in Washington in the near future.

Mr. Warren Weinstein, AQMD federal legislative consultant, reported that 22 of the 33 Senate seats that will be up in the next election belong to Democrats. Mr. Weinstein believes that the upcoming election may make it more difficult for those Senators to support more progressive environmental policies.

Ms. Jane Carney, Chair, asked what impact or affect the deficit reduction report (not yet published) would have. Mr. Weinstein responded that he believes that the most significant impact will be seen in the next federal budget which is expected to be very tight. Significant cuts are likely to be proposed and the Commission report will likely be used as a reference for such proposals. Mr. Andy Ehrlich, AQMD federal legislative consultant, added that this report has instigated a public policy debate in Washington. Although no one knows the contents of the report entirely, there have been indications that there is a proposed .15 cent gas tax increase, to be implemented over an unknown number of years, to help fund the surface transportation bill. The report is expected to be presented to the House floor by early next year.

Mr. Ehrlich reported that the EPW Committee had a 13-7 Democratic vote majority. However, because of the majority's loss of seats in the Senate, he expects that margin to be reduced to 11-9. He believes that it will be more difficult to get progressive, large environmental bills through that committee.

He also stated that there were dramatic changes in the House. The Republicans now have control of that chamber with a margin of 239 to 189.

Mr. Ehrlich added that the House leadership will have elections next week. Current Speaker Pelosi is expected to run for Minority Leader. Mr. Ehrlich also noted that

Congressman Waxman, Chairman of the Energy and Commerce Committee, would be the ranking minority member for that committee. Mr. Ehrlich reported that all the committee ratios would be changing due to the shift in power. Also, there will be more Californians on some of the key committees such as the Energy and Commerce Committee and the Transportation and Infrastructure Committee. Mr. Ehrlich is unsure what will happen with the appropriations bills, but an earmark moratorium is very possible on all House appropriation bills. Mr. Ehrlich emphasized to the Committee the importance of having a bipartisan approach to all issues that are in front of Congress in the future.

Update on Sacramento Legislative Issues

Mr. Jason Gonsalves, AQMD state legislative consultant, reported that although the elections are over in California, there will be two special elections in the Assembly with the possibility of a third special election, once a decision is made regarding Senator Oropeza's seat. There are 15 new senators and 26 new assembly members. Mr. Gonsalves added that the state faces a \$25.4 billion budget deficit. Governor Schwarzenegger has called a special session to address this matter, which will start on December 6, 2010.

Ms. Carolyn V. Hunter, AQMD state legislative consultant, reported that there were no major changes to the makeup of the State Assembly. She informed the Committee that although the voters passed Proposition 25, which states that only a majority is needed to pass the budget, the voters also passed Proposition 26 which requires a 2/3 vote to pass fees. Additionally, she reported that Proposition 24, which would have repealed tax provisions favorable to business, was defeated as well. These issues will be key when AQMD renews discussions in Sacramento regarding the Section 185 issue.

Ms. Hunter added that a California Air Resources Board (CARB) meeting regarding energy needs assessments recently took place at AQMD headquarters. She had no additional information regarding the meeting, but wanted the Committee to know that the meeting took place. Finally, she reminded the Committee that SB 827 has a sunset date of May 2012.

Ms. Carney wanted to hear from Dr. Barry Wallerstein, Executive Officer, regarding SB 827 and the May 2012 sunset date. Dr. Wallerstein explained that the AQMD draft rule and the California Environmental Quality Act (CEQA) document relating to this issue had been released. He also informed the Committee that public comment regarding the CEQA document was closed. His understanding was that five of the six letters received are generally favorable towards what AQMD is attempting to do. The one unfavorable letter received was from the plaintiff. Dr. Wallerstein added that he hopes to bring the rule adoption to the Governing Board in January or February for their approval. He has also talked to the United States Environment Protection Agency (USEPA) about the legislative deadline. Once the rule is approved by AQMD, it will need to go through the

CARB and EPA approval process quickly to allow adequate time for possible litigation.

Mr. Will Gonzalez, AQMD state legislative consultant, reported that within the Senate, the current split is 15 Republicans and 25 Democrats. Mr. Gonzalez also reported that conversations have been taking place regarding intellectual property rights legislation. He has been working with Legislative & Public Affairs staff on a number of issues that have come up from the Senate Judiciary Committee. There is generally a positive response from the Senate on these issues. He also provided the Committee with a quick update on the Renewable Portfolio Standards (RPS), and informed the Committee that efforts continue on trying to move the current 20% RPS standard to 33%. There is a great expectation that with the new Governor, an RPS bill will pass next year.

Recommend 2011 Legislative Goals and Objectives. [Attachment 2]

Dr. Wallerstein reported on the 2011 Legislative Goals and Objectives. At the state level there are items regarding Section 185, Pension Reform, Offsets, Intellectual Property, Carl Moyer Funding, Surface Transportation, AQMD Authority/Funding and Air Quality Funding and Climate Change. At the federal level there are items regarding Section 185, Offsets, Surface Transportation, DERA, Technology Advancement funding, Marine Vessels, Locomotives, Energy, AQMP, Sections 103 & 105, Environmental Justice and Climate Change. These proposed state and federal legislative goals and objectives were presented to the Committee for their consideration and approval. (Please refer to Attachment 2 for written report).

Ms. Carney asked for clarification regarding the issue of pension reform. Dr. Wallerstein explained that he would like to meet with the state consultants to summarize what is being contemplated at the state level. He would also like to have initial discussions with the AQMD Labor representatives. He will then present to the Committee very specific information and data to enable the Committee and Board to provide guidance and direction regarding the matter. Ms. Carney additionally requested an update regarding offsets be presented at the Stationary Source Committee. Additionally, she requested an update regarding the school bus and fleet rule issues be presented at the Mobile Source Committee. Mr. Wallerstein replied that the updates would take place.

The Legislative Committee approved the proposed 2011 Legislative Goals and Objectives.

Amend Contracts for Legislative Representation in Sacramento and in Washington, D.C.

Mr. Oscar Abarca, Deputy Executive Officer, presented staff recommendations to extend current contracts with state and federal legislative consultants for the AQMD for one-year. Mr. Abarca reported that as a result of the recent elections, it is imperative that we have strong representation in Sacramento and Washington, D.C. who are able to

work with both sides of the aisle. Mr. Abarca added that given AQMD's heavy legislative agenda, all consultants are still needed to successfully move forward AQMD's legislative initiatives and efforts to reach attainment of federal air quality standards.

Dr. Burke supported the extensions, but moved to give authority to the Executive Officer to renegotiate or re-allocate the legislative consultants duties and funds regarding their contracts as appropriate.

The Legislative Committee approved the state and federal legislative contract extensions subject to the authority given to the Executive Officer.

[Please refer to the December 3, 2010 Governing Board Agenda Items 4 and 5, for additional information on this item.]

Home Rule Advisory Group Committee Legislative Report [Attachment 3]

Please refer to Attachment 3 for the written report.

Other Business: None

Public Comments: None

Attachment

1. Attendance Roster
2. AQMD's Legislative Goals & Objectives for 2011
3. Reports from AQMD Home Rule Advisory Committee

Attachment 1

ATTENDANCE RECORD – November 12, 2010

DISTRICT BOARD MEMBERS:

Jane Carney
Dr. Bill Burke (*Videoconference, Los Angeles*)
Michael D. Antonovich (*Videoconference, Los Angeles*)

STAFF TO COMMITTEE:

Oscar Abarca, Deputy Executive Officer
William Sanchez, Senior Legislative & Public Affairs Manager
Julie Franco, Senior Administrative Secretary
America Robledo, Secretary

DISTRICT STAFF:

Dr. Barry Wallerstein, Executive Officer
Peter Greenwald, Senior Policy Advisor
Elaine Chang, Deputy Executive Officer
Dr. Laki Tisopulos, Assistant Deputy Executive Officer
Philip Crabbe, Community Relations Manager
Patti Whiting, Staff Specialist
Paul Wright, Audio Visual Specialist
Kim White, Public Affairs Specialist
Rainbow Yeung, Sr. Public Information Specialist (*Videoconference, Los Angeles*)
Barbara Baird, District Counsel
Chung Lui, Deputy Executive Officer
Mohsen Nazemi, Deputy Executive Officer
Kurt Wiese, General Counsel
Laki Tisopulos, Assistant Deputy Executive Officer
Michael O'Kelly, Chief Financial Officer
Philip Crabbe, Community Relations Manager
Elaine-Joy Hills, AQ Inspector II
Ricardo Rivera, Sr. Staff Specialist
Sam Atwood, Media Manager

OTHERS PRESENT:

Andrew Wheeler, B&D Consulting (teleconference)
Jason Gonsalves, Gonsalves & Son (teleconference)
Chris Kierig, Kadesh & Associates (teleconference)
Mark Kadesh, Kadesh & Associates (teleconference)
Carolyn V. Hunter, Sloat, Higgins, Jensen & Associates (teleconference)
Bill Lamarr, California Small Business Association
Nicole Nishimura, Board Member Assistant (Lyou)

Greg Adams, LACSD
Steve Schuyler, WSPA
Kris Flaig, City of Los Angeles/SCAP
Sarah Wewa, AAR
Rita Loof, Rad Tech

Attachment 2

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State:

Federal Clean Air Act Section 185

Sponsor or support legislation that would address potential inequities regarding Clean Air Act Section 185 fees for major stationary sources operating in areas that fail to attain the National Ambient Air Quality Standards for Ozone by stipulated deadlines, including motor vehicle registration fees and/or AB 118 funds that would serve as an alternative fee equivalent program i b X f ' 9 D 5 E g [i] X L b W.

Pension Reform

Sponsor or engage in legislation that would institute pension reform allowing greater flexibility Z c f ' h Y 8 [g f] M g future retirement obligations after appropriate negotiations with AQMD bargaining units.

Offsets

Participate in any items related to emission offset requirements or power plant approvals for SCAQMD, while furthering the pursuit of clean air objectives. Seek appropriate reforms to SB 288 should it become necessary for a functioning permit program.

Intellectual Property

Sponsor or engage in legislation that would allow AQMD to retain intellectual property rights and authority regarding proprietary materials that is created in whole or part through AQMD funds z k c ' V Y i h '] n X Z c f ' h Y d i V] M g ' V Y b Z] h '.

Infrastructure Funding under Moyer

Sponsor or engage in legislation that would Allow AB923 funds to be used for the replacement of older natural gas fueling tanks of school buses owned by public school districts.

Surface Transportation

Support and expand air quality policy and funding considerations, and the role of air districts, in the implementation of federal surface transportation policies and programs at the state and local levels.

AQMD Authority /Funding

D f c h W 5 E A 8 E g U h c f] m l b X Z b X] b [' c ' W b] b i Y h Y] a d ' Y a Y b H] c b ' c Z h Y 6 c U f X E g W M b U f ' policies and programs as required by state and federal law.

Air Quality Funding and Climate Change

Work with the legislature and CARB to:

- Ø Maximize funding opportunities under Prop 1B (both transportation and air quality), AB 118, and Moyer programs, for air pollution reduction and public health benefits.

- Ø Facilitate the implementation of hYgUM climate change initiatives at local levels, for maximizing emission reduction co-benefits and streamlining program implementation, consistent with Board policies.

Federal:

Federal Clean Air Act Section 185

Seek legislative or administrative clarification that would address potential inequities regarding Clean Air Act Section 185 fees for major stationary sources operating in areas that fail to attain the National Ambient Air Quality Standards for Ozone by stipulated deadlines, including alternative fee equivalent programs i bXf'9D5 D[i]XbW' Pursue only to the extent needed if EPA otherwise does not derive an administrative solution.

Offsets

Work with congressional and federal agency staff and other stakeholders to modernize federal offset requirements for areas where supply of offsets is inadequate, while furthering the pursuit of clean air objectives.

Surface Transportation

Work with Congress; Federal, State and Local agencies; National Association of Clean Air Agencies; Business, Environmental, and Community groups; and other Stakeholders to:

- Ø Seek and/or expand clean air funding opportunities under the Surface Transportation Reauthorization legislation (successor legislation to SAFETEA-LU) and other relevant funding reauthorizations;
- Ø Enhance provisions of the Surface Transportation Reauthorization legislation by expanding CMAQ funding, strengthening the air quality provisions in CMAQ, and providing a greater role for air agencies in transportation planning and programming, consistent with Board policy.

DERA

Seek and expand Diesel Emission Reduction Act (DERA) funding for this region, including federal appropriations and budget considerations, through legislation or administrative processes.

Technology Advancement

Seek and expand funding opportunities for advanced technologies and clean air programs through federal appropriations, budget considerations, and stimulus funding opportunities for:

- Ø Clean energy sources;
- Ø Implementation of the 2007 AQMP and upcoming 2012 AQMP;
- Ø Implementation of the Clean Communities Plan;
- Ø Supporting environmental justice initiatives; and
- Ø Clean aviation technologies, including low-carbon fuels, clean engines, and clean fuels research and development.

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
LEGISLATIVE REPORT**

**FROM HOME RULE ADVISORY GROUP
MEETING OF OCTOBER 20, 2010**

HRAG members present:

Dr. Laki Tisopulos on behalf of Dr. Elaine Chang (SCAQMD)
Greg Adams, L.A. County Sanitation Districts
Curtis Coleman, Southern California Air Quality Alliance
Chris Gallenstein on behalf of Richard Corey, CARB (participated by phone)
Jayne Joy, Eastern Municipal Water District
Bill LaMarr, California Small Business Alliance
Rongsheng Luo on behalf of Jonathan Nadler, SCAG (participated by phone)
Art Montez, AMA International
Bill Quinn, CCEEB (participated by phone)
Larry Rubio, Riverside Transit
Steve Schuyler on behalf of Mike Wang, WSPA
Lee Wallace, So Cal Gas and SDG&E

LEGISLATIVE UPDATE

Philip Crabbe provided a summary of what was discussed at the Legislative Committee meeting on October 8, 2010. The consultants provided an update on federal legislation which included the Section 185 fee issue. District and CARB staffs are working together to explore different options. District executive staff met last week with key players in D.C. to continue discussions on this issue. With respect to appropriations requests, current funding levels are expected to be maintained through a continuing resolution as a temporary only until the federal budget is approved.

Bills that were discussed at the Legislative Committee meeting on October 8, 2010, include:

HR 6291 (Richardson): Freight FOCUS Act of 2010

This bill would establish a national process for freight planning and prioritization of funding. The bill would establish a transportation trust fund that would be used for funding eligible projects based on certain criteria. Staff proposed amendments including language to provide for improvements in air quality, to reduce health-related impacts and costs, to allow local air pollution control agencies to provide input, and to prioritize projects involving zero or near zero emission technology. The Legislative Committee approved staff's recommendation to support the bill with proposed amendments.

S. 372 (Rockefeller) and H.R. 4753 (Rahall) – Stationary Source Regulations Delay Act

These two bills are identical companion bills. The bills would suspend for a two-year period any U.S. EPA action regarding greenhouse gas regulations under the Clean Air Act with respect to carbon dioxide or methane, except for motor vehicle emissions and reports or enforcement of reporting requirements. Staff recommended an oppose position. However, the Legislative Committee Chair stated that she would like to hear public testimony on AQMD's proposed rule related to this issue at the Board meeting in November. Therefore, the Legislative Committee directed staff to bring this issue back for discussion at the November Legislative Committee meeting.

Mr. Crabbe reported that Dr. Wallerstein discussed SB 375 implementation and the CARB establishment of greenhouse gas regional reduction targets. The committee approved for District staff to engage in future discussions on SB 375 with legislative representatives, government agencies, and other stakeholders. Mr. Crabbe concluded his report by stating that the state budget has finally been passed.

Discussion

Mr. Adams asked for more details on the Section 185 meeting in D.C. Mr. Crabbe responded that staff has not been briefed, and a more detailed report will be presented at the next Legislative Committee meeting. Dr. Tisopulos added that the District receives pass through monies from the state that are primarily invested in programs to reduce emissions from mobile sources. The District is checking if monies can be used to displace Section 185 fees.

Mr. Montez asked if the fees, in general, are collected to provide a remedy such as a program for mobile sources.

Mr. Crabbe responded that each bill is different. One bill may require a change in policy that does not necessarily require funding; another bill may require a fee that would be used to fund some part of the bill such as infrastructure.

With respect to the Rockefeller bill, Mr. Carroll stated that he felt there was really no point in debating the issue because he suspects that the District is bound by Clean Air Act requirements. Dr. Tisopulos stated that the Legislative Committee would like to hear comments on the proposed rule.

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 29

REPORT: Mobile Source Committee

SYNOPSIS: The Mobile Source Committee met Friday, November 19, 2010. Following is a summary of that meeting.

RECOMMENDED ACTION:
Receive and file.

Jane Carney, Acting Chair
Mobile Source Committee

EC:fmt

Attendance

Acting Chair Jane Carney called the meeting to order at 9:06 a.m. Attending via videoconference was Committee Member Jan Perry (arrived at 9:16 a.m.). Chair Ronald Loveridge, and Committee Members John J. Benoit, Bill Campbell and Josie Gonzales were absent. The following items were presented:

INFORMATIONAL ITEMS:

1) Update on CARB On-Road and Off-Road Regulations

Henry Hogo, Assistant Deputy Executive Officer, provided an update on CARB staff activities relative to the changes to the on-road and off-road mobile source emissions inventories and proposed amendments to the statewide On-Road Truck and Bus Regulation and the statewide In-Use Off-Road Diesel Vehicle Regulation. CARB staff evaluated the combined impacts of the two regulations on affected fleets given the current economic recession. Based on updated on-road and off-road emissions inventories, CARB staff determined the level of remaining emissions in the two categories with full implementation of the existing regulations and compared those with the remaining emissions targeted in the 2007 SIP. The difference represents a margin by which CARB staff could propose regulatory relaxations to the existing regulations. For the South Coast Air Basin, this represents 62 tons/day of NO_x equivalent emissions (CARB equated particulate emissions to NO_x emissions based on the efficacy for NO_x to produce

particulates, which is a factor of 10 based on the 2007 AQMP air quality modeling).

Staff provided a summary of the changes to the off-road and on-road mobile source emissions inventories. Relative to the off-road mobile source emissions inventory, CARB staff indicated that the economic recession resulted in about a 50% decrease in emissions compared to the levels provided in the 2007 SIP and the other 50% is due to methodology and data assumption changes. There three major contributors to the methodology and assumption changes: off-road vehicle population (down by 26%); hours of use (down by 30%); and load factor (reduced 33% across all off-road vehicle types). With the changes in the methodology, data assumptions, and the impact of the economic recession, CARB staff estimated that the revised off-road emissions inventory would be about 71% lower (27.6 tons/day of NO_x in 2014 compared to 96.1 tons/day provided in the 2007 SIP).

Relative to the on-road mobile source emissions inventory, staff believes that with the amount of new data, the revised on-road truck emission estimates are reasonable and more certain compared to the off-road emission estimates. CARB had conducted an origin-destination survey of heavy-duty trucks in 2008. In addition, the on-road truck population is more certain since trucks must be registered to operate in California.

CARB staff evaluated the on-road trucks based on: registration type (in-state vs. out-of-state); body type (tractor/trailer, single unit); vocation (agricultural, construction, drayage operation); and vehicle weight category (medium heavy-duty trucks with 26,001 to 33,000 lbs gross vehicle weight rating compared to heavy heavy-duty trucks with gross vehicle weight ratings greater than 33,000 lbs). CARB staff found that the economic recession has a 25% lowering effect on the heavy-duty truck emissions. Based on methodology and assumption updates, the on-road heavy-duty truck emissions are higher compared to the 2007 SIP emissions inventory (without the impacts of the economic recession). Overall, the on-road truck emissions for the South Coast Air Basin are comparable to the emissions estimated in the 2007 SIP (127.6 tons/day NO_x compared to 131 tons/day in the 2007 SIP).

Staff indicated that there are uncertainty ranges provided by CARB for each of the factors and assumptions. Within the uncertainty range, staff believes that the off-road emissions could be higher by as much as 20 to 30%. However, CARB staff estimates are the best available given the available data. Staff indicated that with higher emissions, the 62 tons/day margin would be eroded. Staff provided comments to the CARB Board at their meeting on November 18, 2010, indicated that there is a need to be cautious with the use of the emissions inventories when proposing regulatory relaxations.

Staff provided an overview of the key proposed amendments to the Off-Road Diesel Vehicle Regulation. CARB staff is proposing to delay the first compliance date by four years to 2015; no longer requiring retrofitting off-road vehicles to meet rule requirements; to meet rule requirements off-road vehicles need to be turnover to the cleanest commercially available technologies (Tier 4 and 4i engines available beginning 2014); extending several credit provisions for early implementation and fleet downsizing due to the economy; and simpler compliance options for the smallest off-road fleets.

Relative to the On-Road Truck and Bus Regulation, CARB staff is proposing compliance based on vehicle weight. For on-road trucks with gross vehicle weight rating (gvwr) of 26,000 lbs or less, there would be no particulate filter retrofit requirements. However, beginning in 2015 through 2020, trucks that are 20 years or older must be replaced with engines that meet 2010 emissions standards. All trucks in this category must meet 2010 emissions standards by 2023.

For trucks with greater than 26,000 lbs gvwr, beginning in January 1, 2015, model year 1993 and older trucks must be replaced or have engines that meet 2010 emissions standards. CARB is proposing that by 2022, all pre-2007 trucks will be replaced or have engines that meet 2010 emissions standards. By 2023, all 2007 to 2009 model year trucks must meet 2010 emissions standards. In addition to the replacement schedule, CARB is proposing that model year 1998 to 2006 trucks and any model year 2007 to 2009 trucks that are not originally equipped with a diesel particulate filter, be retrofitted with diesel particulate filters between 2012 to 2014.

CARB staff is proposing a compliance option for fleets with 3 or less vehicles a choice to wait until 2014 to comply with the particulate filter retrofit. Fleets with more than three vehicles would be allowed to phase in the particulate filter retrofit to 2016. In addition, credits would be provided to exempt another diesel vehicle prior to 2017 for each particulate filter retrofit that occurred prior to 2011 or the fleet purchased a hybrid or alternative fueled vehicle.

With the proposed amendments, CARB staff indicated that there will be substantial relief to affected fleets prior to 2015. Fleets will still need to meet rule requirements to 2023. CARB staff indicated that by 2023, the emission reduction benefits would be the same for the proposed amendments and the existing regulations.

Staff discussed amendments to the Drayage Truck Regulation, the Tractor-Trailer Greenhouse Gas (GHG) Regulation, and the Large Spark Ignition (LSI) Fleet Regulation. Relative to the Tractor-Trailer GHG Regulation and LSI Fleet

Regulation, CARB is proposing greater compliance flexibility if rule-compliant trailers or tires are not available (Tractor-Trailer GHG Regulation) and if retrofit kits are not available for LSI engines (LSI Fleet Regulation). In addition, CARB is proposing several administrative amendments for the two rules.

The proposed amendments to the Drayage Truck Regulation would remove the Phase 2 requirements to not allow model year 2004 to 2006 drayage trucks to operate out of ports and intermodal yards. These trucks would be subject to the On-road Truck and Bus Regulation. In addition, CARB is proposing to expand the definition of a drayage truck to include trucks that have gross vehicle weight ratings of 26,000 lbs and greater. The expanded definition would also cover trucks that perform “dray-off” operations. Currently, some drayage operators are using rule compliant trucks to enter the ports or intermodal yards to move container cargo. Once the truck is outside of the port or intermodal yard and within a few miles of the port or intermodal yard, the cargo container is transferred to a non-rule compliant truck and transported to its final destination. With the proposed expanded definition, the non-rule compliant truck would be subject to the regulation.

Staff is completing its review of the CARB proposed amendments and will prepare comments to CARB for its December 2010 Board hearing on the regulations. Staff indicated that the uncertainties associated with the emissions inventories may lead to over relaxation of the existing regulations and the CARB Board needs be cautionary in considering the proposed amendments. Even though the changes in the emissions inventory and air quality measurements indicate that the South Coast Air Basin will attain the annual PM2.5 air quality standard, controls will be needed shortly thereafter to meet the future air quality standards. Staff believes that the SOON Program should continue to meet the local commitment to achieve additional NOx emissions reductions. In addition, given that the proposed amendments rely on the revised emissions inventories, there is a greater need to incentivize early clean up of older vehicles and that greater flexibility is needed for fleets to access public funding assistance.

Ms. Jane Carney asked several clarification questions including whether the changes to the mobile source emissions inventory could be discerned in the air quality measurements. Staff indicated that some initial air quality modeling was performed to examine the impacts of the economic recession and the model results indicate that overall PM2.5 air quality levels will be lower in 2014. PM2.5 ambient measurements indicate lower concentrations due in part to the recession. Staff also commented that the changes in the inventories provide better modeling tools to evaluate future ambient air quality. A question was also asked if there are sufficient near roadway measurements showing changes in particulate air quality.

Staff indicated that a special near-roadway monitoring was conducted in 2009 and focused on nitrogen dioxide.

2) U.S. EPA's Notice of Proposed Partial Approval/Partial Disapproval of the South Coast PM2.5 Plan

Joe Cassmassi, Planning and Rules Manager, provided an overview of U.S. EPA's Notice of Partial Approval and Partial Disapproval of the 2007 AQMP. Mr. Cassmassi indicated that the Plan's emissions inventories and air quality modeling were approved; however, the attainment demonstration was disapproved primarily because the mobile source on-road truck and off-road equipment measures in CARB's State Strategy had not been finalized and submitted to U.S. EPA as enforceable rules. In addition, U.S. EPA would not accept assignment of 10 TPD emissions reductions in 2014. The decision to disapprove the attainment demonstration automatically disapproved additional plan elements including: the RACT/RACM SIP's, the RFP and transportation conformity budgets, and the request to extend the attainment date to 2015. Mr. Cassmassi discussed the impacts of the disapproval with regards to sanctions and potential Federal Implementation Plan actions. Barbara Baird, District Counsel, added background on the potential for sanctions and addressed a potential for a "conformity freeze" which would impact future transportation projects. Ms. Jane Carney questioned staff on the degree of District adoption of 2007 AQMP control measures and the extent of the remaining "commitment" to develop enforceable rules. Dr. Elaine Chang, Deputy Executive Officer, replied that the District had adopted rules to satisfy a high percentage of SIP emissions reduction commitments. Dr. Chang emphasized that U.S. EPA's target of only 10 percent outstanding commitments compared to enforceable rules was an almost insurmountable hurdle for the agency to achieve, given the limited timeframes between plan adoption and U.S. EPA approval.

U.S. EPA will publish its decision in the Federal Register on Monday, November 22, 2010 and a 60-day comment period will commence. Staff plans to respond to the disapprovals, yet work with all of the agencies impacted to develop a solution to the issue. Mr. Cassmassi pointed out that a Mid-Course Correction analysis is due to U.S. EPA in April 2011, to assess the status of achieving the National Ambient Air Quality Standard. The scope of that analysis may reflect a revision of the attainment demonstration, in light of new emissions budgets from CARB.

Councilwoman Jan Perry left at 9:50 a.m.

3) Rule 2202 Activity Report

Written report submitted. No comments.

4) Monthly Report on Environmental Justice Initiatives – CEQA Document Commenting Update

Written report submitted. No comments.

5) Other Business

None

6) Public Comment

None

The meeting adjourned at 10:30 a.m.

Attachment

Attendance Roster

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE COMMITTEE MEETING
Attendance Roster- November 19, 2010**

NAME	AFFILIATION
Acting Chair Jane Carney	AQMD Governing Board
Committee Member Jan Perry	AQMD Governing Board (via videoconference)
Board Assistant Lisha Smith	AQMD Governing Board (Gonzales)
Board Assistant Buford Crites	AQMD Governing Board (Benoit) via videoconf.
Board Assistant Nicole Nishimura	AQMD Governing Board (Lyou)
Board Assistant Esther Hays	AQMD Governing Board (Carney)
Greg Adams	Los Angeles County Sanitation District
Curt Coleman	Southern California Air Quality Alliance
David Rothbart	Los Angeles County Sanitation District
Sue Gornick	BP
Rongsheng Luo	Southern Calif. Association of Governments
Elaine Chang	AQMD Staff
Laki Tisopulos	AQMD Staff
Kurt Wiese	AQMD Staff
Barbara Baird	AQMD Staff
Chung Liu	AQMD Staff
Henry Hogo	AQMD Staff
Peter Greenwald	AQMD Staff
Nancy Feldman	AQMD Staff
Joe Cassmassi	AQMD Staff
Randall Pasek	AQMD Staff
Carol Gomez	AQMD Staff
Jean Ospital	AQMD Staff
Dean Saito	AQMD Staff
Veera Tyagi	AQMD Staff

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
MOBILE SOURCE COMMITTEE MEETING
Attendance Roster- November 19, 2010**

Sam Atwood	AQMD Staff
Patti Whiting	AQMD Staff

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 30

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee met Friday, November 19, 2010. Following is a summary of that meeting. The next meeting will be January 21, at 10:30 a.m., in Conference Room CC8.

RECOMMENDED ACTION:
Receive and file.

Dennis Yates, Chair,
Stationary Source Committee

MN:am

Attendance

The meeting began at 10:35 a.m. Present were Dennis Yates, Jane Carney and Judith Mitchell. Absent were Bill Campbell and Ronald Loveridge and Josie Gonzales.

Committee Chair Dennis Yates announced that agenda item #1 would be heard out of order prior to agenda item #1A.

INFORMATIONAL ITEM

1. Proposed Rule 1315 – Federal New Source Review Tracking System

Mohsen Nazemi, Deputy Executive Officer of Engineering & Compliance, presented a summary of Proposed Rule 1315. He explained that the Governing Board previously adopted Rule 1315 in 2006 and 2007. AQMD was sued on CEQA grounds in both cases and the State Superior Court Judge invalidated Rule 1315 (along with amendments to Rule 1309.1), and the Governing Board repealed the Rule in January of this year. The purpose of the proposed rule is to maintain AQMD's ability to continue issuing permits to sources that obtain off-

sets pursuant to the Priority Reserve, Rule 1309.1, or are exempt from providing offsets pursuant to Rule 1304 — Exemption, as well as to memorialize the tracking procedures used to verify and ensure that AQMD's offset account balances remain positive. AQMD has implemented a federal NSR tracking system for approximately two decades.

The proposed version of Rule 1315 includes the same tracking elements as the previously adopted version, however, it also includes strengthened equivalency backstop provisions. Additionally, since the prior lawsuits were on CEQA grounds, the proposed rule includes CEQA backstop measures designed to ensure that the actual impacts of implementing the rule do not exceed those evaluated in the CEQA document. Mr. Nazemi explained what the sources of initial offset account balances and the subsequent sources of deposits to the offset accounts and the types of projects using offsets from the offset accounts (including essential public services and sources that emit less than four tons per year—primarily small business). Offsets in the offset accounts that remain unused each year are carried over to the next year. However, because EPA has a policy requiring that offsets be surplus at the time of use, the carried over amounts are adjusted downwards to reflect changes in emissions requirements applicable to permitted stationary sources that became effective during the year.

Mr. Nazemi then discussed the annual demonstrations of equivalency that the proposed rule require to be prepared after each reporting period is completed. In addition, the equivalency reports also include projections of the account balances for the following two years to provide timely estimates of future balances. If a projection were to indicate that a shortfall is likely, staff would report to the Governing Board with recommendations to prevent the shortfall, such as generation of new offsets, purchase of existing offsets on the open market, or amending Rule 1304 and/or Rule 1309.1 to eliminate certain offset exemptions to ensure AQMD does not continue issuing permits relying on the offset accounts if the balances do not remain positive.

Governing Board Member Jane Carney asked why the accounting is not done in real time rather than in annual demonstrations. Mr. Nazemi responded that there are two reasons: the credits and debits are tracked in AQMD's permit database and Engineering & Compliance staff reverify the data at the end of each reporting period to ensure that it is correct and many of the credits result from permits which have become inactive for nonpayment of fees. However, AQMD rules allow facilities up to one year after such inactivations to pay the delinquent fees and have their permits reactivated. Therefore, credit is not taken for such inactivations until the repayment grace period has expired.

Mr. Nazemi next discussed the equivalency backstop provisions and the CEQA backstop provisions. If an equivalency demonstration shows that there is a shortfall in an offset account, AQMD would stop funding the Priority Reserve for that nonattainment air contaminant and would stop issuing permits to major sources relying on the offset accounts for that contaminant. Additionally, if there is a shortfall or a projected shortfall, AQMD would recommend to the Governing Board appropriate action to rectify or prevent the shortfall. Similarly, if the cumulative net emissions increase of any nonattainment air contaminant resulting from implementation of the proposed rule were to exceed the threshold specified in the rule, which are based upon the growth assumptions in the 2007 AQMP and analyzed in the CEQA document, AQMD would stop issuing permits to major or minor sources relying on an offset exemption or the Priority Reserve for the same nonattainment air contaminant until the cumulative net emission increase returns to a level at least ten percent below the threshold.

The Proposed Rule 1315 development process began with a Public Consultation and CEQA Scoping Meeting in April 2009. The draft CEQA document, draft rule, preliminary draft staff report, and public notice were released in September 2010, and the Public Workshop was held the same month. The CEQA comment period closed in early November and six comment letters were received: five supporting adoption of the proposed rule and rejecting the alternatives and one, from four of the environmental groups that were plaintiffs in the previous lawsuits, disagreeing with the rule. Governing Board Member Judith Mitchell asked if there was the potential for the backstop measures to result in an extended period of AQMD being unable to issue permits relying on offset exemptions or the Priority Reserve. Mr. Nazemi stated that there was a previous permit moratorium for about a year and a half after AQMD lost the previous lawsuit, however, the state law was changed and AQMD is currently issuing permits under the authority of SB 827, which expires in May 2012. Therefore, it is necessary to adopt the proposed rule, submit it to CARB for review, and have CARB submit it to EPA for inclusion in the SIP prior to May 2012. Kurt Wiese, General Counsel, continued that a renewed permit moratorium is theoretically possible, but is not expected.

During public comments, Greg Adams of County Sanitation Districts of Los Angeles County asked if EPA has committed to review the SIP submittal on a fast track. Mr. Nazemi responded that AQMD staff has been working with EPA throughout the rule development process and we expect that EPA would complete its review quickly.

ACTION ITEM

1A Execute Sole Source Contract for Contact Database of E-mail Addresses

Chris Marlia, Assistant DEO of Information Management recommended approval of a Sole Source Contract with CHMB Consulting Firm for purchase of a database of contact information including email addresses for 1.16 million residents in the AQMD's jurisdiction (\$100,000) as well as consulting services (\$20,000) to assist with the implementation of a List Management System for a total of \$120,000. A brief discussion followed as to the projected growth of the database as well as how the database would actually be used. No public comments were received following the presentation. The item was unanimously approved for consideration at the December 3, 2010 Board Meeting.

Moved (Yates) seconded (Carney), and unanimously recommended for approval.

INFORMATIONAL ITEMS

2. Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems and Rule 1415.1 – Reduction of Refrigerant Emissions from Stationary Refrigeration Systems

Naveen Berry, Planning & Rules Manager, presented staff proposal to amend existing Rule 1415 and adopt a new rule, Rule 1415.1. Board Member Judith Mitchell asked for clarification on the cost impacts of the proposed rules. Staff indicated that CARB's analysis showing that the best refrigerant management practices incorporated in the rules would minimize refrigerant leaks, resulting in cost savings that more than exceed the compliance costs. Staff explained that additional cost to the industry was based on the number of additional facilities that are expected to register their equipment with the District.

3. Rule 314 – Fees for Architectural Coatings

Naveen Berry, Planning & Rules Manager, presented the annual status report on the revenue/expense and compliance activities associated with the architectural coatings program. Board Member Yates inquired about the impacts of Proposition 26 on this fee rule. Staff explained that amendment to the rule is not proposed. The public inquired about the expense and revenue gap that exists and if the District had any plans to raise the fees to eliminate the gap. Staff explained that costs associated with architectural coatings program were previously covered by fees from other sources, so the revenue is to balance the fair share costs. Additionally, staff explained that staff does not plan to increase fees for Rule 314.

4. Rule 1143 – Consumer Paint Thinners and Multipurpose Solvents – Public Education and Outreach

Naveen Berry, Planning & Rules Manager, presented an update on the Education and Outreach efforts required by Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents to communicate potential increased hazards associated with lower polluting products that may have been re-formulated with higher flammability materials. One question raised by committee member Carney was addressed to clarify that it is the District’s intent that communication brochures distributed to retailers be displayed adjacent or in close proximity to the products.

WRITTEN REPORTS

All written reports were acknowledged by the Committee.

PUBLIC COMMENTS

There were no public comments.

Mayor Yates announced that the next Stationary Source Committee meeting will be on January 21, 2011.

The meeting was adjourned at 11:35 a.m.

Attachments

Attendance Roster

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
STATIONARY SOURCE COMMITTEE
NOVEMBER 19, 2010
ATTENDANCE ROSTER (VOLUNTARY)**

NAME	AFFILIATION
Committee Chair Dennis Yates	AQMD Governing Board
Committee Member Judith Mitchell	AQMD Governing Board
Committee Member Jane Carney	AQMD Governing Board
Board Assistant Nicole Nishimura	AQMD Governing Board (Lyou)
Board Assistant Lisha Smith	AQMD Governing Board (Gonzales)
Board Assistant Bob Ulloa	AQMD Governing Board (Yates)
Board Assistant Esther Hayes	AQMD Governing Board (Carney)
Board Assistant Ron Ketcham	AQMD Governing Board (Cacciotti)
Curt Coleman	So Cal AQ Alliance
Patty Senecal	WSPA
Sue Gornick	BP
Michael Delado	SB County
Bill LaMarr	CSBA
Randa Abushaban	OCSD
David Rothbart	LACSD
Peter Whittingham	CP & A
Al Javier	Eastern MWD
Mohsen Nazemi	AQMD Staff
Kurt Wiese	AQMD Staff
Barbara Baird	AQMD Staff
Elaine Chang	AQMD Staff
Laki Tisopulos	AQMD Staff
Nancy Feldman	AQMD Staff

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
STATIONARY SOURCE COMMITTEE
NOVEMBER 19, 2010
ATTENDANCE ROSTER (VOLUNTARY)**

Naveen Berry	AQMD Staff
Tina Cherry	AQMD Staff
Kim White	AQMD Staff
Mitch Haimov	AQMD Staff
Rizaldy Calungcagin	AQMD Staff
David Ono	AQMD Staff
Verra Tyagi	AQMD Staff
Rudy Eden	AQMD Staff
Sam Atwood	AQMD Staff
Chris Marlia	AQMD Staff
Fred Lettice	AQMD Staff

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 31

REPORT: Technology Committee

SYNOPSIS: The Technology Committee met on November 19, 2010. Major topics included Technology Advancement items reflected in the regular Board Agenda for the December Board meeting. A summary of these topics with the Committee's comments is provided. The next Technology Committee meeting will be on January 21, 2011 at 12 p.m. in CC-8.

RECOMMENDED ACTION:

Receive and file.

Dennis R. Yates
Technology Committee

CSL:pmk

Attendance: Mayor Dennis Yates, in attendance at District headquarters, chaired the meeting. Committee Member Judith Mitchell was also in attendance at District headquarters. Committee Member Miguel Pulido participated by video-conference. Committee Members John Benoit, William Burke, and Josie Gonzales were absent due to a conflict with their schedules.

DECEMBER BOARD AGENDA ITEMS

1. Modify HEROS II Program Elements and Execute Sole Source Contract to Implement HEROS II, Sign Memorandum of Agreement to Assist Implementation of Unocal Settlement Program, Recognize Revenues and Adopt Resolution to Implement AB 118 Enhanced Fleet Modernization Program, and Reimburse the Carl Moyer Fund from the Clean Fuels Fund

There is a need to modify the original Phase II High Emitter Repair or Scrap (HEROS) Program as approved by the Board on October 2, 2009. This action is to 1) rescind the prior contract awards and to execute a sole source contract with the Foundation for California Community Colleges in an amount not to exceed

\$668,410 and rescind prior allocation of \$1,900,000 from AB 923 Fund, 2) create the HEROS II Special Revenue Fund, and 3) transfer \$1,866,240 from Moyer Fund 32, \$56,915 from the AB 923 Fund, and \$189,855 from the Clean Fuels Fund to the HEROS II Special Revenue Fund to implement Phase II HEROS. CARB has requested the AQMD to implement the AB 118 Enhanced Fleet Modernization Program. This action is to adopt a resolution to recognize up to \$2,708,000 for the implementation of the vehicle replacement voucher component of the Enhanced Fleet Modernization Program. Lastly, this action is to reimburse the Carl Moyer Fund with \$308,339 from the Clean Fuels Fund to cover administrative costs from the first HEROS Program.

During the public comment period a question was asked if the proposed HEROS Program is coordinated with California's smog check program and testing. Staff commented that in accordance with CARB guidance for AB 923 scrappage and replacement program, vehicles on-cycle with their smog check due date must be referred to the Consumer Assistance Program as part of California's Smog Check Program.

Moved by Pulido; seconded by Mitchell; unanimously approved.

2. Execute Contracts for In-Use Emissions Testing and Demonstration of Retrofit Technology of On-Road Heavy-Duty Engines

In July 2010, the Board released an RFP to conduct in-use emissions testing of on-road heavy-duty engines, and based on these emissions tests, develop and evaluate the performance and emission-reduction potential of retrofit technology for control of on-road heavy-duty engines. Three proposals were received in response to the RFP. This action is to award contracts to West Virginia University and the University of California, Riverside to conduct the in-use testing, at a total cost not to exceed \$1,424,484 from the Clean Fuels Program Fund.

Councilmember Mitchell asked where West Virginia University will do the testing. Staff responded that WVU will do the testing locally using a mobile laboratory, which the AQMD has utilized for many years.

Councilmember Mitchell also asked why both WVU and UC Riverside were selected. Staff indicated that the two labs were selected in order to utilize both resources and to verify and corroborate several duplicate duty-cycle test cases.

Moved by Mitchell; seconded by Pulido; unanimously approved.

3. Change Funding Source in Carl Moyer Program and SOON Provision Contracts and Awards Between AB 923 and SB 1107 Funds

The Carl Moyer Program and the SOON Provision projects funded either with the Carl Moyer Program SB 1107 or AB 923 funds are all evaluated under the same criteria, and AB 923 funds may be used as match to SB 1107 funds. After consultations with CARB it was agreed that marine vessel and locomotive projects funded with AB 923 funds should instead be funded with on- and off-road projects using SB 1107 funds so that all the projects funded with AB 923 funds can be claimed as match. This action is to change the Funding Source in selected Carl Moyer and SOON Program awards and contracts between the Carl Moyer Program AB 923 funding and SB 1107 funding to meet the program's match funding requirement.

Moved by Pulido; seconded by Mitchell; unanimously approved.

4. Recognize Funds, Approve School Bus Replacement Grants and Issue Program Announcement for School Bus Retrofits

U.S. EPA has granted \$1,065,465 to the AQMD for assistance in school bus replacement projects. Furthermore, AQMD has now received the remaining balance of the Proposition 1B-School Bus Program. These actions are to recognize funds from the U.S. EPA, approve awards for 128 CNG and 18 propane school bus replacements in an amount not to exceed \$23,769,072 from the Proposition 1B and the AB 923 funds and to issue a Program Announcement to provide funding assistance for retrofit of school buses with PM trap filters.

Moved by Pulido; seconded by Mitchell; unanimously approved.

5. Renew AQMD's Membership in CaFCP for Calendar Year 2011, Provide Office Space for CaFCP, and Receive and File California Fuel Cell Partnership Steering Team Meeting Summary and Quarterly Update

The AQMD has been a member of the California Fuel Cell Partnership (CaFCP) since March 17, 2000. This action is to renew AQMD's membership in the CaFCP in an amount not to exceed \$87,800 for calendar year 2011 and cofund 50 percent of the CaFCP Regional Coordinator position located at the AQMD, in addition to office space and utilities, in an amount not to exceed \$50,000. Further actions are to continue providing in-kind office space and utilities for CaFCP employees in 2011 in an effort to educate the public and increase CaFCP's presence in Southern California. Finally, this action is to receive and file the CaFCP Steering Team Meeting Summary and Quarterly Update.

Mayor Yates asked about the status of hydrogen dispensing for commercial sale.

Staff responded that work is currently being conducted by the Division of Weights and Measures to develop a fuel metering protocol, which will be tested at the West Sacramento hydrogen station.

Moved by Mitchell; seconded by Pulido; unanimously approved.

6. Execute Contract for Expansion of Hydrogen Fueling Infrastructure

On October 21, 2010, the California Energy Commission released a Notice of Proposed Award recommending funding for eight projects that will develop hydrogen fueling infrastructure within the South Coast Air Basin. Additional funds are needed to offset high initial costs and investment for production and distribution of hydrogen for these projects. The eight stations are strategically located and will play a significant role by providing hydrogen in Southern California in areas with high vehicle densities. This action is to execute a contract with Air Products and Chemicals, Inc., in an amount not to exceed \$1,000,000 from the Clean Fuels Program Fund for expansion of hydrogen fueling infrastructure.

Mayor Yates asked about the source for hydrogen at the stations. Staff responded the source is natural gas, but as a requirement for state funding, 33% will be from a renewable feedstock.

Councilmember Mitchell asked how long will it take to build these hydrogen stations and when will hydrogen cars be deployed in volume. Staff answered it will take approximately 12-18 months to build most of the stations; in the 2012-2014 timeframe there should be about 4,000 fuel cell vehicles.

Moved by Mitchell; seconded by Pulido; unanimously approved.

Public Comment Period – *Rita Loof, of RadTech International, requested the Committee not overlook advanced stationary control technologies, especially as regulations for stationary sources become more stringent.*

Other Business – There was no other business.

The next meeting will be January 21.

Attachment

A - Attendance

Attachment A – Attendance

Acting Committee Chair Dennis Yates	AQMD Governing Board
Committee Member Judith Mitchell	AQMD Governing Board
Committee Member Miguel Pulido.....	AQMD Governing Board (via VT)
Bob Ulloa.....	Board Assistant (Yates)
Nicole Nishimura.....	Board Assistant (Lyou)
Marisa Perez	Board Assistant (Mitchell)
Lisha Smith.....	Board Assistant (Gonzales)
John Olvera, Principal Deputy District Counsel	AQMD
Chung Liu, S&TA	AQMD
Henry Hogo, S&TA.....	AQMD
Matt Miyasato, S&TA	AQMD
Fred Minassian, S&TA.....	AQMD
Randall Pasek, S&TA.....	AQMD
Dipankar Sarkar, S&TA	AQMD
Lori Berard, S&TA.....	AQMD
Dave Coel, S&TA	AQMD
Ranji George, S&TA	AQMD
Adewale Oshinuga, S&TA.....	AQMD
Larry Watkins, S&TA	AQMD
Nancy Cole, FIN.....	AQMD
Tina Cherry, Media.....	AQMD
Paul Wright, IM.....	AQMD
Isabel Aguilar, S&TA.....	AQMD
Laurie Diton, S&TA.....	AQMD
Pat Krayser, S&TA.....	AQMD
Tess Sicat.....	ARB
Todd Franssen	Buswest
Jordan McRobie.....	CaFCP
Stephanie White.....	CaFCP
Joe Angeli.....	Creative Bus Sales
Michael Delgado.....	San Bernardino County
Rita Loof.....	RadTech International

2002-03 AB2766 Contract Status Report

11/19/2010

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Declined/Cancelled Contracts									
MS03039	Bureau of Automotive Repair				\$500,000.00	\$0.00	Repair Assistance Program	\$500,000.00	No
MS03058	Ebensteiner Company				\$705,936.00	\$0.00	Repower 8 Wheel Scrapers	\$705,936.00	No
MS03060	Clean Energy Fuels Corp.	12/5/2003	1/4/2005	1/4/2006	\$250,000.00	\$0.00	CNG Fueling Station - Palm Springs	\$250,000.00	No
MS03061	Clean Energy Fuels Corp.	12/5/2003	1/4/2005	7/4/2006	\$250,000.00	\$0.00	CNG Fueling Station - Ontario Airport	\$250,000.00	No
Total: 4									
Closed Contracts									
MS03001	A-Z Bus Sales, Inc.	4/11/2003	12/31/2003	12/31/2004	\$1,773,333.00	\$1,740,000.00	CNG School Bus Buydown	\$33,333.00	Yes
MS03002	California Bus Sales	4/7/2003	12/31/2003	12/31/2004	\$1,140,000.00	\$1,140,000.00	CNG School Bus Buydown	\$0.00	Yes
MS03003	BusWest	4/21/2003	12/31/2003	12/31/2004	\$1,140,000.00	\$540,000.00	CNG School Bus Buydown	\$600,000.00	Yes
MS03004	Haaland Internet Productions (HIP D	5/28/2003	3/31/2005	12/31/2005	\$35,000.00	\$21,075.00	MSRC Website Maintenance	\$13,925.00	Yes
MS03015	City of La Quinta	6/23/2003	3/23/2004	3/23/2005	\$77,119.00	\$59,698.47	Soil Stabilization	\$17,420.53	Yes
MS03017	City of La Quinta	7/7/2003	8/7/2004		\$139,285.00	\$139,285.00	Purchase PM10 Certified Street Sweeper	\$0.00	Yes
MS03018	Gateway Cities Council of Governme	9/3/2003	3/3/2005		\$1,000,000.00	\$1,000,000.00	Truck Fleet Modernization Program	\$0.00	Yes
MS03022	City of Rancho Mirage	9/3/2003	6/3/2004	12/3/2004	\$70,626.00	\$70,626.00	Water Truck, Post Even Cleanup, Pave Porti	\$0.00	Yes
MS03023	County of Riverside Transportation D	8/13/2003	7/13/2004		\$62,396.00	\$0.00	Pave Portions of Two Roads	\$62,396.00	No
MS03025	Coachella Valley Association of Gov	7/11/2003	8/10/2006	10/10/2007	\$20,730.00	\$20,730.00	Wind Fencing	\$0.00	Yes
MS03026	City of Palm Springs	2/12/2004	12/11/2004	3/11/2007	\$44,529.00	\$29,703.00	Pick-Up Truck, Soil Stabilization, Paving	\$14,826.00	Yes
MS03027	City of Riverside	5/6/2004	1/5/2006		\$52,402.00	\$43,597.00	1 CNG Street Sweeper, 3 CNG Refuse Truc	\$8,805.00	Yes
MS03028	Johnson/Ukropina Creative Marketin	7/7/2003	8/31/2004		\$805,000.00	\$802,373.73	Implement "Rideshare Thursday" Campaign	\$2,626.27	Yes
MS03029	County Sanitation Districts of L.A. C	9/25/2003	6/24/2005	8/24/2006	\$416,500.00	\$416,500.00	Repower 3 Dual-Engine Scrapers, 1 Wheel	\$0.00	Yes
MS03030	McLaughlin Engineering & Mining, In	9/5/2003	4/4/2005		\$564,360.00	\$564,360.00	Repower 6 dual-engine scrapers	\$0.00	Yes
MS03031	City of Cathedral City	9/30/2003	10/29/2004	10/29/2008	\$79,036.00	\$79,036.00	Wind Fencing & Soil Stabilization	\$0.00	Yes
MS03033	Coachella Valley Association of Gov	7/22/2003	11/21/2005		\$291,808.00	\$115,343.75	Street Sweeping Vehicles & Equipment	\$176,464.25	Yes
MS03034	Sukut Equipment, Inc.	9/3/2003	1/3/2005		\$557,653.00	\$557,653.00	Repower 4 wheel scrapers, 1 wheel dozer	\$0.00	Yes
MS03035	Jagur Tractor	7/22/2003	11/22/2004		\$261,742.00	\$261,742.00	2 Dual-engine wheel scrapers	\$0.00	Yes
MS03036	PEED Equipment Co.	8/1/2003	12/1/2004		\$72,363.00	\$72,363.00	One Dozer	\$0.00	Yes
MS03037	City of Coachella	3/22/2004	4/21/2005		\$11,969.00	\$11,969.00	Purchase CNG Street Sweeper	\$0.00	Yes
MS03038	TransVironmental Solutions, Inc.	9/5/2003	12/5/2005	11/4/2006	\$615,200.00	\$552,952.04	Regional Vanpool Program	\$62,247.96	No
MS03040	City of Redondo Beach	9/30/2003	7/30/2004		\$100,000.00	\$100,000.00	Expand CNG Fueling Station	\$0.00	Yes
MS03041	Orange County Transportation Autho	6/15/2004	8/14/2008	1/14/2009	\$1,360,000.00	\$1,360,000.00	68 CNG Buses	\$0.00	Yes
MS03042	Riverside Transit Agency	1/19/2004	12/18/2005	6/18/2006	\$100,000.00	\$100,000.00	Construct CNG Fueling Station	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS03050	City of Culver City Transportation De	10/10/2003	6/9/2005	4/9/2008	\$294,286.00	\$294,286.00	8 CNG Buses/Fueling Sta. Mods.	\$0.00	Yes
MS03051	San Bernardino Associated Govern	12/5/2003	10/5/2006	3/1/2008	\$375,000.00	\$353,249.52	Freeway Service Patrol	\$21,750.48	Yes
MS03052	The Better World Group	10/3/2003	10/3/2004	10/2/2007	\$163,561.00	\$141,333.83	Programmatic Outreach	\$22,227.17	Yes
MS03055	Riverside County Transportation Co	11/7/2003	5/7/2006		\$275,400.00	\$165,939.62	Freeway Service Patrol	\$109,460.38	Yes
MS03056	Los Angeles County MTA	3/1/2004	9/30/2006		\$862,200.00	\$825,190.60	Expanded Freeway Service Patrol	\$37,009.40	Yes
MS03057	Catrac Construction, Inc.	1/9/2004	5/9/2005		\$155,325.00	\$155,325.00	Repower wheel loader, dozer, scraper	\$0.00	Yes
MS03059	Orange County Transportation Autho	12/23/2003	8/23/2006		\$375,000.00	\$374,999.39	Freeway Service Patrol	\$0.61	Yes
MS03062	Clean Energy Fuels Corp.	1/21/2004	2/20/2005	2/20/2006	\$250,000.00	\$250,000.00	CNG Fueling Station - Canoga Park	\$0.00	Yes
MS03067	County of Riverside Transportation D	2/4/2005	11/3/2005	6/7/2008	\$62,396.00	\$62,396.00	Pave Portions of Two Roads	\$0.00	No
MS03068	City of Palm Desert	12/3/2004	10/2/2005	4/2/2006	\$42,339.00	\$21,217.01	Soil Stabilization, Wind Fencing & Vegetation	\$21,121.99	Yes
MS03069	City of Cathedral City	12/20/2006	11/19/2007	10/31/2009	\$22,953.00	\$22,953.00	Wind Fencing	\$0.00	Yes
MS03070	City of Desert Hot Springs	7/13/2007	10/12/2007		\$2,965.00	\$2,965.00	Purchase One CNG Pickup Truck	\$0.00	Yes

Total: 37

Closed/Incomplete Contracts

MS03016	City of Palm Desert	6/23/2003	8/23/2004		\$42,339.00	\$0.00	Soil Stabilization, Wind Fencing & Vegetation	\$42,339.00	Yes
MS03024	City of Desert Hot Springs	6/23/2003	9/23/2006		\$42,979.00	\$24,956.05	Street Sweeper, Skip Loader, Post-Event CI	\$18,022.95	Yes
MS03032	City of Cathedral City	10/18/2004	7/17/2006		\$24,895.00	\$0.00	Wind Fencing	\$24,895.00	No
MS03048	Coachella Valley Association of Gov	10/16/2003	6/16/2004	12/16/2004	\$27,000.00	\$0.00	Stabilize Six Unpaved Parking Lots	\$27,000.00	No
MS03063	Clean Energy Fuels Corp.	7/22/2004	8/21/2005	8/21/2006	\$250,000.00	\$0.00	CNG Fueling Station - Hollywood	\$250,000.00	Yes
MS03064	Clean Energy Fuels Corp.	3/12/2004	4/11/2005		\$250,000.00	\$0.00	LNG Fueling Station - XRT San Bernardino	\$250,000.00	No

Total: 6

2003-04 AB2766 Contract Status Report

11/19/2010

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open Contracts									
MS04061	Riverside County Transportation Co	6/29/2009	8/31/2010		\$225,000.00	\$0.00	Regional Rideshare Database Enhancement	\$225,000.00	No
MS04062	Los Angeles County MTA	10/1/2010	3/31/2011		\$53,500.00	\$0.00	Regional Rideshare Database Enhancement	\$53,500.00	No
Total: 2									
Declined/Cancelled Contracts									
MS04002	City of Riverside				\$58,096.00	\$0.00	3 Refuse Trucks, 3 Dump Trucks, 2 Water T	\$58,096.00	No
MS04051	NorthStar, Inc.				\$250,000.00	\$0.00	New LNG Station	\$250,000.00	No
MS04053	Clean Energy Fuels Corp.				\$250,000.00	\$0.00	New CNG Station - Mid-Wilshire	\$250,000.00	No
MS04054	Clean Energy Fuels Corp.				\$250,000.00	\$0.00	New CNG Station - Mission Viejo	\$250,000.00	No
Total: 4									
Closed Contracts									
MS04001	City of Ontario	8/27/2004	9/26/2005		\$35,082.00	\$35,082.00	2 CNG Refuse Trucks	\$0.00	Yes
MS04003	Long Beach Transit	8/27/2004	6/26/2006		\$335,453.00	\$330,453.00	27 Gasoline-Electric Hybrid Buses/Mech. Tr	\$5,000.00	Yes
MS04005	City of Norwalk Transportation Dept.	11/27/2004	1/27/2007		\$118,052.00	\$88,539.00	4 Gas-Electric Hybrid Vehicles	\$29,513.00	Yes
MS04006	Orange County Transportation Autho	10/1/2004	4/30/2006	7/31/2008	\$405,000.00	\$405,000.00	2 Gas-Electric Hybrid and 20 CNG Transit B	\$0.00	Yes
MS04007	Foothill Transit Agency	6/24/2005	11/23/2006		\$715,000.00	\$714,100.00	75 CNG Buses, Fueling Station	\$900.00	No
MS04008	Los Angeles County MTA	11/1/2004	9/30/2007		\$854,050.00	\$854,050.00	50 CNG Buses	\$0.00	Yes
MS04017	Road Builders, Inc.	10/13/2004	4/12/2006	12/31/2006	\$953,080.00	\$953,080.00	Repower 12 Scrapers & 1 Loader	\$0.00	Yes
MS04027	Larry Jacinto Construction	9/13/2004	3/12/2006		\$454,510.00	\$454,510.00	Repower 6 Scrapers	\$0.00	Yes
MS04029	Herigstad Equipment Rental	9/16/2004	3/15/2006		\$1,190,024.00	\$830,172.00	Repower 10 Scrapers	\$359,852.00	Yes
MS04036	Sukut Equipment, Inc.	12/15/2004	2/15/2006		\$466,807.00	\$466,807.00	Repower 4 Scrapers & 3 Dozers	\$0.00	Yes
MS04039	CR&R, Inc.	1/25/2005	3/24/2007	2/24/2009	\$463,168.00	\$461,550.00	30 LNG Refuse Trucks	\$1,618.00	Yes
MS04041	CR&R, Inc.	7/25/2005	9/24/2007	9/24/2008	\$155,468.00	\$153,850.00	10 LNG Refuse Trucks, Mechanic Training	\$1,618.00	Yes
MS04050	R.F. Dickson Co., Inc.	6/3/2005	6/2/2006	10/2/2007	\$250,000.00	\$250,000.00	Upgrade CNG Station	\$0.00	Yes
MS04052	Downs Energy	5/6/2005	6/5/2006	6/30/2009	\$250,000.00	\$250,000.00	New LNG/L-CNG Station	\$0.00	Yes
MS04058	American Honda Motor Company	11/2/2005	6/30/2007	3/31/2008	\$300,000.00	\$4,000.00	Home Refueling Apparatus Lease Incentives	\$296,000.00	Yes
MS04059	FuelMaker Corporation	9/9/2005	6/30/2006	12/31/2006	\$100,000.00	\$100,000.00	Home Refueling Apparatus Incentives	\$0.00	Yes
Total: 16									
Closed/Incomplete Contracts									
MS04004	Athens Services, Inc.	9/3/2004	3/2/2006	9/2/2006	\$311,421.00	\$197,503.50	14 LNG Waste Haulers, Maint. Facility. Mod	\$113,917.50	No
MS04055	Riverside County Transportation Co	6/29/2006	8/28/2007	2/28/2008	\$225,000.00	\$0.00	Regional Rideshare Database Enhancement	\$225,000.00	No
MS04056	Los Angeles County MTA	6/13/2006	12/12/2007	1/12/2010	\$120,000.00	\$66,488.40	Regional Rideshare Database Enhancement	\$53,511.60	Yes

2004-05 AB2766 Local Government Match Program Contract Status Report

11/19/2010

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open Contracts									
ML05009	Los Angeles County Department of	6/22/2006	12/21/2007	9/30/2011	\$56,666.00	\$0.00	2 Propane Refueling Stations	\$56,666.00	No
ML05013	Los Angeles County Department of	1/5/2007	7/4/2008	7/4/2011	\$313,000.00	\$0.00	Traffic Signal Synchronization	\$313,000.00	No
ML05014	Los Angeles County Department of	5/21/2007	11/20/2008	6/20/2012	\$204,221.00	\$0.00	Traffic Signal Synchronization	\$204,221.00	No
ML05071	City of La Canada Flintridge	1/30/2009	1/29/2011		\$20,000.00	\$0.00	1 CNG Bus	\$20,000.00	No
ML05072	Los Angeles County Department of	8/24/2009	5/23/2010	1/23/2011	\$349,000.00	\$0.00	Traffic Signal Synchronization (LADOT)	\$349,000.00	No
Total: 5									
Declined/Cancelled Contracts									
ML05005	City of Highland				\$20,000.00	\$0.00	2 Medium Duty CNG Vehicles	\$20,000.00	No
ML05008	Los Angeles County Department of				\$140,000.00	\$0.00	7 Heavy Duty LPG Street Sweepers	\$140,000.00	No
ML05010	Los Angeles County Department of				\$20,000.00	\$0.00	1 Heavy Duty CNG Bus	\$20,000.00	No
Total: 3									
Closed Contracts									
ML05006	City of Colton	7/27/2005	7/26/2006		\$30,000.00	\$30,000.00	3 Medium Duty CNG Vehicles	\$0.00	Yes
ML05011	Los Angeles County Department of	8/10/2006	12/9/2007	6/9/2008	\$52,409.00	\$51,048.46	3 Heavy Duty LPG Shuttle Vans	\$1,360.54	Yes
ML05015	City of Lawndale	7/27/2005	7/26/2006		\$10,000.00	\$10,000.00	1 Medium Duty CNG Vehicle	\$0.00	Yes
ML05016	City of Santa Monica	9/23/2005	9/22/2006	9/22/2007	\$350,000.00	\$350,000.00	6 MD CNG Vehicles, 1 LPG Sweep, 13 CNG	\$0.00	Yes
ML05017	City of Signal Hill	1/16/2006	7/15/2007		\$126,000.00	\$126,000.00	Traffic Signal Synchronization	\$0.00	Yes
ML05018	City of San Bernardino	4/19/2005	4/18/2006		\$40,000.00	\$40,000.00	4 M.D. CNG Vehicles	\$0.00	Yes
ML05019	City of Lakewood	5/6/2005	5/5/2006		\$10,000.00	\$10,000.00	1 M.D. CNG Vehicle	\$0.00	Yes
ML05020	City of Pomona	6/24/2005	6/23/2006		\$10,000.00	\$10,000.00	1 M.D. CNG Vehicle	\$0.00	Yes
ML05021	City of Whittier	7/7/2005	7/6/2006	4/6/2008	\$100,000.00	\$80,000.00	Sweeper, Aerial Truck, & 3 Refuse Trucks	\$20,000.00	Yes
ML05022	City of Claremont	9/23/2005	9/22/2006		\$20,000.00	\$20,000.00	2 M.D. CNG Vehicles	\$0.00	Yes
ML05024	City of Cerritos	4/18/2005	3/17/2006		\$10,000.00	\$10,000.00	1 M.D. CNG Vehicle	\$0.00	Yes
ML05025	City of Malibu	5/6/2005	3/5/2006		\$10,000.00	\$10,000.00	1 Medium-Duty CNG Vehicle	\$0.00	Yes
ML05026	City of Inglewood	1/6/2006	1/5/2007	2/5/2009	\$60,000.00	\$60,000.00	2 CNG Transit Buses, 1 CNG Pothole Patch	\$0.00	Yes
ML05027	City of Beaumont	2/23/2006	4/22/2007	6/22/2010	\$20,000.00	\$20,000.00	1 H.D. CNG Bus	\$0.00	Yes
ML05028	City of Anaheim	9/8/2006	9/7/2007	5/7/2008	\$85,331.00	\$85,331.00	Traffic signal coordination & synchronization	\$0.00	Yes
ML05029	Los Angeles World Airports	5/5/2006	9/4/2007		\$140,000.00	\$140,000.00	Seven CNG Buses	\$0.00	Yes
Total: 16									
Closed/Incomplete Contracts									
ML05007	Los Angeles County Dept of Beache	6/23/2006	6/22/2007	12/22/2007	\$50,000.00	\$0.00	5 Medium Duty CNG Vehicles	\$50,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML05012	Los Angeles County Department of	11/10/2006	5/9/2008	1/9/2009	\$349,000.00	\$0.00	Traffic Signal Synchronization (LADOT)	\$349,000.00	No
ML05023	City of La Canada Flintridge	3/30/2005	2/28/2006	8/28/2008	\$20,000.00	\$0.00	1 CNG Bus	\$20,000.00	No

Total: 3

2005-06 AB2766 Contract Status Report

11/19/2010

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open Contracts									
MS06001	Riverside County Transportation Co	8/3/2007	9/2/2011		\$825,037.00	\$812,509.79	New Freeway Service Patrol	\$12,527.21	No
MS06002	Orange County Transportation Autho	11/7/2007	11/6/2013		\$928,740.00	\$700,170.00	New Freeway Service Patrol	\$228,570.00	No
MS06004	Los Angeles County MTA	8/10/2006	7/9/2010		\$1,391,983.00	\$1,321,379.69	New Freeway Service Patrol	\$70,603.31	No
MS06013	City of Commerce	1/9/2008	7/8/2014	7/8/2015	\$350,000.00	\$0.00	New L/CNG Station - Commerce	\$350,000.00	No
MS06043X	Westport Fuel Systems, Inc.	2/3/2007	12/31/2010	9/30/2011	\$2,000,000.00	\$2,000,000.00	Advanced Natural Gas Engine Incentive Pro	\$0.00	No
MS06051	Menifee Union School District	3/2/2007	7/1/2014		\$150,000.00	\$0.00	CNG Fueling Station	\$150,000.00	No
Total: 6									
Declined/Cancelled Contracts									
MS06009	Clean Energy Fuels Corp.	6/23/2006	12/22/2012		\$250,000.00	\$0.00	New CNG Station - Laguna Niguel	\$250,000.00	Yes
MS06040	Capistrano Unified School District				\$136,000.00	\$0.00	New CNG Fueling Station	\$136,000.00	No
MS06041	Clean Energy Fuels Corp.	12/1/2006	3/31/2013	6/18/2009	\$250,000.00	\$0.00	New CNG Station-Newport Beach	\$250,000.00	No
MS06046	City of Long Beach, Dept. of Public				\$250,000.00	\$0.00	LNG Fueling Station	\$250,000.00	No
Total: 4									
Closed Contracts									
MS06003	San Bernardino Associated Govern	10/19/2006	6/18/2010		\$804,240.00	\$804,239.87	New Freeway Service Patrol	\$0.13	Yes
Total: 1									
Open/Complete Contracts									
MS06010	US Airconditioning Distributors	12/28/2006	6/27/2012		\$83,506.00	\$83,506.00	New CNG Station - Industry	\$0.00	Yes
MS06011	County Sanitation Districts of L.A. C	6/1/2006	7/31/2012		\$150,000.00	\$150,000.00	New CNG Station - Carson	\$0.00	Yes
MS06012	Consolidated Disposal Service	7/14/2006	9/13/2012		\$297,981.00	\$297,981.00	New LNG Station & Facility Upgrades	\$0.00	Yes
MS06042	Clean Energy Fuels Corp.	1/5/2007	1/4/2013		\$150,000.00	\$150,000.00	New CNG Station-Baldwin Park	\$0.00	No
MS06045	Orange County Transportation Autho	8/17/2007	12/16/2013		\$200,000.00	\$200,000.00	CNG Fueling Station/Maint. Fac. Mods	\$0.00	Yes
MS06047	Hemet Unified School District	9/19/2007	11/18/2013		\$125,000.00	\$125,000.00	CNG Refueling Station	\$0.00	Yes
MS06048	Newport-Mesa Unified School Distric	6/25/2007	8/24/2013	8/24/2014	\$50,000.00	\$50,000.00	CNG Fueling Station	\$0.00	Yes
MS06049	Clean Energy Fuels Corp.	4/20/2007	7/19/2013		\$250,000.00	\$228,491.18	CNG Fueling Station - L.B.P.D.	\$21,508.82	Yes
MS06050	Rossmoor Pastries	1/24/2007	10/23/2012		\$18,750.00	\$14,910.50	CNG Fueling Station	\$3,839.50	Yes
Total: 9									

2005-06 AB2766 Local Government Match Program Contract Status Report

11/19/2010

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open Contracts									
ML06020	Los Angeles Department of Water a	3/19/2007	9/18/2013	4/18/2014	\$25,000.00	\$0.00	CNG Aerial Truck	\$25,000.00	No
ML06025	City of Santa Monica	1/5/2007	11/4/2012	12/14/2014	\$300,000.00	\$125,000.00	12 H.D. CNG Vehicles	\$175,000.00	No
ML06028	City of Pasadena	9/29/2006	11/28/2012	3/28/2014	\$245,000.00	\$0.00	New CNG Station & Maint. Fac. Upgrades	\$245,000.00	No
ML06031	City of Inglewood	4/4/2007	6/3/2013	9/3/2015	\$150,000.00	\$65,602.40	Purchase 4 H-D LPG Vehicles & Install LPG	\$84,397.60	No
ML06035	City of Hemet, Public Works	11/10/2006	12/9/2012	6/9/2013	\$414,000.00	\$175,000.00	7 Nat Gas Trucks & New Nat Gas Infrastruct	\$239,000.00	No
ML06039	City of Inglewood	2/9/2007	2/8/2008	4/8/2011	\$50,000.00	\$0.00	Modify Maintenance Facility for CNG Vehicle	\$50,000.00	No
ML06054	Los Angeles County Department of	6/17/2009	6/16/2016		\$150,000.00	\$0.00	3 CNG & 3 LPG HD Trucks	\$150,000.00	No
ML06058	City of Santa Monica	7/12/2007	7/11/2013		\$149,925.00	\$0.00	3 H.D. CNG Trucks & CNG Fueling Station	\$149,925.00	No
ML06060	City of Temple City	6/12/2007	6/11/2013		\$31,885.00	\$0.00	Upgrade existing CNG infrastructure	\$31,885.00	No
ML06061	City of Chino Hills	4/30/2007	4/29/2013		\$25,000.00	\$0.00	One H.D. CNG Vehicle	\$25,000.00	No
ML06070	City of Colton	4/30/2008	2/28/2015		\$50,000.00	\$0.00	Two CNG Pickups	\$50,000.00	No
Total: 11									
Declined/Cancelled Contracts									
ML06018	Los Angeles County Dept of Beache				\$375,000.00	\$0.00	New CNG Station & 2 CNG Dump Trucks	\$375,000.00	No
ML06019	Los Angeles County Dept of Beache				\$250,000.00	\$0.00	New CNG Station & 2 CNG Dump Trucks	\$250,000.00	No
ML06023	City of Baldwin Park	6/16/2006	9/15/2012		\$20,000.00	\$0.00	CNG Dump Truck	\$20,000.00	No
ML06024	City of Pomona	8/3/2007	7/2/2013	7/2/2014	\$286,450.00	\$0.00	New CNG Station	\$286,450.00	No
ML06030	City of Burbank	3/19/2007	9/18/2011		\$287,700.00	\$0.00	New CNG Fueling Station	\$287,700.00	No
ML06037	City of Lynwood				\$25,000.00	\$0.00	1 Nat Gas Dump Truck	\$25,000.00	No
ML06055	City of Los Angeles, Dept. of Genera				\$125,000.00	\$0.00	5 Gas-Electric Hybrid Buses	\$125,000.00	No
ML06059	City of Fountain Valley				\$25,000.00	\$0.00	One H.D. CNG Truck	\$25,000.00	No
Total: 8									
Closed Contracts									
ML06056	City of Los Angeles, Dept. of Genera	11/30/2007	11/29/2008		\$350,000.00	\$350,000.00	Maintenance Facility Mods.	\$0.00	Yes
Total: 1									
Open/Complete Contracts									
ML06016	City of Whittier	5/25/2006	5/24/2012	11/24/2012	\$50,000.00	\$50,000.00	2 CNG Refuse Trucks	\$0.00	Yes
ML06017	City of Claremont	8/2/2006	4/1/2012		\$50,000.00	\$50,000.00	2 CNG Refuse Trucks	\$0.00	Yes
ML06021	Los Angeles World Airports	9/13/2006	5/12/2013		\$150,000.00	\$150,000.00	6 CNG Buses	\$0.00	Yes
ML06022	City of Los Angeles, Bureau of Sanit	5/4/2007	1/3/2014		\$1,250,000.00	\$1,250,000.00	50 LNG Refuse Trucks	\$0.00	Yes
ML06026	City of Cerritos	10/27/2006	9/26/2010		\$60,500.00	\$60,500.00	CNG Station Upgrade	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML06027	City of Redondo Beach	9/5/2006	5/4/2012	10/4/2012	\$50,000.00	\$50,000.00	2 Heavy-Duty CNG Trucks	\$0.00	Yes
ML06029	City of Culver City Transportation De	9/29/2006	12/28/2012		\$50,000.00	\$50,000.00	2 CNG Heavy-Duty Trucks	\$0.00	Yes
ML06032	City of Rancho Cucamonga	2/13/2007	3/12/2013	2/12/2014	\$237,079.00	\$237,079.00	New CNG Station & 2 CNG Dump Trucks	\$0.00	Yes
ML06033	City of Cathedral City	11/17/2006	12/16/2012	12/16/2013	\$125,000.00	\$125,000.00	5 Heavy-Duty CNG Trucks	\$0.00	Yes
ML06034	City of South Pasadena	9/25/2006	9/24/2012		\$16,422.42	\$16,422.42	2 Nat. Gas Transit Buses	\$0.00	Yes
ML06036	City of Riverside	3/23/2007	3/22/2013		\$200,000.00	\$200,000.00	8 Heavy-Duty Nat Gas Vehicles	\$0.00	Yes
ML06038	City of Los Angeles, Environmental	5/21/2007	1/20/2014		\$625,000.00	\$625,000.00	25 CNG Street Sweepers	\$0.00	Yes
ML06044	City of Pomona	12/15/2006	3/14/2013		\$50,000.00	\$50,000.00	2 CNG Street Sweepers	\$0.00	Yes
ML06052	City of Hemet, Public Works	4/20/2007	2/19/2013		\$25,000.00	\$25,000.00	Purchase One CNG Dump Truck	\$0.00	Yes
ML06053	City of Burbank	5/4/2007	7/3/2013		\$125,000.00	\$125,000.00	Five Nat. Gas Refuse Trucks	\$0.00	Yes
ML06057	City of Rancho Cucamonga	8/28/2007	6/27/2013	8/27/2014	\$100,000.00	\$100,000.00	4 H.D. Nat. Gas Vehicles	\$0.00	Yes
ML06062	City of Redlands	5/11/2007	5/10/2013		\$100,000.00	\$100,000.00	4 H.D. LNG Vehicles	\$0.00	Yes
ML06063	City of Moreno Valley	3/23/2007	11/22/2012		\$25,000.00	\$25,000.00	One H.D. CNG Vehicle	\$0.00	Yes
ML06064	City of South Pasadena	1/25/2008	11/24/2013	11/24/2014	\$50,000.00	\$50,000.00	2 H.D. CNG Vehicles	\$0.00	Yes
ML06065	City of Walnut	6/29/2007	6/28/2013		\$44,203.00	\$44,203.00	Upgrade Existing CNG Infrastructure	\$0.00	Yes
ML06066	City of Ontario	5/30/2007	1/29/2013		\$125,000.00	\$125,000.00	5 H.D. CNG Vehicles	\$0.00	Yes
ML06067	City of El Monte	3/17/2008	5/16/2014	11/16/2014	\$157,957.00	\$157,957.00	Upgrade existing CNG infrastructure	\$0.00	Yes
ML06068	City of Claremont	8/28/2007	6/27/2013		\$60,000.00	\$60,000.00	Expand existing CNG infrastructure	\$0.00	Yes
ML06069	City of Palos Verdes Estates	11/19/2007	11/18/2013		\$25,000.00	\$25,000.00	One H.D. CNG Vehicle	\$0.00	Yes

Total: 24

2005-06 Diesel Exhaust Retrofit Program Contract Status Report

11/19/2010

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open Contracts									
PT06006	Los Angeles County Sheriff's Depart	5/15/2006	2/14/2008		\$98,000.00	\$0.00	Diesel Exhaust Aftertreatment Program	\$98,000.00	No
Total: 1									
Closed Contracts									
PT06005	Los Angeles County Department of	6/29/2006	3/28/2008	12/28/2008	\$184,500.00	\$184,500.00	Diesel Exhaust Aftertreatment Program	\$0.00	Yes
PT06007	County Sanitation Districts of L.A. C	6/16/2006	12/15/2007	12/28/2008	\$108,000.00	\$108,000.00	Diesel Exhaust Aftertreatment Program	\$0.00	Yes
PT06008	City of Los Angeles, Bureau of Sanit	9/6/2006	6/5/2008		\$184,500.00	\$184,500.00	Diesel Exhaust Aftertreatment Program	\$0.00	Yes
PT06014	Los Angeles Department of Water a	2/8/2007	8/7/2008	9/30/2009	\$112,500.00	\$103,500.00	Diesel Exhaust Aftertreatment Program	\$9,000.00	Yes
PT06015	City of San Bernardino	10/23/2006	4/22/2008		\$66,000.00	\$66,000.00	Diesel Exhaust Aftertreatment Program	\$0.00	Yes
Total: 5									

2006-07 AB2766 Contract Status Report

11/19/2010

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open Contracts									
MS07008	City of Los Angeles, Department of T	9/18/2009	5/17/2020		\$2,040,000.00	\$0.00	Purchase 102 Transit Buses	\$2,040,000.00	No
MS07011	Los Angeles Service Authority for Fr	3/12/2010	5/31/2011		\$700,000.00	\$0.00	"511" Commuter Services Campaign	\$700,000.00	No
MS07022	California State University, Los Ange	10/30/2009	12/29/2015		\$250,000.00	\$0.00	New Hydrogen Fueling Station	\$250,000.00	No
MS07049	Palm Springs Disposal Services	10/23/2008	11/22/2014	11/22/2015	\$96,000.00	\$57,600.00	Three Nat. Gas Refuse Trucks	\$38,400.00	No
MS07054	Republic Services, Inc./Allied Waste	3/7/2008	9/6/2014	9/6/2016	\$1,280,000.00	\$1,152,000.00	40 Nat. Gas Refuse Trucks	\$128,000.00	No
MS07058	The Better World Group	11/17/2007	11/16/2009	11/16/2011	\$247,690.00	\$120,475.92	MSRC Programmatic Outreach Services	\$127,214.08	No
MS07059	County Sanitation Districts of L.A. C	9/5/2008	9/4/2010	7/14/2011	\$248,300.00	\$157,800.00	Off-Road Diesel Equipment Retrofit Program	\$90,500.00	No
MS07060	Community Recycling & Resource R	3/7/2008	1/6/2010	7/6/2011	\$177,460.00	\$74,371.00	Off-Road Diesel Equipment Retrofit Program	\$103,089.00	No
MS07061	City of Los Angeles, Department of	10/31/2008	8/30/2010	2/28/2012	\$85,200.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$85,200.00	No
MS07063	Shimmick Construction Company, In	4/26/2008	2/25/2010	8/25/2011	\$80,800.00	\$11,956.37	Off-Road Diesel Equipment Retrofit Program	\$68,843.63	No
MS07064	Altfillisch Contractors, Inc.	9/19/2008	7/18/2010	1/18/2011	\$160,000.00	\$155,667.14	Off-Road Diesel Equipment Retrofit Program	\$4,332.86	No
MS07066	Skanska USA Civil West California D	6/28/2008	4/27/2010	10/27/2010	\$111,700.00	\$36,128.19	Off-Road Diesel Equipment Retrofit Program	\$75,571.81	No
MS07068	Sukut Equipment Inc.	1/23/2009	11/22/2010	5/22/2012	\$26,900.00	\$26,900.00	Off-Road Diesel Equipment Retrofit Program	\$0.00	No
MS07069	City of Burbank	5/9/2008	3/8/2010	9/8/2011	\$8,895.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$8,895.00	No
MS07070	Griffith Company	4/30/2008	2/28/2010	8/28/2011	\$230,705.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$230,705.00	No
MS07071	Tiger 4 Equipment Leasing	9/19/2008	7/18/2010	1/18/2012	\$333,967.00	\$84,308.97	Off-Road Diesel Equipment Retrofit Program	\$249,658.03	No
MS07072	City of Culver City Transportation De	4/4/2008	2/3/2010	8/3/2011	\$72,865.00	\$72,865.00	Off-Road Diesel Equipment Retrofit Program	\$0.00	No
MS07073	PEED Equipment Co.	10/31/2008	8/30/2010		\$11,600.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$11,600.00	No
MS07075	Dan Copp Crushing	9/17/2008	7/16/2010	1/16/2012	\$73,600.00	\$40,200.00	Off-Road Diesel Equipment Retrofit Program	\$33,400.00	No
MS07076	Reed Thomas Company, Inc.	8/15/2008	6/14/2010	12/14/2011	\$348,050.00	\$19,500.00	Off-Road Diesel Equipment Retrofit Program	\$328,550.00	No
MS07078	Waste Management Collection and	5/1/2009	12/31/2014		\$256,000.00	\$201,600.00	Eight Nat. Gas Refuse Trucks (Dewey's)	\$54,400.00	No
MS07079	Riverside County Transportation Co	1/30/2009	7/29/2013	12/31/2011	\$20,000.00	\$8,265.45	BikeMetro Website Migration	\$11,734.55	No
MS07080	City of Los Angeles, Bureau of Sanit	10/31/2008	8/30/2010	2/29/2012	\$63,192.00	\$52,265.00	Off-Road Diesel Equipment Retrofit Program	\$10,927.00	No
MS07092	Riverside County Transportation Co	9/1/2010	10/31/2011		\$350,000.00	\$0.00	"511" Commuter Services Campaign	\$350,000.00	No

Total: 24

Declined/Cancelled Contracts

MS07010	Palos Verdes Peninsula Transit Auth				\$80,000.00	\$0.00	Repower 4 Transit Buses	\$80,000.00	No
MS07014	Clean Energy Fuels Corp.				\$350,000.00	\$0.00	New L/CNG Station - SERRF	\$350,000.00	No
MS07015	Baldwin Park Unified School District				\$57,500.00	\$0.00	New CNG Station	\$57,500.00	No
MS07016	County of Riverside Fleet Services D				\$36,359.00	\$0.00	New CNG Station - Rubidoux	\$36,359.00	No
MS07017	County of Riverside Fleet Services D				\$33,829.00	\$0.00	New CNG Station - Indio	\$33,829.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS07018	City of Cathedral City				\$350,000.00	\$0.00	New CNG Station	\$350,000.00	No
MS07021	City of Riverside				\$350,000.00	\$0.00	New CNG Station	\$350,000.00	No
MS07050	Southern California Disposal Co.				\$320,000.00	\$0.00	Ten Nat. Gas Refuse Trucks	\$320,000.00	No
MS07062	Caltrans Division of Equipment				\$1,081,818.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$1,081,818.00	No
MS07065	ECCO Equipment Corp.				\$174,525.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$174,525.00	No
MS07067	Recycled Materials Company of Calif				\$99,900.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$99,900.00	No
MS07074	Albert W. Davies, Inc.	1/25/2008	11/24/2009		\$39,200.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$39,200.00	No
MS07081	Clean Diesel Technologies, Inc.				\$240,347.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$240,347.00	No
MS07082	DCL International, Inc.				\$153,010.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$153,010.00	No
MS07083	Dinex Exhausts, Inc.				\$52,381.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$52,381.00	No
MS07084	Donaldson Company, Inc.				\$42,416.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$42,416.00	No
MS07085	Engine Control Systems Limited				\$155,746.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$155,746.00	No
MS07086	Huss, LLC				\$84,871.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$84,871.00	No
MS07087	Mann+Hummel GmbH				\$189,361.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$189,361.00	No
MS07088	Nett Technologies, Inc.				\$118,760.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$118,760.00	No
MS07089	Rypos, Inc.				\$68,055.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$68,055.00	No
MS07090	Sud-Chemie				\$27,345.00	\$0.00	Off-Road Diesel Equipment Retrofit Program	\$27,345.00	No

Total: 22

Closed Contracts

MS07001	A-Z Bus Sales, Inc.	12/28/2006	12/31/2007	2/29/2008	\$1,920,000.00	\$1,380,000.00	CNG School Bus Buydown	\$540,000.00	Yes
MS07002	BusWest	1/19/2007	12/31/2007	3/31/2008	\$840,000.00	\$840,000.00	CNG School Bus Buydown	\$0.00	Yes
MS07005	S-W Compressors	3/17/2008	3/16/2010		\$60,000.00	\$7,500.00	Mountain CNG School Bus Demo Program-	\$52,500.00	Yes
MS07006	Coachella Valley Association of Gov	2/28/2008	10/27/2008		\$400,000.00	\$400,000.00	Coachella Valley PM10 Reduction Street Sw	\$0.00	Yes
MS07012	City of Los Angeles, General Service	6/13/2008	6/12/2009	6/12/2010	\$50,000.00	\$50,000.00	Maintenance Facility Modifications	\$0.00	Yes
MS07019	City of Cathedral City	1/9/2009	6/8/2010		\$32,500.00	\$32,500.00	Maintenance Facility Modifications	\$0.00	Yes
MS07091	BusWest	10/16/2009	3/15/2010		\$33,660.00	\$33,660.00	Provide Lease for 2 CNG School Buses	\$0.00	Yes

Total: 7

Closed/Incomplete Contracts

MS07004	BusWest	7/2/2007	7/1/2009		\$90,928.00	\$68,196.00	Provide Lease for 2 CNG School Buses	\$22,732.00	No
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Total: 1

Open/Complete Contracts

MS07003	Westport Fuel Systems, Inc.	11/2/2007	12/31/2011	6/30/2013	\$1,500,000.00	\$1,499,990.00	Advanced Nat. Gas Engine Incentive Progra	\$10.00	Yes
MS07007	Los Angeles World Airports	5/2/2008	11/1/2014		\$420,000.00	\$420,000.00	Purchase CNG 21 Transit Buses	\$0.00	Yes
MS07009	Orange County Transportation Autho	5/14/2008	4/13/2016		\$800,000.00	\$800,000.00	Purchase 40 Transit Buses	\$0.00	Yes
MS07013	Rainbow Disposal Company, Inc.	1/25/2008	3/24/2014		\$350,000.00	\$350,000.00	New High-Volume CNG Station	\$0.00	Yes
MS07020	Avery Petroleum	5/20/2009	7/19/2015		\$250,000.00	\$250,000.00	New CNG Station	\$0.00	Yes
MS07051	City of San Bernardino	8/12/2008	12/11/2014		\$480,000.00	\$480,000.00	15 Nat. Gas Refuse Trucks	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
MS07052	City of Redlands	7/30/2008	11/29/2014		\$160,000.00	\$160,000.00	Five Nat. Gas Refuse Trucks	\$0.00	No
MS07053	City of Claremont	7/31/2008	12/30/2014		\$96,000.00	\$96,000.00	Three Nat. Gas Refuse Trucks	\$0.00	Yes
MS07055	City of Culver City Transportation De	7/8/2008	9/7/2014		\$192,000.00	\$192,000.00	Six Nat. Gas Refuse Trucks	\$0.00	Yes
MS07056	City of Whittier	9/5/2008	3/4/2015		\$32,000.00	\$32,000.00	One Nat. Gas Refuse Trucks	\$0.00	Yes
MS07057	CR&R, Inc.	7/31/2008	8/30/2014	6/30/2015	\$896,000.00	\$896,000.00	28 Nat. Gas Refuse Trucks	\$0.00	No
MS07077	Waste Management Collection and	5/1/2009	12/31/2014		\$160,000.00	\$160,000.00	Five Nat. Gas Refuse Trucks (Santa Ana)	\$0.00	Yes

Total: 12

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Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open Contracts									
ML07023	City of Riverside	6/20/2008	10/19/2014		\$462,500.00	\$350,000.00	CNG Station Expansion/Purch. 14 H.D. Vehi	\$112,500.00	No
ML07024	City of Garden Grove	3/7/2008	9/6/2014	7/6/2016	\$75,000.00	\$50,000.00	Three H.D. CNG Vehicles	\$25,000.00	No
ML07028	City of Los Angeles, General Service	3/13/2009	3/12/2014		\$350,000.00	\$0.00	New CNG Refueling Station/Hollywood Yard	\$350,000.00	No
ML07033	City of La Habra	5/21/2008	6/20/2014	7/31/2016	\$75,000.00	\$25,000.00	One H.D. Nat Gas Vehicle/Expand Fueling S	\$50,000.00	No
ML07034	City of Los Angeles, General Service	3/13/2009	3/12/2014		\$350,000.00	\$350,000.00	New CNG Refueling Station/Van Nuys Yard	\$0.00	No
ML07036	City of Alhambra	1/23/2009	2/22/2015		\$145,839.00	\$50,000.00	3 H.D. CNG Vehicles/Expand CNG Station	\$95,839.00	No
ML07039	City of Baldwin Park	6/6/2008	6/5/2014	8/5/2015	\$50,000.00	\$0.00	Two N.G. H.D. Vehicles	\$50,000.00	No
ML07043	City of Redondo Beach	9/28/2008	7/27/2014		\$125,000.00	\$0.00	Five H.D. CNG Transit Vehicles	\$125,000.00	No
ML07044	City of Santa Monica	9/8/2008	3/7/2015		\$600,000.00	\$50,000.00	24 H.D. Nat. Gas Vehicles	\$550,000.00	No
ML07045	City of Inglewood	2/6/2009	4/5/2015		\$75,000.00	\$25,000.00	3 H.D. Nat. Gas Vehicles	\$50,000.00	No
ML07048	City of Cathedral City	9/19/2008	10/18/2010		\$100,000.00	\$84,972.45	Street Sweeping Operations	\$15,027.55	No
Total: 11									
Declined/Cancelled Contracts									
ML07031	City of Santa Monica				\$180,000.00	\$0.00	Upgrade N.G. Station to Add Hythane	\$180,000.00	No
ML07032	City of Huntington Beach Public Wor				\$25,000.00	\$0.00	One H.D. CNG Vehicle	\$25,000.00	No
ML07035	City of Los Angeles, General Service				\$350,000.00	\$0.00	New CNG Refueling Station/Southeast Yard	\$350,000.00	No
ML07038	City of Palos Verdes Estates				\$25,000.00	\$0.00	One H.D. LPG Vehicle	\$25,000.00	No
Total: 4									
Closed Contracts									
ML07025	City of San Bernardino	8/12/2008	7/11/2010		\$350,000.00	\$350,000.00	Maintenance Facility Modifications	\$0.00	Yes
ML07042	City of La Quinta	8/15/2008	9/14/2010		\$100,000.00	\$100,000.00	Street Sweeping Operations	\$0.00	Yes
Total: 2									
Open/Complete Contracts									
ML07026	City of South Pasadena	6/13/2008	6/12/2014		\$25,000.00	\$25,000.00	One H.D. CNG Vehicle	\$0.00	Yes
ML07027	Los Angeles World Airports	6/3/2008	7/2/2014		\$25,000.00	\$25,000.00	One H.D. LNG Vehicle	\$0.00	Yes
ML07029	City of Los Angeles, General Service	3/13/2009	3/12/2014		\$350,000.00	\$350,000.00	New CNG Refueling Station/Venice Yard	\$0.00	Yes
ML07030	County of San Bernardino Public Wo	7/11/2008	9/10/2015		\$200,000.00	\$200,000.00	8 Natural Gas H.D. Vehicles	\$0.00	Yes
ML07037	City of Los Angeles, General Service	10/8/2008	10/7/2015		\$255,222.00	\$255,222.00	Upgrade LNG/LCNG Station/East Valley Yar	\$0.00	Yes
ML07040	City of Moreno Valley	6/3/2008	9/2/2014		\$25,000.00	\$25,000.00	One Heavy-Duty CNG Vehicle	\$0.00	Yes
ML07041	City of La Quinta	6/6/2008	6/5/2014		\$25,000.00	\$25,000.00	One CNG Street Sweeper	\$0.00	Yes
ML07046	City of Culver City Transportation De	5/2/2008	5/1/2014		\$25,000.00	\$25,000.00	One H.D. Nat. Gas Vehicle	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML07047	City of Cathedral City	6/16/2008	9/15/2014	3/15/2015	\$225,000.00	\$225,000.00	Two H.D. Nat. Gas Vehicles/New CNG Fueli	\$0.00	Yes

Total: 9

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Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open Contracts									
MS08005	Burrtec Waste Industries, Inc.	10/23/2008	11/22/2014	10/22/2015	\$450,000.00	\$405,000.00	15 H.D. Nat. Gas Vehicles - Azusa	\$45,000.00	No
MS08006	Burrtec Waste Industries, Inc.	10/23/2008	11/22/2014	10/22/2015	\$450,000.00	\$405,000.00	15 H.D. Nat. Gas Vehicles - Saugus	\$45,000.00	No
MS08007	United Parcel Service	12/10/2008	10/9/2014		\$300,000.00	\$0.00	10 H.D. Nat. Gas Vehicles	\$300,000.00	No
MS08009	Los Angeles World Airports	12/24/2008	12/23/2014		\$870,000.00	\$870,000.00	29 H.D. Nat. Gas Vehicles	\$0.00	No
MS08012	California Cartage Company, LLC	12/21/2009	10/20/2015	4/20/2016	\$480,000.00	\$432,000.00	12 H.D. Nat. Gas Yard Tractors	\$48,000.00	No
MS08013	United Parcel Service	12/10/2008	10/9/2014		\$480,000.00	\$216,000.00	12 H.D. Nat. Gas Yard Tractors	\$264,000.00	No
MS08014	City of San Bernardino	12/5/2008	6/4/2015		\$390,000.00	\$324,000.00	13 H.D. Nat. Gas Vehicles	\$66,000.00	No
MS08015	Yosemite Waters	5/12/2009	5/11/2015		\$180,000.00	\$117,813.60	11 H.D. Propane Vehicles	\$62,186.40	No
MS08016	TransVironmental Solutions, Inc.	1/23/2009	12/31/2010	6/30/2011	\$227,198.00	\$54,418.23	Rideshare 2 School Program	\$172,779.77	No
MS08017	Omnitrans	12/13/2008	12/12/2015		\$900,000.00	\$729,000.00	30 CNG Buses	\$171,000.00	No
MS08018	Los Angeles County Department of	8/7/2009	10/6/2016		\$90,000.00	\$0.00	3 CNG Vehicles	\$90,000.00	No
MS08019	Enterprise Rent-A-Car Company of L	2/12/2010	7/11/2016		\$300,000.00	\$300,000.00	10 CNG Vehicles	\$0.00	No
MS08021	CalMet Services, Inc.	1/9/2009	1/8/2016		\$900,000.00	\$675,000.00	30 CNG Vehicles	\$225,000.00	No
MS08052	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014	11/23/2015	\$100,000.00	\$0.00	New CNG Station - Fontana	\$100,000.00	No
MS08053	City of Los Angeles, Bureau of Sanit	2/18/2009	12/17/2015		\$400,000.00	\$0.00	New LNG/CNG Station	\$400,000.00	No
MS08055	Clean Energy Fuels Corp.	11/26/2009	3/25/2016	9/25/2016	\$400,000.00	\$0.00	New LNG Station - Long Beach-Pier S	\$400,000.00	No
MS08056	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$160,000.00	New LNG Station - POLB-Anah. & I	\$240,000.00	No
MS08057	Orange County Transportation Autho	5/14/2009	7/13/2015		\$400,000.00	\$360,000.00	New CNG Station - Garden Grove	\$40,000.00	No
MS08058	Clean Energy Fuels Corp.	11/26/2009	3/25/2016	3/25/2017	\$400,000.00	\$0.00	New CNG Station - Ontario Airport	\$400,000.00	No
MS08059	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014		\$100,000.00	\$0.00	New CNG Station - San Bernardino	\$100,000.00	No
MS08061	Clean Energy Fuels Corp.	12/4/2009	3/3/2015		\$400,000.00	\$160,000.00	New CNG Station - L.A.-La Cienega	\$240,000.00	No
MS08062	Go Natural Gas	9/25/2009	1/24/2016		\$400,000.00	\$0.00	New CNG Station - Rialto	\$400,000.00	No
MS08063	Go Natural Gas	9/25/2009	1/24/2016		\$400,000.00	\$0.00	New CNG Station - Moreno Valley	\$400,000.00	No
MS08066	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$160,000.00	New CNG Station - Palm Spring Airport	\$240,000.00	No
MS08067	California Trillium Company	3/19/2009	6/18/2015		\$311,600.00	\$254,330.00	New CNG Station	\$57,270.00	No
MS08069	Perris Union High School District	6/5/2009	8/4/2015		\$225,000.00	\$0.00	New CNG Station	\$225,000.00	No
MS08070	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$160,000.00	New CNG Station - Paramount	\$240,000.00	No
MS08072	Clean Energy Fuels Corp.	12/4/2009	3/3/2015		\$400,000.00	\$150,785.76	New CNG Station - Burbank	\$249,214.24	No
MS08073	Clean Energy Fuels Corp.	11/26/2009	2/25/2015		\$400,000.00	\$160,000.00	New CNG Station - Norwalk	\$240,000.00	No
MS08076	Azusa Unified School District	10/17/2008	11/16/2014		\$172,500.00	\$0.00	New CNG station and maint. Fac. Modificati	\$172,500.00	No
MS08078	SunLine Transit Agency	12/10/2008	6/9/2015		\$189,000.00	\$0.00	CNG Station Upgrade	\$189,000.00	No
MS08079	ABC Unified School District	1/16/2009	12/15/2009	12/15/2010	\$50,000.00	\$0.00	Maintenance Facility Modifications	\$50,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Total: 32									
Pending Execution Contracts									
MS08001	Los Angeles County MTA				\$1,500,000.00	\$0.00	Big Rig Freeway Service Patrol	\$1,500,000.00	No
MS08008	Diversified Truck Rental & Leasing				\$300,000.00	\$0.00	10 H.D. Nat. Gas Vehicles	\$300,000.00	No
MS08068	The Regents of the University of Cali				\$400,000.00	\$0.00	Hydrogen Station	\$400,000.00	No
Total: 3									
Declined/Cancelled Contracts									
MS08002	Orange County Transportation Autho				\$1,500,000.00	\$0.00	Big Rig Freeway Service Patrol	\$1,500,000.00	No
MS08010	Orange County Transportation Autho				\$10,000.00	\$0.00	20 H.D. Nat. Gas Vehicles	\$10,000.00	No
MS08011	Green Fleet Systems, LLC				\$10,000.00	\$0.00	30 H.D. Nat. Gas Vehicles	\$10,000.00	No
MS08054	Clean Energy Fuels Corp.				\$400,000.00	\$0.00	New LNG Station - Fontana	\$400,000.00	No
MS08060	Burrtec Waste Industries, Inc.	12/24/2008	11/23/2014		\$100,000.00	\$0.00	New CNG Station - Azusa	\$100,000.00	No
MS08074	Fontana Unified School District	11/14/2008	12/13/2014		\$200,000.00	\$0.00	Expansion of Existing CNG station	\$200,000.00	No
MS08077	Hythane Company, LLC				\$144,000.00	\$0.00	Upgrade Station to Hythane	\$144,000.00	No
Total: 7									
Closed Contracts									
MS08003	A-Z Bus Sales, Inc.	5/2/2008	12/31/2008	2/28/2009	\$1,480,000.00	\$1,400,000.00	Alternative Fuel School Bus Incentive Progr	\$80,000.00	Yes
MS08004	BusWest	5/2/2008	12/31/2008		\$1,440,000.00	\$1,440,000.00	Alternative Fuel School Bus Incentive Progr	\$0.00	Yes
Total: 2									
Open/Complete Contracts									
MS08020	Ware Disposal Company, Inc.	11/25/2008	2/24/2016		\$900,000.00	\$900,000.00	30 CNG Vehicles	\$0.00	Yes
MS08022	SunLine Transit Agency	12/18/2008	3/17/2015		\$311,625.00	\$311,625.00	15 CNG Buses	\$0.00	Yes
MS08064	Hemet Unified School District	1/9/2009	3/8/2015		\$75,000.00	\$75,000.00	Expansion of Existing Infrastructure	\$0.00	Yes
MS08065	Pupil Transportation Cooperative	11/20/2008	7/19/2014		\$10,500.00	\$10,500.00	Existing CNG Station Modifications	\$0.00	Yes
MS08071	ABC Unified School District	1/16/2009	1/15/2015		\$63,000.00	\$63,000.00	New CNG Station	\$0.00	Yes
MS08075	Disneyland Resort	12/10/2008	2/1/2015		\$200,000.00	\$200,000.00	Expansion of Existing CNG Infrastructure	\$0.00	Yes
Total: 6									

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Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open Contracts									
ML08023	City of Villa Park	11/7/2008	10/6/2012		\$6,500.00	\$0.00	Upgrade of Existing Refueling Facility	\$6,500.00	No
ML08024	City of Anaheim	7/9/2010	7/8/2017		\$425,000.00	\$0.00	17 LPG Buses	\$425,000.00	No
ML08025	Los Angeles County Department of	10/30/2009	3/29/2011		\$75,000.00	\$0.00	150 Vehicles (Diagnostic)	\$75,000.00	No
ML08026	Los Angeles County Department of	7/20/2009	7/19/2016		\$275,000.00	\$0.00	11 LPG Heavy-Duty Vehicles	\$275,000.00	No
ML08027	Los Angeles County Department of	7/20/2009	1/19/2011		\$6,901.00	\$0.00	34 Vehicles (Diagnostic)	\$6,901.00	No
ML08028	City of Santa Monica	9/11/2009	9/10/2016		\$600,000.00	\$0.00	24 CNG Heavy-Duty Vehicles	\$600,000.00	No
ML08030	City of Azusa	5/14/2010	3/13/2016		\$25,000.00	\$0.00	1 CNG Heavy-Duty Vehicle	\$25,000.00	No
ML08034	County of San Bernardino Public Wo	3/27/2009	7/26/2015		\$200,000.00	\$0.00	8 CNG Heavy-Duty Vehicles	\$200,000.00	No
ML08036	City of South Pasadena	5/12/2009	7/11/2013		\$169,421.00	\$0.00	New CNG Station	\$169,421.00	No
ML08038	Los Angeles Department of Water a	7/16/2010	7/15/2017		\$1,050,000.00	\$0.00	42 CNG Heavy-Duty Vehicles	\$1,050,000.00	No
ML08040	City of Riverside	9/11/2009	9/10/2016		\$505,500.00	\$0.00	16 CNG Vehicles, Expand CNG Station & M	\$505,500.00	No
ML08041	City of Los Angeles, Dept of Transpo	8/6/2010	7/5/2011		\$14,600.00	\$0.00	73 Vehicles (Diagnostic)	\$14,600.00	No
ML08043	City of Desert Hot Springs	9/25/2009	3/24/2016		\$25,000.00	\$0.00	1 CNG Heavy-Duty Vehicle	\$25,000.00	No
ML08049	City of Cerritos	3/20/2009	1/19/2015		\$25,000.00	\$0.00	1 CNG Heavy-Duty Vehicle	\$25,000.00	No
ML08050	City of Laguna Beach	8/12/2009	4/11/2016		\$75,000.00	\$0.00	3 LPG Trolleys	\$75,000.00	No
ML08080	City of Irvine	5/1/2009	5/31/2015		\$50,000.00	\$0.00	Two Heavy-Duty Nat. Gas Vehicles	\$50,000.00	No
Total: 16									
Declined/Cancelled Contracts									
ML08051	City of Colton				\$75,000.00	\$0.00	3 CNG Heavy-Duty Vehicles	\$75,000.00	No
Total: 1									
Closed Contracts									
ML08033	County of San Bernardino Public Wo	4/3/2009	2/2/2010		\$14,875.00	\$14,875.00	70 Vehicles (Diagnostic)	\$0.00	Yes
ML08035	City of La Verne	3/6/2009	11/5/2009		\$11,925.00	\$11,925.00	53 Vehicles (Diagnostic)	\$0.00	Yes
ML08045	City of Santa Clarita	2/20/2009	6/19/2010		\$3,213.00	\$3,150.00	14 Vehicles (Diagnostic)	\$63.00	Yes
Total: 3									
Closed/Incomplete Contracts									
ML08032	City of Irvine	5/1/2009	8/31/2010		\$9,000.00	\$0.00	36 Vehicles (Diagnostic)	\$9,000.00	No
Total: 1									
Open/Complete Contracts									
ML08029	City of Gardena	3/19/2009	1/18/2015		\$25,000.00	\$25,000.00	1 Propane Heavy-Duty Vehicle	\$0.00	Yes
ML08031	City of Claremont	3/27/2009	3/26/2013	3/26/2015	\$97,500.00	\$97,500.00	Upgrade of Existing CNG Station, Purchase	\$0.00	Yes

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML08037	City of Glendale	5/20/2009	5/19/2015		\$325,000.00	\$325,000.00	13 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08039	City of Rancho Palos Verdes	6/5/2009	8/4/2015		\$50,000.00	\$50,000.00	2 LPG Transit Buses	\$0.00	Yes
ML08042	City of Ontario	5/1/2009	1/31/2016		\$175,000.00	\$175,000.00	7 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08044	City of Chino	3/19/2009	3/18/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08046	City of Paramount	2/20/2009	2/19/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes
ML08047	City of Culver City Transportation De	5/12/2009	8/11/2015		\$150,000.00	\$150,000.00	6 CNG Heavy-Duty Vehicles	\$0.00	Yes
ML08048	City of Santa Clarita	2/20/2009	6/19/2015		\$25,000.00	\$25,000.00	1 CNG Heavy-Duty Vehicle	\$0.00	Yes

Total: 9

2008-09 AB2766 Contract Status Report

11/19/2010

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open Contracts									
MS09001	Administrative Services Co-Op/Long	3/5/2009	6/30/2012	12/31/2013	\$225,000.00	\$150,000.00	15 CNG Taxicabs	\$75,000.00	No
MS09002	A-Z Bus Sales, Inc.	11/7/2008	12/31/2009	12/31/2010	\$2,340,000.00	\$2,280,000.00	Alternative Fuel School Bus Incentive Progr	\$60,000.00	No
MS09005	Gas Equipment Systems, Inc.	6/19/2009	10/18/2010		\$71,000.00	\$71,000.00	Provide Temp. Fueling for Mountain Area C	\$0.00	No
MS09047	BusWest	7/9/2010	12/31/2010		\$240,000.00	\$120,000.00	Alternative Fuel School Bus Incentive Progr	\$120,000.00	No
Total: 4									
Declined/Cancelled Contracts									
MS09003	FuelMaker Corporation				\$296,000.00	\$0.00	Home Refueling Apparatus Incentives	\$296,000.00	No
Total: 1									
Closed Contracts									
MS09004	A-Z Bus Sales, Inc.	1/30/2009	3/31/2009		\$156,000.00	\$156,000.00	Alternative Fuel School Bus Incentive Progr	\$0.00	Yes
Total: 1									

2008-09 AB2766 Local Government Match Program Contract Status Report

11/19/2010

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open Contracts									
ML09007	City of Rancho Cucamonga	2/26/2010	4/25/2012		\$117,500.00	\$0.00	Maintenance Facility Modification	\$117,500.00	No
ML09008	City of Culver City Transportation De	1/19/2010	7/18/2016		\$200,000.00	\$0.00	8 Nat. Gas Heavy-Duty Vehicles	\$200,000.00	No
ML09010	City of Palm Springs	1/8/2010	2/7/2016		\$25,000.00	\$0.00	1 Nat. Gas Heavy-Duty Vehicle	\$25,000.00	No
ML09011	City of San Bernardino	2/19/2010	5/18/2016		\$250,000.00	\$0.00	10 Nat. Gas Heavy-Duty Vehicles	\$250,000.00	No
ML09012	City of Gardena	3/12/2010	11/11/2015		\$25,000.00	\$0.00	1 Nat. Gas Heavy-Duty Vehicle	\$25,000.00	No
ML09013	City of Riverside Public Works	9/10/2010	12/9/2011		\$144,470.00	\$0.00	Traffic Signal Synchr./Moreno Valley	\$144,470.00	No
ML09014	City of Riverside Public Works	9/10/2010	12/9/2011		\$113,030.00	\$0.00	Traffic Signal Synchr./Corona	\$113,030.00	No
ML09015	City of Riverside Public Works	9/10/2010	12/9/2011		\$80,060.00	\$0.00	Traffic Signal Synchr./Co. of Riverside	\$80,060.00	No
ML09016	County of San Bernardino Public Wo	1/28/2010	3/27/2014		\$50,000.00	\$0.00	Install New CNG Station	\$50,000.00	No
ML09017	County of San Bernardino Public Wo	1/28/2010	7/27/2016		\$200,000.00	\$0.00	8 Nat. Gas Heavy-Duty Vehicles	\$200,000.00	No
ML09018	Los Angeles Department of Water a	7/16/2010	9/15/2012		\$850,000.00	\$0.00	Retrofit 85 Off-Road Vehicles w/DECS	\$850,000.00	No
ML09020	County of San Bernardino	8/16/2010	2/15/2012		\$49,770.00	\$0.00	Remote Vehicle Diagnostics/252 Vehicles	\$49,770.00	No
ML09021	City of Palm Desert	7/9/2010	3/8/2012		\$39,450.00	\$0.00	Traffic Signal Synchr./Rancho Mirage	\$39,450.00	No
ML09024	Los Angeles County Department of	10/15/2010	12/14/2012		\$400,000.00	\$0.00	Maintenance Facility Modifications	\$400,000.00	No
ML09025	Los Angeles County Department of	10/15/2010	12/14/2012		\$50,000.00	\$0.00	Remote Vehicle Diagnostics/85 Vehicles	\$50,000.00	No
ML09026	Los Angeles County Department of	10/15/2010	10/14/2017		\$250,000.00	\$0.00	5 Off-Road Vehicle Repowers	\$250,000.00	No
ML09027	Los Angeles County Department of	7/23/2010	3/22/2012		\$150,000.00	\$0.00	Freeway Detector Map Interface	\$150,000.00	No
ML09030	City of Los Angeles GSD/Fleet Servi	6/18/2010	6/17/2011		\$22,310.00	\$0.00	Remote Vehicle Diagnostics/107 Vehicles	\$22,310.00	No
ML09035	City of Fullerton	6/17/2010	6/16/2017		\$450,000.00	\$0.00	2 Nat. Gas Heavy-Duty Vehicles & CNG Sta	\$450,000.00	No
ML09036	City of Long Beach Department of P	5/7/2010	5/6/2017		\$875,000.00	\$0.00	Purchase 35 LNG Refuse Trucks	\$875,000.00	No
ML09037	City of Redondo Beach	6/18/2010	6/17/2016		\$50,000.00	\$50,000.00	Purchase Two CNG Sweepers	\$0.00	No
ML09038	City of Chino	9/27/2010	5/26/2017		\$250,000.00	\$0.00	Upgrade Existing CNG Station	\$250,000.00	No
ML09041	City of Los Angeles, Bureau of Sanit	10/1/2010	9/30/2017		\$875,000.00	\$0.00	Purchase 35 H.D. Nat. Gas Vehicles	\$875,000.00	No
ML09043	City of Covina	10/8/2010	4/7/2017		\$186,591.00	\$0.00	Upgrade Existing CNG Station	\$186,591.00	No
ML09046	City of Newport Beach	5/20/2010	5/19/2016		\$162,500.00	\$0.00	Upgrade Existing CNG Station, Maintenance	\$162,500.00	No

Total: 25

Pending Execution Contracts									
ML09009	City of South Pasadena				\$152,000.00	\$0.00	CNG Station Expansion	\$152,000.00	No
ML09023	Los Angeles County Department of				\$50,000.00	\$0.00	2 Heavy-Duty Alternative Fuel Transit Vehic	\$50,000.00	No
ML09028	Riverside County Waste Manageme				\$140,000.00	\$0.00	Retrofit 7 Off-Road Vehicles w/DECS	\$140,000.00	No
ML09031	City of Los Angeles, Environmental				\$825,000.00	\$0.00	33 Nat. Gas Heavy-Duty Vehicles	\$825,000.00	No

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
ML09032	Los Angeles World Airports				\$475,000.00	\$0.00	19 Nat. Gas Heavy-Duty Vehicles	\$475,000.00	No
ML09033	City of Beverly Hills				\$550,000.00	\$0.00	10 Nat. Gas Heavy-Duty Vehicles & CNG St	\$550,000.00	No
ML09039	City of Inglewood				\$310,000.00	\$0.00	Purchase 12 H.D. CNG Vehicles and Remot	\$310,000.00	No
ML09040	City of Cathedral City				\$83,125.00	\$0.00	Purchase 3 H.D. CNG Vehicles and Remote	\$83,125.00	No
ML09042	Los Angeles Department of Water a				\$1,400,000.00	\$0.00	Purchase 56 Dump Trucks	\$1,400,000.00	No
ML09044	City of San Dimas				\$425,000.00	\$0.00	Install CNG Station and Purchase 1 CNG S	\$425,000.00	No
ML09045	City of Orange				\$125,000.00	\$0.00	Purchase 5 CNG Sweepers	\$125,000.00	No

Total: 11

Declined/Cancelled Contracts

ML09019	City of San Juan Capistrano Public	12/4/2009	11/3/2010		\$10,125.00	\$0.00	Remote Vehicle Diagnostics/45 Vehicles	\$10,125.00	No
ML09022	Los Angeles County Department of				\$8,250.00	\$0.00	Remote Vehicle Diagnostics/15 Vehicles	\$8,250.00	No

Total: 2

Open/Complete Contracts

ML09029	City of Whittier	11/6/2009	4/5/2016		\$25,000.00	\$25,000.00	1 Nat. Gas Heavy-Duty Vehicle	\$0.00	Yes
ML09034	City of La Palma	11/25/2009	6/24/2015		\$25,000.00	\$25,000.00	1 LPG Heavy-Duty Vehicle	\$0.00	Yes

Total: 2

2009-10 AB2766 Contract Status Report

11/19/2010

Cont.#	Contractor	Start Date	Original End Date	Amended End Date	Contract Value	Remitted	Project Description	Award Balance	Billing Complete?
Open Contracts									
MS10001	Los Angeles County MTA	3/25/2010	2/28/2011		\$300,000.00	\$53,235.93	Clean Fuel Transit Bus Service to Dodger St	\$246,764.07	No
MS10002	Coachella Valley Association of Gov	6/18/2010	2/17/2011		\$400,000.00	\$400,000.00	Coachella Valley PM10 Reduction Street Sw	\$0.00	No
MS10005	Domestic Linen Supply Company, In	10/8/2010	7/7/2016		\$47,444.00	\$0.00	Purchase 5 Gas-Electric Hybrid Vehicles	\$47,444.00	No
Total: 3									
Pending Execution Contracts									
MS10003	City of Sierra Madre				\$13,555.00	\$0.00	Purchase 1 H.D. CNG Vehicle	\$13,555.00	No
MS10004	Linde LLC				\$56,932.00	\$0.00	Purchase 6 H.D. CNG Vehicles	\$56,932.00	No
MS10006	Nationwide Environmental Services				\$94,887.00	\$0.00	Purchase 10 H.D. CNG Vehicles	\$94,887.00	No
MS10007	Enterprise Rent-A-Car Company of L				\$18,977.00	\$0.00	Purchase 2 H.D. CNG Vehicles	\$18,977.00	No
MS10008	Republic Services, Inc./Allied Waste				\$123,354.00	\$0.00	Purchase 4 CNG, 9 LNG H.D. Vehicle	\$123,354.00	No
MS10009	Ware Disposal Company, Inc.				\$123,353.00	\$0.00	Purchase 13 H.D. CNG Vehicles	\$123,353.00	No
MS10010	New Bern Transport Corporation				\$113,865.00	\$0.00	Purchase 12 H.D. CNG Vehicles	\$113,865.00	No
MS10011	Foothill Transit Agency				\$113,865.00	\$0.00	Purchase 12 H.D. CNG Vehicles	\$113,865.00	No
MS10012	Foothill Transit Agency				\$85,399.00	\$0.00	Purchase 9 H.D. Electric Vehicles	\$85,399.00	No
MS10013	City of San Bernardino				\$68,834.00	\$0.00	Purchase 9 H.D. LNG Vehicles	\$68,834.00	No
MS10014	Serv-Wel Disposal				\$18,977.00	\$0.00	Purchase 2 H.D. CNG Vehicles	\$18,977.00	No
MS10015	County of Los Angeles Department o				\$37,955.00	\$0.00	Purchase 4 H.D. CNG Vehicles	\$37,955.00	No
MS10016	Rio Hondo Community College				\$16,077.00	\$0.00	Purchase 2 H.D. CNG Vehicles	\$16,077.00	No
MS10017	Ryder Truck Rental, Inc.				\$651,382.00	\$0.00	Purchase 60 H.D. CNG and LNG Vehicles	\$651,382.00	No
MS10019	EDCO Disposal Corporation				\$379,549.00	\$0.00	Purchase 40 H.D. CNG Vehicles	\$379,549.00	No
MS10020	American Reclamation, Inc.				\$18,977.00	\$0.00	Purchase 2 H.D. CNG Vehicles	\$18,977.00	No
MS10021	City of Glendora				\$9,489.00	\$0.00	Purchase 1 H.D. CNG Vehicle	\$9,489.00	No
MS10023	Dix Leasing				\$105,000.00	\$0.00	Purchase 3 H.D. LNG Vehicles	\$105,000.00	No
MS10024	Frito-Lay North America				\$47,444.00	\$0.00	Purchase 5 Electric Vehicles	\$47,444.00	No
MS10025	Elham Shirazi				\$199,449.00	\$0.00	Telework Demonstration Program	\$199,449.00	No
Total: 20									
Declined/Cancelled Contracts									
MS10018	Shaw Transport Inc.				\$81,332.00	\$0.00	Purchase 6 H.D. LNG Vehicles	\$81,332.00	No
MS10022	Los Angeles World Airports				\$123,353.00	\$0.00	Purchase 13 H.D. CNG Vehicles	\$123,353.00	No
Total: 2									

BOARD MEETING DATE: December 3, 2010 AGENDA NO. 33

REPORT: California Air Resources Board Monthly Meeting

SYNOPSIS: The California Air Resources Board met on November 18, 2010. The following is a summary of this meeting.

RECOMMENDED ACTION:
Receive and File.

Ronald O. Loveridge, Member
SCAQMD Governing Board

dp

The Air Resources Board's (ARB or Board) November meeting was held in Sacramento. Key items presented are summarized below.

1. PM10 Implementation/Maintenance Plan and Redesignation Request for Sacramento County (Consent)

The Board approved the PM10 Implementation/Maintenance Plan and Redesignation Request for Sacramento County for submittal to the U.S. Environmental Protection Agency (U.S. EPA). Sacramento County met the federal PM10 air quality standards in 2000; this action will allow U.S. EPA to redesignate the area to attainment for PM10.

2. Imperial County 2009 1997 8-Hour Ozone Modified Air Quality Management Plan and 2009 Reasonably Available Control Technology State Implementation Plan (Consent)

The Board approved the Imperial County 2009 1997 8-Hour Ozone Modified Air Quality Management Plan and 2009 Reasonably Available Control Technology State Implementation Plan for submittal to the U.S. EPA. Imperial County met the 1997 8-hour federal ozone standard at the end of 2008.

3. Amendment of the ATCM For In-Use Diesel-Fueled Transport Refrigeration Unit (TRU) and TRU Generator Sets and Facilities Where TRUs Operate

The Board adopted amendments to the Air Toxic Control Measure (ATCM) regulating emissions of diesel particulate matter from transport refrigeration units (TRU) and TRU generator sets. The amendments provide TRU owners with greater flexibility in meeting December 31, 2010 compliance deadlines. The approved amendments have a minimal impact on emissions. ARB staff also committed to provide an administrative extension of up to three months past the December 31, 2010 deadline to TRU owners to ensure that there is sufficient time to complete retrofit installations.

The staff also outlined plans to address other amendments to the TRU ATCM in 2011.

4. Proposed Amendments to the California Consumer Products Regulations and Informational Update on Green Chemistry Initiative

The Board adopted amendments to California's consumer products regulations that will reduce VOC limits in eleven classes of consumer products. The new standards affect a range of products from insect sprays to oven cleaners, relying on new research to identify lower solvent content formulations and expanding the use of these formulations into related product classes. In a few classes, the use of toxic constituents or constituents with high global warming potentials was prohibited. The Board also directed staff to continue work on standards for special purpose lubricants to resolve new findings and solicit public comments with a 15-day comment period notification. ARB has now met 80 percent of the consumer products emission reduction goal set in the 2007 State Implementation Plan.

The Board also heard a progress report on the Green Chemistry Initiative

presented by Mr. Maziar Movassghi, Acting Director of the Department of Toxic Substances Control. The Initiative is designed to reduce the use of toxic substances in a variety of products, and is being structured to complement ARB's consumer products regulations by encouraging chemical substitutions that meet the goals of both agencies.

5. Update on Implementation of the Low Carbon Fuel Standard

ARB received an update from staff and approved a resolution guiding staff on continued development and implementation of the Low Carbon Fuel Standard. Major progress reported included development of an electronic reporting tool that was released for official use in November 2010, and the continued study and improvement of fuel pathway intensities for the spectrum of fuels being evaluated. An expert panel formed in February 2010, working in subgroups in nine different areas, has developed a series of recommendations for staff use including several relevant to a new Purdue University study on corn ethanol land use conversion. Staff is currently evaluating those recommendations and other information to address land use changes and other indirect effects of transportation fuels. Another area of significant study has been the intensity of high carbon intensity crude oil, which may be used in California and would offset gains from low carbon fuel use. The staff outlined its approach to addressing high carbon intensity crude oil in 2011, the first full year of LCFS implementation.

The resolution approved by the Board confirms priorities for further staff work and directs staff to return to the Board in the spring of 2011, or as expeditiously as practical afterwards, with appropriate regulatory amendments to the program.

6. Updates to Emissions Inventories for Trucks, Buses, and Off-Road Equipment Prior to Considering Amendments to the Truck and Bus and the Off-Road Regulations

ARB staff presented updates to the emissions inventories for trucks, buses, and off-road equipment that account for the impacts of the recession on the emission inventories, and incorporate new information about truck and equipment populations and usage. The updated inventories provide information the Board will need as it considers proposed revisions to its fleet rule for in-use trucks and buses, and for off-road equipment, at its December 2010 hearing. This item was an informational report that required no action by the Board.

The impacts of the current recession reduce truck and bus emission estimates by about 25 percent, and the other inventory improvements reduce emissions by

approximately 10 percent. The economic recovery scenario ARB staff used for 2014 estimates is consistent with transportation employment forecasts prepared by the University of California Los Angeles (UCLA) and the University of the Pacific (UOP).

ARB staff revised off-road inventory equipment inventory estimates using new California reporting data and other improvements. The updated estimates are consistent with data on fuel sales. The revised growth forecast used for this category reflects UCLA and UOP construction employment projections. The resulting off-road equipment emission estimates are approximately 80 percent lower than earlier estimates, with half of that change attributed to the recession and half to the other new data.

Attachment

CARB November 18, 2010 Meeting Agenda

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 34

PROPOSAL: Amend Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents

SYNOPSIS: The amendment will propose an exemption for artist solvents and thinners that will make the rule more consistent with the state consumer products regulation by: (1) exempting artist solvents and thinners that are properly labeled and sold in containers that are one liter or less from applicable VOC limits; (2) defining artist solvents and thinners; (3) making changes to the rule to clarify that all exempt products shall be subject to recordkeeping and reporting; and (4) making changes to the rule to clarify that the sell-through provisions for the final VOC limit do not apply to products that do not meet the interim VOC limit. The proposed amendment will result in 114 pounds of VOC emission reductions foregone per day.

COMMITTEE: Stationary Source, October 15, 2010, Reviewed

RECOMMENDED ACTIONS:

Adopt the attached resolution:

1. Certifying the Final Supplemental Environmental Assessment (EA) for Proposed Amended Rule 1143 – Consumer Paint Thinners and Multi-Purpose Solvents; and
2. Amending Rule 1143 - Consumer Paint Thinners and Multi-Purpose Solvents

Barry R. Wallerstein, D. Env.
Executive Officer

EC:LT:NB:DO:DH

Background

Rule 1143 – Consumer Paint Thinners and Multi-Purpose Solvents, was adopted on March 6, 2009, to implement Control Measure CTS-04 from the 2007 AQMP (“Air Quality Management Plan”) which calls for further Volatile Organic Compound (VOC)

emission reductions from categories not regulated by the California Air Resources Board CARB, including paint thinners and multi-purpose solvents. The adopted rule implemented a two-tier VOC concentration limit beginning with a 300 grams per liter (g/L) VOC limit, effective January 1, 2010, followed by a final 25 g/L VOC limit, effective January 1, 2011. Staff expects a VOC emission reduction of 9.75 tpd when fully implemented.

Rule 1143 was amended on June 4, 2010 to rescind the final VOC limit of 25 g/L, to comply with a court order issued by the Los Angeles County Superior Court. On July 9, 2010, Rule 1143 was amended again to reinstate the final 25 g/L VOC limit, effective January 1, 2011.

During the latter part of the July 2010 rule amendment process, staff received comments requesting an exemption for solvents and thinners used by artists. During the public hearing, staff committed to explore and evaluate the request and propose an amendment prior to the end of the year, if necessary. Staff recognizes that Rule 1143 currently does not take into consideration the artist materials industry. Artist solvents and thinners specifically manufactured for artistic uses are formulated and refined to eliminate impurities, and are specifically intended for artist applications. These niche products do not fall into the general category of consumer paint thinners and multi-purpose solvents used for thinning paints and clean-up purposes.

CARB surveyed artist solvents and thinners during their 2006 Consumer and Commercial Products Survey (ARB 2007f) and found the emissions from this category to be minuscule. CARB found that artist solvents and thinners must meet the Labeling of Hazardous Art Materials Act within the Federal Hazardous Substances Act which requires that any art material, including solvents, comply with the requirements in ASTM D4236-94, the Standard Practice for Labeling Art Materials for Chronic Health Hazards, to protect consumers of any age from potential health hazards of these products. Furthermore, ASTM D4236-94 also requires that the art material be reviewed by a board certified or qualified toxicologist, and be labeled consistent with the standard. CARB determined, after visiting several art material stores, that artist solvents and thinners were priced substantially higher than industrial use counterparts commonly sold at home improvement, paint and hardware stores. CARB staff indicated that these products are unlikely substitutes for Multipurpose Solvent and Paint Thinner products in the Consumer Products Regulation (CPR) and exempted the artist solvents and thinners provided that they are labeled to meet ASTM D4236-94 (March 2005) and packaged in containers with a capacity less than or equal to 32 fluid ounces (one quart).

Staff's independent evaluation of the information compiled by CARB as well as information provided by the artist industry indicates that the requested exemption is warranted.

Affected Facilities

There are approximately 19 manufacturers of artist solvents and thinners products. The artist industry also includes support organizations and AQMD staff has had several discussions and correspondences with both the Artist Creative Materials Institute and the National Art Materials and Trade Association to further understand their specific uses. Artist solvents and thinners are typically sold through hobby, craft, and art material store outlets and through internet sales.

Public Process

On August 4, 2010, staff conducted a meeting to discuss Artist Solvents/Thinners with manufacturers and other stakeholders.

On September 15, 2010 a public workshop was held to present the proposed rule language for the Artist Solvents/Thinners and open a dialogue with manufacturers and stakeholders. Nine members of industry attended the public workshop. Staff received only one comment letter during the public comment period which was open from September 15, 2010 to September 24, 2010. During the workshop, a request was made by stakeholders to increase the exempt container size to one liter or roughly 34 ounces. CARB staff also agreed to increase the exempt container size to 34 ounces in the CPR.

Proposal

Staff is proposing an amendment to the rule that defines and provides an exemption for Artist Solvents/Thinners from the VOC requirements set forth in the rule. Staff believes the provision is necessary because artist solvent and thinner products are designed to be used specifically for artistic use of solvent-based coating compositions and components. Staff has researched several artist solvents and thinners and has concluded that successful low-VOC technology is not currently available.

Additionally, in our effort to monitor the usage of exempted products and identify any potential misuse of such products, the staff proposal clarifies that recordkeeping and reporting requirements are also applicable to exempted products.

Staff is also proposing to clarify that the sell-through provisions for the final VOC limit do not apply to products that do not meet the interim VOC limit.

Emission Reductions

The proposed amendment will result in 114 pounds per day (0.057 tons per day) of VOC emissions foregone, which equates to approximately 18.5 gallons per day. The total VOC emission reductions applied to Rule 1143 amount to a reduction of 9.75 tons per day by January 1, 2012. Because the current proposal will result in foregoing 0.057 tons per day of VOC emissions, the total VOC emission reductions applied to Rule 1143 will be revised to 9.69 tons per day. The VOC emissions foregone represent 0.6% of the total existing VOC emission reductions applied to Rule 1143.

Key Issue

One key issue was brought to staff's attention during the public workshop and in a comment letter, summarized below with staff's response:

ISSUE: The Artist Solvents/Thinners exemption could result in possible circumvention if solvent manufacturers who do not manufacture solvents and thinners for artistic uses go through the ASTM D4236-94 testing process and thereafter sell their products at retail outlets such as Home Depot, Lowe's, and other commercial hardware stores.

RESPONSE: AQMD staff researched the price differentials between artist solvents and thinners and the traditional solvents commonly found at big box and hardware stores and found higher priced artist solvents and thinners, especially in containers with a maximum capacity equal to or less than one liter, which will discourage circumvention by users that may want to use these types of products for non-artistic uses. Furthermore, staff is proposing additional language to the definition of Artist Solvents/Thinners by specifying that "Artist Solvents/Thinners do not include commercial-grade solvents or thinners." Finally, because staff believes that monitoring sales trends is a viable tool to detect circumvention, the proposed amendment will require recordkeeping and reporting for all manufacturing and distribution facilities to provide AQMD with data to monitor the sales for Artist Solvents/Thinners and other exempt solvents. Staff believes that these measures will discourage possible circumvention for non-artistic use.

California Environmental Quality Act

Pursuant to California Environmental Quality Act (CEQA) and AQMD Rule 110, the AQMD staff has prepared a Draft Environmental Assessment (EA) and circulated it for a 45-day public review and comment period from September 30, 2010 to November 16, 2010. No comments were received during the public comment period. The Draft EA has been revised and is now a Final EA. The only environmental topic identified in the Final EA that may be adversely affected by the proposed project is air quality. PAR 1143 would result in 113.7 pounds per day of VOC emission reductions foregone from exempting artist solvents and thinners, which exceeds the SCAQMD operational VOC significant threshold of 55 pounds per day. Since the operational VOC emissions would exceed the applicable significance threshold; VOCs are ozone precursors; and the district is classified as non-attainment for ozone; PAR 1143 may contribute to an existing or projected air quality violation. AQMD staff prepared Findings and a Statement of Overriding Considerations pursuant to state CEQA Guidelines §§15091 and 15093, respectively, regarding adverse environmental impacts that cannot be mitigated to insignificance; and since no mitigation measures were identified a mitigation monitoring and reporting plan pursuant to CEQA Guidelines §15097 is not required.

Socioeconomic Impact Assessment

PAR 1143 allows for an artist solvents and thinners exemption that provides regulatory relief because low-VOC artist solvents and thinners are currently not available on the market. Therefore, no socio-economic impacts are anticipated from this proposal.

Implementation and Resource Impacts

Staff recommends that PAR 1143 be amended to align the artist solvents and thinners exemption with CARB's CPR. Staff does not anticipate any resource impacts from implementation of this proposal.

Attachments

- A. Summary of Proposed Amended Rule
- B. Rule Development Process
- C. Key Contacts List
- D. Resolution and Attachment 1
- E. Proposed Amended Rule Language
- F. Final Staff Report
- G. Final Environmental Assessment

ATTACHMENT A
SUMMARY OF PROPOSED RULE

Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents

- ***Exempting artist solvents and thinners that are properly labeled and sold in containers that are one liter or less from applicable VOC limits***

Staff proposes to add an additional exemption to Rule 1143 for artist solvents and thinners, provided that they are designated exclusively to reduce the viscosity of, or remove, art coating compositions or components and are individually packaged in containers having a total capacity equal to or less than 1 liter. This exemption seeks to make Rule 1143 as consistent as possible to CARB's Consumer Products Regulations for the Artist Solvents/Thinners exemption.

- ***Defining artist solvents and thinners***

Staff proposes to amend the rule with the addition of a definition for artist solvents and thinners. Artist Solvents/Thinners are defined as any liquid products that meet and are labeled to meet the requirements of ASTM D4236-94 (Reapproved 2005) Standard Practice for Labeling Art Materials for Chronic Health Hazards, which is incorporated by reference herein, and have been refined to remove impurities for artistic use to reduce the viscosity of, or remove, art coating compositions or components. Artist Solvents/Thinners do not include commercial-grade solvents or thinners. The addition of the Artist Solvents/Thinners definition seeks to make Rule 1143 as consistent as possible with CARB's Artist's Solvent/Thinner definition in their Consumer Products Regulations.

- ***Making changes to the rule to clarify that all exempt products shall be subject to recordkeeping and reporting requirements***

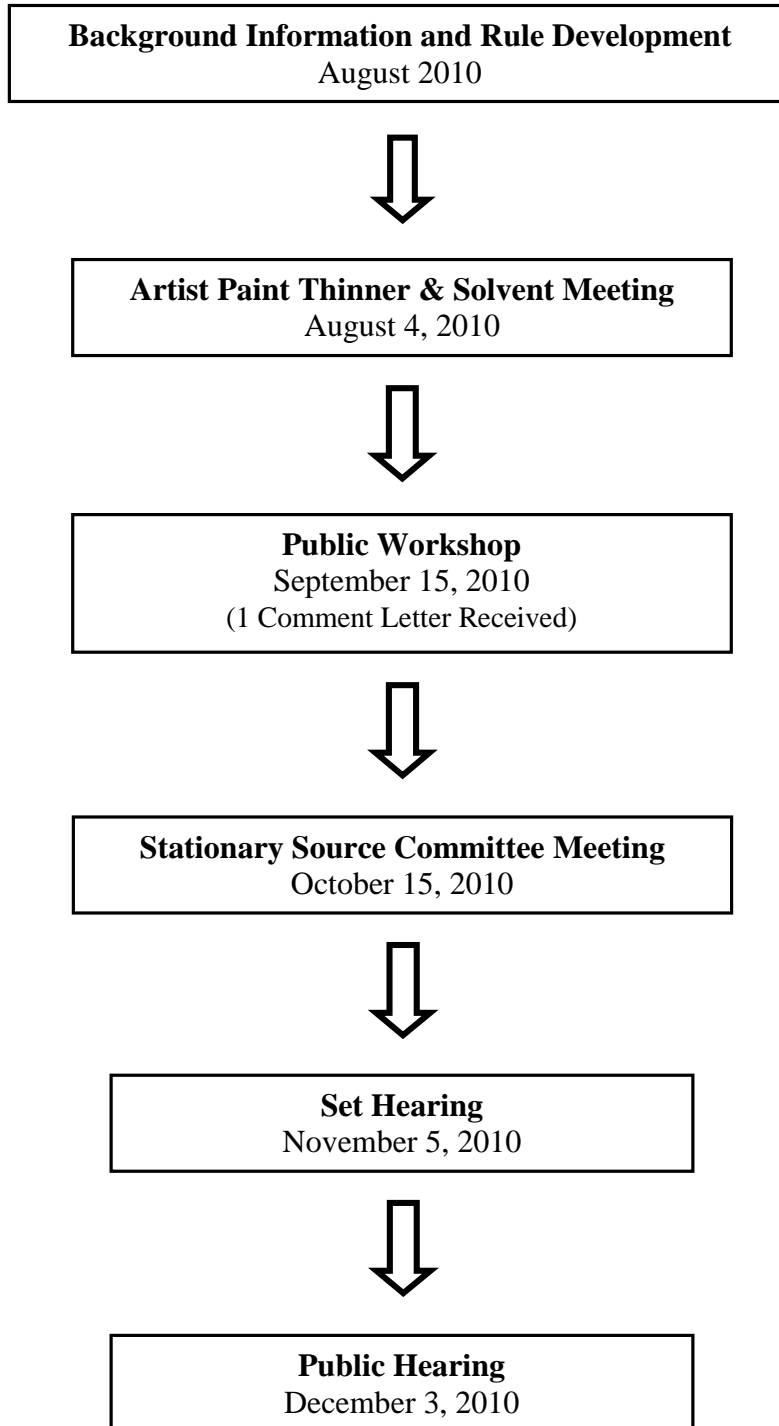
Staff is proposing to make changes to the rule to clarify that all exempt products shall be subject to recordkeeping and reporting requirements. Staff believes that these measures will discourage circumvention by allowing staff to monitor and assess if these exempted products are possibly being sold and used for other, non-exempt uses.

- ***Making changes to the rule to clarify that the sell-through provisions for the final VOC limit do not apply to products that do not meet the interim limit***

Staff is proposing to clarify that any consumer paint thinner or multi-purpose solvent that is manufactured prior to the effective date of the applicable limit specified in paragraph (d)(1) in the rule, and that has a VOC content above that limit (but not above the limit in effect on the date of manufacture), may be sold, supplied, offered for sale, or used for up to one year after the specified effective date.

**ATTACHMENT B
PAR 1143 RULE DEVELOPMENT PROCESS**

Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents



**ATTACHMENT C
KEY CONTACTS LIST**

Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents

Manufacturers:

Chartpak, Inc.	Kremer Pigmente, GmbH & Co. KG
ColArt Americas, Inc.	Loew-Cornell, Inc.
Coloramics, LLC	Martin/F. Weber
Daler-Rowney USA	Pentel of America
DecoArt, Inc.	Sennelier-Sauer
Delta Creative, Inc.	Testors Corporation
Dick Blick Corporation	Union Rubber, Inc.
Gamblin Artist Colors	Urecht Mfg., Co.
Golden Artist Colors	Valspar Corporation
Houston Art/Speed Ball	

Other Interested Parties:

American Chemistry Council (ACA)	Inter-museum Conservation Association
American Coatings Association (ACA)	McKenne Long & Aldridge, LLP
Art and Creative Materials Institute, Inc. (ACMI)	National Paint and Coatings Association (NPCA)
California Air Resources Board (CARB)	PPG Industries
Coalition for Clean Air (CCA)	The International Art Materials Trade Association (NAMTA)
Institute for Research and Technical Assistance (IRTA)	The Sherwin Williams Company
	Vista Paint

**ATTACHMENT D
RESOLUTION NO 2010-**

A Resolution of the South Coast Air Quality Management District (AQMD) Governing Board certifying the Final Environmental Assessment for Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents.

A Resolution of the AQMD Governing Board amending Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents.

WHEREAS, the AQMD Governing Board has determined with certainty that Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents, is a “project” pursuant to the California Environmental Quality Act (CEQA); and

WHEREAS, the AQMD has had its regulatory program certified pursuant to Public Resources Code § 21080.5 and has conducted a CEQA review and analysis pursuant to such program (AQMD Rule 110); and

WHEREAS, AQMD staff has prepared a Draft Environmental Assessment (EA) pursuant to its certified regulatory program and CEQA Guidelines §15252 setting forth the potential environmental consequences of Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents; and

WHEREAS, the AQMD staff has determined in the Draft EA that potential adverse environmental impacts were significant, and

WHEREAS, the Draft EA was circulated for a 45-day public review and comment period, and no comments were received, and the Draft EA has been revised, such that it is now a Final EA; and

WHEREAS, it is necessary that the adequacy of the Final EA must be determined by the AQMD Governing Board prior to its certification; and

WHEREAS, it is necessary that the AQMD prepare a Statement of Findings and a Statement of Overriding Considerations pursuant to CEQA Guidelines §§ 15091 and 15093, respectively, regarding potentially significant adverse environmental impacts that cannot be mitigated to insignificance; and

WHEREAS, a Mitigation Monitoring Plan pursuant to Public Resources Code § 21081.69 and CEQA Guidelines § 15097 has not been prepared since no feasible mitigation measures have been identified; and

WHEREAS, the Governing Board prior to voting on Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents has reviewed and considered the Final EA prior to its certification; and

WHEREAS, the AQMD Governing Board finds and determines that Proposed Amended Rule 1143 provides regulatory relief and does not require any additional emission controls and therefore, no socioeconomic impacts are anticipated from this proposal; and

WHEREAS, the AQMD Governing Board has determined that Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents, will not result in increased costs to industry; and

WHEREAS, the AQMD Governing Board finds and determines that there is a need to adopt Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents, by providing an exemption for Artist Solvents/Thinners, for which there is no currently available low-VOC technology to follow compliance with current Rule 1143 VOC limits, and

WHEREAS, the AQMD Governing Board of the South Coast Air Quality Management District obtains its authority to adopt this proposed amended rule pursuant to sections 39002, 40000, 40001, 40440, 40702, and 41508 of the California Health and Safety Code; and

WHEREAS, the AQMD Governing Board has determined that Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents, as proposed to be adopted, is written or displayed so that its meaning can be easily understood by the persons directly affected by it; and

WHEREAS, the AQMD Governing Board has determined that Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents, as proposed to be adopted, is in harmony with, and not in conflict with or contradictory to, existing federal and state statutes, court decisions, or regulations; and

WHEREAS, the AQMD Governing Board has determined that Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents, as proposed to be adopted, does not impose the same requirements as any existing state or federal regulation and the proposed amended rule is necessary and proper to execute the powers and duties granted to, and imposed upon, the District; and

WHEREAS, the AQMD Governing Board has determined that Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents, as proposed to be adopted, references the following statutes which the AQMD hereby implements, interprets or makes specific: Health and Safety Code section 40001(a) and (b) (air quality standards and air pollution episodes), section 40702 (adoption of rules and regulations), and section 40440 (rules and regulations to carry out the air quality management plan and to require best available retrofit control technology); and

WHEREAS, a public hearing has been properly noticed in accordance with the provisions of Health and Safety Code section 40725; and

WHEREAS, the AQMD Governing Board has held a public hearing in accordance with all provisions of law; and

WHEREAS, the AQMD Governing Board specifies the manager of Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents, as the custodian of the documents or other materials which constitute the record of proceedings upon which the adoption of this proposed amended rule is based, which are located at the South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, California 91765; and

WHEREAS, the AQMD Governing Board finds and determines, taking into consideration the factors in section (d)(4)(D) of the Governing Board Procedures, that the modifications adopted which have been made to Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents, since notice of public hearing was published do not significantly change the meaning of the proposed amended rule within the meaning of Health and Safety Code section 40726 and would not constitute significant new information requiring recirculation of the Draft EA pursuant to CEQA Guidelines § 15088.5; and

WHEREAS, the AQMD Governing Board has determined that Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents, should be adopted for the reasons contained in the Final Staff Report; and

NOW, THEREFORE, BE IT RESOLVED, that pursuant to CEQA Guidelines § 15090, the AQMD Governing Board does hereby certify that the Final EA for Proposed Amended Rule 1143 - Consumer Paint Thinners and Multi-Purpose Solvents was completed in compliance with CEQA and Rule 110 provisions; and finds that the Final EA was presented to the Governing Board, whose members reviewed, considered and approved the information therein prior to acting on Proposed Amended Rule 1143 - Consumer Paint Thinners & Multi-Purpose Solvents; and

BE IT RESOLVED, that the AQMD Governing Board hereby adopts a Statement of Findings and a Statement of Overriding Considerations pursuant to CEQA Guidelines §§ 15091 and 15093, respectively, regarding adverse environmental impacts that cannot be mitigated to insignificance, as required by CEQA, and which is included in Attachment 1, attached and incorporated herein by reference; and

BE IT FURTHER RESOLVED, that the AQMD Governing Board does hereby adopt, pursuant to the authority granted by law, Proposed Amended Rule 1143 – Consumer Paint Thinners & Multi-Purpose Solvents, as set forth in the attached and incorporated herein by reference.

Date

Clerk of the Boards

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

**Attachment 1 to the Governing Board Resolution for Proposed Amended Rule -PAR- 1143
– Consumer Paint Thinners and Multi-Purpose Solvents**

**Statement of Findings, Statement of Overriding Considerations and Mitigation
Monitoring Plan**

November 2010

**SCAQMD No. 100820JK
State Clearinghouse No: 2008111052**

Executive Officer

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Deputy Executive Officer

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**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD**

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MIGUEL A. PULIDO
Mayor, City of Santa Ana
Cities Representative, Orange County

EXECUTIVE OFFICER:

BARRY R. WALLERSTEIN, D.Env

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INTRODUCTION

Proposed amended Rule (PAR) 1143 – Consumer Paint Thinners and Multi-Purpose Solvents, is a “project” as defined by the California Environmental Quality Act (CEQA) (California Public Resources Code §§21000 et seq.). The South Coast Air Quality Management District (SCAQMD) is the lead agency for the proposed project and, therefore, has prepared an Environmental Assessment (EA) pursuant to CEQA Guidelines §15252 and SCAQMD Rule 110. The purpose of the EA is to describe the proposed project and to identify, analyze, and evaluate any potentially significant adverse environmental impacts that may result from adopting and implementing the proposed project. The Draft EA was circulated to the public for a 45-day review and comment period from September 30, 2010, to November 16, 2010. The SCAQMD received no comment letters during the 45-day public review and comment period. Responses were prepared for the comments received during the comment period.

Note that some modifications and updates have been made to the proposed amended rule since the release of the Draft EA based on input from the regulated industry and other parties to the rule development staff. Thus, some changes were necessary to make the revised Draft EA into a Final EA. However, these modifications and updates were evaluated by staff and it was concluded that they do not constitute “significant new information”¹ and, therefore, do not require recirculation of the document pursuant to CEQA Guidelines §15088.5.

SUMMARY OF THE PROPOSED PROJECT

The proposed project would exempt artist solvents and thinners from the VOC content limit requirements of Rule 1143 that will become effective January 1, 2011. Artist solvents and thinners would be defined as any liquid product labeled to meet ASTM D4236-94 (Reapproved 2005); and have been refined to remove impurities for artistic use to reduce the viscosity of, or remove, art coating compositions or components and are individually packaged in containers having a total capacity less than one liter. Artist solvents and thinners do not include commercial-grade solvents and thinners. The proposed project would also align the existing Rule 1143 with CARB’s Consumer Products Regulations. The Initial Study and the Draft EA identified air quality as the only topic where adverse impacts are expected to exceed the SCAQMD’s significance thresholds associated with implementing the proposed project.

¹ Pursuant to CEQA Guidelines §15088.5, “Significant new information” requiring recirculation include, for example, a disclosure showing that:

- (a) A new significant environmental impact would result from the project or from a new mitigation measure proposed to be implemented.
- (b) A substantial increase in the severity of an environmental impact would result unless mitigation measures are adopted that reduce the impact to a level of insignificance.
- (c) A feasible project alternative or mitigation measure considerably different from others previously analyzed would clearly lessen the environmental impacts of the project, but the project’s proponents decline to adopt it.
- (d) The draft EA was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded.

SIGNIFICANT ADVERSE IMPACTS WHICH CAN BE REDUCED BELOW A SIGNIFICANT LEVEL OR WERE CONCLUDED TO BE INSIGNIFICANT

The Initial Study identified air quality as an area that may be adversely affected by the proposed project. Greenhouse gas (GHG) emissions and odors were evaluated in the NOP and were found not to be significant; therefore, they were not further evaluated in the EA. During the public comment period on the Notice of Preparation and Initial Study (NOP/IS) for the proposed project, August 24, 2010 to September 22, 2010, SCAQMD staff received comments suggesting that the proposed project could create significant adverse cultural resource impacts. The comment letter on the NOP/IS requested that SCAQMD staff to consider avoidance, when significant cultural resources are discovered during the course of project planning and implementation. As indicated in the NOP/IS, since PAR 1143 would only exempt artist solvents and thinners from the requirements of Rule 1143, no construction is required and usage is expected to occur within existing structures in small quantities; based on these factors no cultural resource impacts are expected from implementing the proposed project.

Artist solvents and thinners may contain toxic air contaminants (TACs). SCAQMD staff identified the following conventional solvent TACs: isopropyl alcohol, xylene, ethyl benzene, toluene, methyl ethyl ketone, and hexane in artist solvents and thinners. None of these TACs have carcinogenic health risk values, so the carcinogenic health risk was not quantified. The chronic and acute non-carcinogenic health risk was estimated from these TACs using the SCAQMD Rules 1401/212 Tier 2 Health Risk Assessment Procedure (<http://www.aqmd.gov/prdas/Risk%20Assessment/RiskAssessment.html>). The chronic and acute non-carcinogenic hazard index is less than the SCAQMD significance threshold of 1.0 presented in Table 4-1 of the Final EA; therefore, PAR 1143 is not considered significant for chronic non-carcinogenic health risk.

Cumulative Adverse Air Quality Impacts

Even though the proposed project would cause significant adverse increase in VOC emissions foregone during operations, the net increase in operational VOC emissions foregone would not interfere with the air quality progress and attainment demonstration projected in the AQMP for the following reasons. Overall Rule 1143 is expected to achieve a net reduction in VOC emissions. Further, implementing AQMP control measures and existing rules with future compliance dates is expected to result in net emission reductions and overall air quality improvement over time. Consequently, staff concluded that the proposed project would not generate significant cumulative adverse VOC air quality impacts.

SIGNIFICANT ADVERSE IMPACTS THAT CANNOT BE REDUCED BELOW A SIGNIFICANT LEVEL

The initial evaluation in the NOP/IS identified only air quality as having potentially adverse impacts from the proposed project. Potential adverse impacts to air quality were further analyzed in the Draft EA. PAR 1143 would result in 113.7 pounds per day of VOC emission reductions foregone from exempting artist solvents and thinners, which exceeds the SCAQMD operational VOC significant threshold of 55 pounds per day. Since the

operational VOC emissions would exceed the applicable significance threshold; VOCs are ozone precursors; and the district is classified as non-attainment for ozone; PAR 1143 may contribute to an existing or projected air quality violation. Since the proposed project would result in VOC emissions reductions foregone from the existing Rule 1143 that exceed the operational VOC significant threshold of 55 pounds per day, it may diminish an existing air quality rule or future compliance requirement resulting in a significant increase in an air pollutant.

Potential Compliance Options

Because operational VOC air quality impacts were concluded to be significant, SCAQMD staff evaluated the following measures to determine if they were feasible measures as defined by CEQA (CEQA Guidelines §15364) to reduce VOC air quality impacts to less than significant. The results of SCAQMD staff's review are summarized in the following bullet points:

- Low VOC reformulated products - SCAQMD staff concluded this measure was not feasible because reformulated products are not available that meet the performance requirements.
- Spray booths – Spray booths are designed to capture overspray and particulate from paint spray operations. Artist solvents and thinners are not typically sprayed, but result in VOC emission from evaporation. Therefore, SCAQMD staff concluded that spray booths are not a feasible VOC emission capture option.
- Fume hoods – Fume hoods are designed to remove vapors from the breathing space of users. Fume hoods are suited for artist clean-up operations such as the clean-up of paint brushes and other related paint application tools that could be cleaned under the fume hood. It would be difficult to apply thinner or media to surfaces or restore work within fume hoods, so VOC emissions from such tasks would not be captured. Fume hoods do not control VOC emissions, but capture the emissions for control by combustion or carbon adsorption. Combustion and carbon adsorption were determined not to be feasible by SCAQMD staff (see below); therefore, fume hoods would not be a viable option.
- Combustion devices – VOC emission can be destroyed by boilers, internal combustion engines or thermal oxidizers. If the vapor concentration fluctuates substantially from the process controlled, an auxiliary fuel, such as natural gas, is required to ensure that enough fuel is available to maintain combustion at all times. Since the artist solvents and thinners are expected to be used in small quantities (i.e., only in containers equal to or less than one liter) and only VOC emissions from cleaning operations would be captured by fume hoods, it is likely that the emissions from operating the combustion devices would exceed the emissions from the artist solvents and thinners. Therefore, SCAQMD staff determined that combustion technologies are not practical for controlling VOC emissions from artist solvents and thinners.
- Carbon adsorption – Carbon adsorption could be used to control VOC emission from artist solvents and thinners. Collection and control technologies for clean up were not considered feasible at home or local studios, because of home or studio size limitations and potential conflicts with zoning ordinances. Carbon adsorption was determined to be technically feasible at educational institutions. However, the cost effectiveness of a

fume hood and carbon adsorption system would be approximately \$98,300 per ton, which exceeds the SCAQMD cost effective threshold of \$16,500 per ton of VOC emissions. Therefore, SCAQMD staff determined that carbon adsorption would not be feasible based on cost.

Based on SCAQMD staff's review of potential methods to mitigate VOC air quality impacts, no feasible mitigation measures were identified.

FINDINGS

Public Resources Code §21081 and CEQA Guidelines §15091(a) state that no public agency shall approve or carry out a project for which a CEQA document has been completed which identifies one or more significant adverse environmental effects of the project unless the public agency makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding. Additionally, the findings must be supported by substantial evidence in the record (CEQA Guidelines §15091(b)). As identified in the Final EA and summarized above, the proposed project has the potential to create significant adverse air quality impacts. The SCAQMD Governing Board, therefore, makes the following findings regarding the proposed project. The findings are supported by substantial evidence in the record as explained in each finding. This Statement of Findings will be included in the record of project approval and will also be noted in the Notice of Decision.

1. Potential air quality adverse impacts cannot be mitigated to insignificance.

Finding and Explanation: Significant adverse air quality impacts are expected as a result of adopting and implementing PAR 1143. No specific mitigation measures were identified that could reduce significant adverse air quality impacts to less than significant.

The Governing Board finds that no feasible mitigation measures have been identified. CEQA Guidelines §15364 defines "feasible" as "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors." See explanation above.

2. Feasible Alternatives to the Proposed Project do not reduce adverse air quality impacts to insignificance.

Finding and Explanation: The Governing Board finds further that in addition to the No Project Alternative, the Final EA considered one other alternative pursuant to CEQA Guidelines §15126.6. Alternative A does not achieve the objectives of the proposed project that are identified in Chapter 2 of the Final EA. Alternative A would not be expected to generate any adverse environmental impacts, but may also eliminate the use of artist solvents and thinners in the district.

Alternative A – No Project would likely eliminate the use of artist solvents and thinners in the district because no reformulated products have been identified that meet the VOC content limits of the existing rule and meet the artist performance requirements, such as no

residue build-up, desired viscosity, desired paint sheen, desired paint blending and limited damage to brushes.

Alternative B would only partially achieve the objectives of the proposed project. Alternative B would place a VOC content limit of 880 grams per liter on artist solvents and thinners; however, this alternative would only place limits on niche products that do not have viable replacements that have been identified at this time, and no quantifiable VOC emissions reductions over the proposed project were identified. Secondary toxics and GHG emissions from Alternative B would be similar to the proposed project. However, there is currently no lower VOC-containing material available to replace the currently used product with a VOC content greater than 880 grams per liter and reformulated products would likely rely on dilution. Diluted products would not achieve the desired artistic effects. As a result Alternative B does not achieve the project objectives.

The SCAQMD Governing Board finds further that the proposed project achieves the best balance between emission reductions and the adverse air quality impacts while meeting the objectives of the project, which is to allow continued use of artist solvents and thinners to achieve specific performance standards and artistic effects. The SCAQMD further finds that all of the findings presented in this “Statement of Findings” are supported by substantial evidence in the record.

The record of approval for this project may be found in the SCAQMD’s Clerk of the Board’s Office located at SCAQMD Headquarters in Diamond Bar, California.

STATEMENT OF OVERRIDING CONSIDERATIONS

If significant adverse impacts of a proposed project remain after incorporating mitigation measures, or no measures or alternatives to mitigate the adverse impacts to less than significant levels are identified, the lead agency must make a determination that the benefits of the project outweigh the unavoidable adverse environmental effects if it is to approve the project. CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the project (CEQA Guidelines §15093(a)). If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered “acceptable” (CEQA Guidelines §15093(a)). Accordingly, a Statement of Overriding Considerations regarding potentially significant adverse impacts resulting from the proposed project has been prepared. This Statement of Overriding Considerations is included as part of the record of the project approval for the proposed project. Pursuant to CEQA Guidelines §15093(c), the Statement of Overriding Considerations will also be noted in the Notice of Decision for the proposed project.

Despite the inability to incorporate changes into the project that will mitigate potentially significant adverse impacts to a level of insignificance, the SCAQMD's Governing Board

finds that the following benefits and considerations outweigh the significant unavoidable adverse environmental impacts:

1. The analysis of potential adverse environmental impacts incorporates a “worst-case” approach. This entails the premise that whenever the analysis requires that assumptions be made, those assumptions that result in the greatest adverse impacts are typically chosen. This method likely overestimates the actual adverse air quality impacts resulting from the proposed project.
2. Adopting PAR 1143 would allow the use of artist solvents and thinners in the district. Artist solvents and thinners are necessary for use in art restoration, creating paint effects, dissolving Damar varnish, and cleaning of brush and paint application tools.

The SCAQMD’s Governing Board finds that the above-described considerations outweigh the unavoidable significant effects to the environment as a result of the proposed project.

MITIGATION MONITORING PLAN

CEQA requires an agency to prepare a plan for reporting and monitoring compliance with the implementation of measures to mitigate significant adverse environmental impacts. Mitigation monitoring requirements are included in CEQA Guidelines §15097 and Public Resources Code §21081.6, which specifically state:

When making findings as required by subdivision (a) of Public Resources Code §21081 or when adopting a negative declaration pursuant to paragraph (2) of subdivision (c) of Public Resources Code §21080, the public agency shall adopt a reporting or monitoring program for the changes to the project which it has adopted or made a condition of project approval in order to mitigate or avoid significant effects on the environment (Public Resources Code §21081.6). The reporting or monitoring program shall be designed to ensure compliance during project implementation. For those changes which have been required or incorporated into the project at the request of an agency having jurisdiction by law over natural resources affected by the project, that agency shall, if so requested by the lead or responsible agency, prepare and submit a proposed reporting or monitoring program.

The provisions of CEQA Guidelines §15097 and Public Resources Code §21081.6 are triggered when the lead agency certifies a CEQA document in which mitigation measures, changes, or alterations have been required or incorporated into the project to avoid or lessen the significance of adverse impacts identified in the CEQA document. However, since no mitigation measures were identified a mitigation monitoring and reporting plan is not required.

CONCLUSION

Based on a “worst-case” analysis, the potential adverse air quality impacts from the adoption and implementation of PAR 1143 are considered significant and unavoidable. PAR 1143 would result in 113.7 pounds of VOC emissions foregone per day from exempting artist solvents and thinners, which exceeds the SCAQMD operational VOC significant threshold of 55 pounds per day. Since the operational VOC emissions would

exceed the applicable significance threshold; VOCs are ozone precursors, and the district is classified as non-attainment for ozone; PAR 1143 may contribute to an existing or projected air quality violation. Since the proposed project would result in VOC emissions reductions foregone from the existing Rule 1143 that exceed the operational VOC significant threshold of 55 pounds per day, it may diminish an existing air quality rule or future compliance requirement resulting in a significant increase in an air pollutant. No feasible mitigation measures or project alternatives have been identified that would further reduce air quality impacts to less than significant levels, while still achieving the overall objectives of the project.

ATTACHMENT E

(Adopted March 6, 2009) (~~Amended June 4, 2010~~)(Amended July 9, 2010)
(Proposed Amended Rule December 3, 2010)

RULE 1143. CONSUMER PAINT THINNERS & MULTI-PURPOSE SOLVENTS

(a) Purpose

The purpose of this rule is to reduce emissions of volatile organic compounds (VOCs) from the use, storage and disposal of consumer paint thinners and multi-purpose solvents commonly used in thinning of coating materials, cleaning of coating application equipment, and other solvent cleaning operations by limiting their VOC content.

(b) Applicability

This rule is applicable to any person who supplies, sells, offers for sale, or manufactures consumer paint thinners and multi-purpose solvents for sale in the District, as well as any person who uses or solicits the use of any consumer paint thinner and multi-purpose solvent within the District.

(c) Definitions

For the purpose of this rule, the following definitions shall apply:

(1) ARTIST SOLVENTS/THINNERS are any liquid products that meet and are labeled to meet the requirements of ASTM D4236-94 (Reapproved 2005) Standard Practice for Labeling Art Materials for Chronic Health Hazards, which is incorporated by reference herein, and have been refined to remove impurities for artistic use for the purpose of reducing the viscosity of, or removing, art coating compositions or components. Artist Solvents/Thinners do not include commercial-grade solvents or thinners.

~~(1)~~(2) CONSUMER MULTI-PURPOSE SOLVENTS are any liquid products designed or labeled to be used for dispersing or dissolving or removing contaminants or other organic materials for personal, family, household, or institutional use including but not limited to the following: (1) products that do not display specific use instructions on the product container or packaging, (2) products that do not specify an end-use function or application on the product container or packaging, (3) solvents used in institutional facilities, except for laboratory reagents used in analytical, educational, research, scientific or other laboratories, (4) “Paint clean-up” products, and (5) products labeled to prepare surfaces for painting. For the purpose of this definition only, “Paint clean-up” means any liquid product labeled

Rule 1143 (Cont.)

(Adopted March 6, 2009)(Amended June 4, 2010)
(Amended July 9, 2010)(Proposed Amended Rule December 3, 2010)

for cleaning oil-based or water-based paint, lacquer, varnish, or related coatings from, but not limited to, painting equipment or tools, plastics or metals.

“Consumer Multi-purpose Solvents” do not include solvents used in cold cleaners, vapor degreasers, conveyORIZED degreasers or film cleaning machines, or solvents that are incorporated into, or used exclusively in the manufacture or construction of, the goods or commodities at the site of the establishment. “Multi-purpose Solvents” also do not include any products making any representation that the product may be used as, or is suitable for use as a consumer product which qualifies under another definition in California Code of Regulations Title 17, § 94508 as of the date of adoption.

- (23) CONSUMER PAINT THINNERS are any liquid products used for reducing the viscosity of coating compositions or components for personal, family, household, or institutional use, including, but not limited to, products that prominently display the term “Paint Thinner,” “Lacquer Thinner,” “Thinner,” or “Reducer” on the front panel of its packaging.
- (34) DISTRIBUTOR means any person to whom consumer products are sold or supplied for the purposes of resale or distribution in commerce, except that manufacturers, retailers, and consumers are not distributors.
- (45) EXEMPT COMPOUND is as defined in Rule 102.
- (56) FORMULATION DATA is the actual product recipe which itemizes all the ingredients contained in a product including VOCs and the quantities thereof used by the manufacturer to create the product. Material Safety Data Sheets (MSDS) are not considered formulation data.
- (67) GRAMS OF VOC PER LITER OF MATERIAL is the weight of VOC per volume of material and can be calculated by the following equation:

$$\text{Grams of VOC per Liter of Material} = \frac{W_s - W_w - W_{es}}{V_m}$$

W_s = weight of volatile compounds in grams

Where:

W_w = weight of water in grams

W_{es} = weight of exempt compounds in grams

V_m = volume of the material in liters

- (78) INDUSTRIAL MAINTENANCE COATINGS are coatings, including primers, sealers, undercoaters, intermediate coatings and topcoats, formulated for or

Rule 1143 (Cont.)

(Adopted March 6, 2009)(Amended June 4, 2010)
(Amended July 9, 2010)(Proposed Amended Rule December 3, 2010)

applied to substrates, including floors that are exposed to one or more of the following extreme environmental conditions:

- (A) immersion in water, wastewater, or chemical solutions (aqueous and non-aqueous solutions), or chronic exposure of interior surfaces to moisture condensation;
 - (B) acute or chronic exposure to corrosive, caustic or acidic agents, or similar chemicals, chemical fumes, chemical mixtures, or solutions;
 - (C) repeated exposure to temperatures in excess of 250 degrees Fahrenheit;
 - (D) repeated heavy abrasion, including mechanical wear and repeated scrubbing with industrial solvents, cleaners, or scouring agents; or
 - (E) exterior exposure of metal structures.
- (89) LACQUER THINNERS are solvents that are manufactured for the purpose of thinning, diluting, dissolving, and for clean-up of lacquer coatings.
- (910) MANUFACTURER means any person, company, firm, or establishment who imports, manufactures, blends, assembles, produces, packages, repackages, or re-labels a consumer paint thinner or multi-purpose solvent. The manufacturers listed on the product's label shall be primarily responsible for compliance with applicable provisions of this ~~R~~rule. If the label lists two or more manufacturers, they may mutually designate in writing a manufacturer responsible for compliance with this rule. That writing shall be filed with the Executive Officer.
- (1011) PERSON means any individual, firm, association, organization, partnership, business trust, corporation, company, contractor, supplier, installer, user or owner, or any state or local governmental agency or public district or any other officer or employee thereof. ~~PERSON~~“Person” also means the United States or its agencies to the extent authorized by Federal law.
- (1112) RESPONSIBLE PARTY for a corporation is a corporate officer or an authorized representative so delegated by a corporate officer. Delegation of an authorized representative must be made in writing to the Executive Officer. A responsible party for a partnership or sole proprietorship is the general partner or proprietor, respectively.
- (1213) RETAIL OUTLET means any establishment at which consumer products are sold, supplied, or offered for sale directly to consumers.
- (1314) SOLICIT is to require for use or to specify, by written or oral contract.
- (1415) SOLVENTS include diluents and thinners and are defined as organic materials which are liquids at standard conditions and which are used as dissolvers, viscosity reducers or cleaning agents.

Rule 1143 (Cont.)

(Adopted March 6, 2009)(Amended June 4, 2010)
(Amended July 9, 2010)(Proposed Amended Rule December 3, 2010)

- (1516) SOLVENT CLEANING is the removal of adhesives, inks, coatings, and contaminants which include, but are not limited to, dirt, soil, and grease from parts, products, tools, machinery, equipment, and general work areas.
- (1617) SOLVENT FLUSHING is the use of a solvent to remove adhesives, inks, coatings, or contaminants from the internal surfaces and passages of the equipment by inducing a rapid flow of solvent through the equipment.
- (1718) VOC (VOLATILE ORGANIC COMPOUND) is as defined in Rule 102.
- (1819) VOC CONTENT means the total weight of VOC in a product expressed as a percentage of the product weight or as a mass-based concentration expressed in grams per liter of material (g/L) or pounds per gallon (lb/Gal).

(d) Requirements

- (1) Except as provided in paragraph (d)(2), no person shall supply, sell, offer for sale, manufacture, blend, package or repackage any consumer paint thinner or multi-purpose solvent for use in the District unless the consumer paint thinner or multi-purpose solvent complies with the applicable VOC content limits set forth in the table below:

CATEGORY	EFFECTIVE 1/1/2010	EFFECTIVE 1/1/2011
	VOC Content g/L or (lb/Gal)	VOC Content g/L or (lb/Gal)
Consumer Paint Thinner	300 (2.50)	25 (0.21)
Consumer Multi- Purpose Solvent	300 (2.50)	25 (0.21)

(2) Sell-Through Provision

- (A) Any consumer paint thinner or multi-purpose solvent that is manufactured prior to the ~~implementation date~~effective date of the applicable limit specified in paragraph (d)(1), and that has a VOC content above that limit (but not above the limit in effect on the date of manufacture), may be sold, supplied, offered for sale, or used for up to one year after the specified effective date.
- (B) Consumer paint thinners manufactured prior to July 9, 2010 and labeled for more than one use including industrial maintenance coating thinning, may be sold, supplied, offered for sale, or used up to April 1, 2011.

Rule 1143 (Cont.)

(Adopted March 6, 2009)(Amended June 4, 2010)
(Amended July 9, 2010)(Proposed Amended Rule December 3, 2010)

- (3) The prohibition of sale specified in paragraphs (d)(1) and (d)(5) shall not apply to any manufacturer of consumer paint thinners or multi-purpose-solvents provided that the product was sold to an independent distributor that was informed in writing by the manufacturer about the compliance status of the product in the District.
 - (4) Any solvent container in which the contents therein are applied directly to a surface from said container by pouring, siphoning, brushing, rolling, padding, rag application or other means, shall be closed when not in use. These solvent containers include, but shall not be limited to: drums, buckets, cans, pails, trays or other application containers.
 - (5) **General Prohibition**
No person shall supply, sell, offer for sale, manufacture, blend, package, or repackage any consumer paint thinner or multi-purpose solvent for use in the District subject to the provisions of this rule with any materials that contain in the excess of 0.1% by weight any Group II exempt compounds listed in Rule 102. Cyclic, branched, or linear, completely methylated siloxanes (VMS) are not subject to this prohibition.
- (e) **Administrative Requirements**
- (1) No person shall sell, supply, offer for sale, manufacture, blend, package, or repackage for use in the District any “Flammable” or “Extremely Flammable” Consumer Paint Thinner or Multi-purpose Solvent named, on the Principal Display Panel as “Paint Thinner”, “Multi-purpose Solvent”, “Clean-up Solvent”, or “Paint Clean-up”.
 - (2) Paragraph (e)(1) does not apply to products that meet any of the following criteria:
 - (A) Products which include an attached “hang tag” or sticker that displays, at a minimum, the following statement: “Formulated to meet low VOC limits: see warnings on label”.
 - (B) Products which include an attached “hang tag” or sticker that displays, at a minimum, the following statement: “Formulated to meet low VOC limits with [the common name of the chemical compound (e.g., ‘Acetone’, ‘Methyl Acetate’, etc.) that results in the product meeting the criteria for ‘Flammable’ or ‘Extremely Flammable’]”.
 - (C) Products which include an attached “hang tag” as a second Principal Display Panel that displays, at a minimum, the following statement:

“Formulated to meet low VOC limits” placed adjacent to and associated with the required Consumer Product Safety Commission (CPSC) warning.

- (D) Products where the Principal Display Panel displays, in a font size as large as, or larger than, the largest font size of any other words on the panel, the following statement: “Formulated to meet low VOC limits” placed adjacent to and associated with the required CPSC warning.
- (E) Products where the Principal Display Panel displays, in a font size as large as, or larger than, the largest font size of any other words on the panel, the common name of the chemical compound (e.g., “Acetone,” “Methyl Acetate,” etc.) that results in the product meeting the criteria for “Flammable” or “Extremely Flammable.”
- (F) Products that meet the labeling requirements of the CARB Consumer Product Regulation specified in title 17, CCR, section 94512(e) as adopted.
- (G) Products that are manufactured on or before July 9, 2010.

None of the above labeling or notice requirements preclude the use of any additional labeling or notice for consumer education.

- (3) For the purposes of paragraphs (e)(1) and (e)(2) a product is “Flammable” or “Extremely Flammable” if it is labeled as “Flammable” or “Extremely Flammable” on the product container, or if the product meets the criteria for these specified in title 16, Code of Federal Regulations, section 1500.3 (c)(6).
- (4) Each product container shall clearly display the VOC content as determined from the actual product formulation data.
- (5) The information required by paragraphs (e)(1) through (e)(3) shall be displayed on the product container such that it is readily observable without removing or disassembling any portion of the product container or packaging.
- (6) No person shall remove, alter, conceal, or deface the information required by paragraphs (e)(1) through (e)(3) prior to final sale of the product.
- (7) In conjunction with the changes in VOC content limits, the Executive Officer shall develop a public education and outreach program to inform consumers of potential product changes that use more flammable substances by jointly working with the local fire departments to include, but not be limited to: -public service announcements in both English and Spanish to be aired on television and radio from October 2010 to January 2012; training retailers, including big box retailers at their corporate headquarters, in November 2010 about these potential changes so that they may alert their consumers; dissemination of 25,000 hardcopy

brochures in several languages from November 2010 to January 2012; alerts through Twitter, and placement of electronic brochures and Public Service Announcements (PSAs) on AQMD, CARB, YouTube, local fire department and local city websites from November 2010 to January 2012. The Executive Officer shall report the status of the public education and outreach program to the Stationary Source Committee in November 2010 and in November 2011. The Executive Officer may extend the public education and outreach program beyond January 2012, if he determines that additional consumer education is needed.

- (8) Point of sale containers, for sale or distribution, of any consumer paint thinner or multi-purpose solvent subject to this rule shall display the maximum VOC content, as supplied, and the maximum VOC content after any dilution as recommended by the manufacturer.
- (9) Point of sale containers, for sale or distribution, of any consumer paint thinner and multi-purpose solvent subject to this rule shall display the date of manufacture of the contents or a code indicating the date of manufacture. The manufacturers of such consumer paint thinners and multi-purpose solvents shall file with the Executive Officer an explanation of each code.
- (10) Any manufacturer that supplies consumer paint thinners and multi-purpose solvents with intent to sell in the District shall submit an application as specified by the Executive Officer to apply for a manufacturer identification (ID) number by the applicable date in subdivision (g). The application form shall be signed by the responsible party for manufacturer certifying that all information submitted (including electronic submittals) is true and correct. The Executive Officer shall be notified in writing within 30 days of any change in the responsible party for the manufacturer.
- (11) On or before May 1, 2010, and each subsequent January 1 thereafter, all manufacturers subject to this rule shall provide to the District a list of all their U.S. distributors to whom they supply products subject to this rule, including but not limited to private label and toll manufactured products. The list shall be in a format determined by the Executive Officer and shall include the distributor's name, address, contact person and phone number.
- (12) ~~Effective~~On or before April 1, 2010, and every subsequent April 1 (the official due date), each manufacturer subject to this rule shall, ~~on or before April 1 of each subsequent calendar year,~~ submit an annual quantity and emissions report to the Executive Officer.

- (f) Recordkeeping
 - (1) Manufacturers shall maintain a copy of the application receipt from the District. The receipt shall be maintained for five (5) years and made available upon request by the Executive Officer.
 - (2) Manufacturers shall maintain records to verify data necessary to determine annual consumer paint thinner and multi-purpose solvent sales subject to this rule and VOC emissions in the District, and compliance with applicable rules and regulations. The records shall be maintained for five (5) years and made available upon request by the Executive Officer. Such records shall include but not be limited to:
 - (A) Product formulation records (to include VOC content):
 - (i) Laboratory reports [including percent weight of non-volatiles, water, and exempts (if applicable); density of the product; and raw laboratory data] of test methods conducted as specified in paragraph (i)(1), or
 - (ii) Product formulation data, including physical properties analyses, as applicable, with a VOC content calculation demonstration; and
 - (B) Production records including batch tickets with the date of manufacture, batch weight and volume; and
 - (C) Distribution records:
 - (i) Customer lists or store distribution lists or both (as applicable) and
 - (ii) Shipping manifests or bills of lading or both (as applicable); and
 - (D) Sales records consisting of point of sale receipts or invoices to local distributors or both, as applicable.
- (g) Compliance Dates
 - (1) Consumer paint thinner and multi-purpose solvent manufacturers that begin to manufacture, supply, sell or offer for sale consumer paint thinners and multi-purpose solvents subject to this rule and for use in the District after July 1, 2009 shall submit the application required in paragraph (e)(10) no later than thirty (30) calendar days prior to manufacturing, supplying, selling, or offering for sale, any consumer paint thinner and multi-purpose solvent subject to this rule and for use in the District.
 - (2) Within thirty (30) calendar days after a change of consumer paint thinner and multi-purpose solvent manufacturer, the new consumer paint thinner and multi-purpose solvent manufacturer shall submit the application for a company ID

number as required in paragraph (e)(10). That filing shall include the previous consumer paint thinner and multi-purpose solvent manufacturer's ID number.

(h) Information exempt from Disclosure

Information submitted to the Executive Officer may be designated as exempt from disclosure consistent with District guidelines implementing the California Public Records Act (Govt. Code §§ 6250-6276.48).

(i) Test Methods

For the purpose of this rule, the following test methods shall be used:

(1) Determination of VOC Content

The VOC content of materials subject to the provisions of this rule shall be determined by:

(A) U.S. EPA Reference Test Method 24 (Determination of Volatile Matter Content, Water Content, Density, Volume Solids, and Weight Solids of Surface Coatings, Code of Federal Regulations Title 40, Part 60, Appendix A) with the exempt compound content determined by Method 303 (Determination of Exempt Compounds) in the SCAQMD "Laboratory Methods of Analysis for Enforcement Samples" manual; or

(B) Method 304 [Determination of Volatile Organic Compounds (VOC) in Various Materials] in the SCAQMD "Laboratory Methods of Analysis for Enforcement Samples" manual.

(C) Exempt Perfluorocarbon Compounds

The following classes of compounds:

cyclic, branched, or linear, completely fluorinated alkanes

cyclic, branched, or linear, completely fluorinated ethers with no unsaturations;

cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations; and

sulfur-containing perfluorocarbons with no unsaturations and with sulfur bonds only to carbon and fluorine

will be analyzed as exempt compounds for compliance with subdivision (d), only when manufacturers specify which individual compounds are used in the solvent formulations. In addition, the manufacturers must identify the U.S. EPA, CARB, and SCAQMD approved test methods, which can be used to quantify the amount of each exempt compound.

(2) Equivalent Test Methods

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Other test methods determined to be equivalent upon approval in writing by the Executive Officer, CARB, and the U.S. EPA may also be used.

(3) Multiple Test Methods

When more than one test method or set of test methods are specified for any testing, a violation of any requirement of this rule established by any one of the specified test methods or set of test methods shall constitute a violation of the rule.

(4) All test methods referenced in this subdivision shall be the version most recently approved by the appropriate governmental entities.

(j) Exemptions

(1) The provisions of this rule shall not apply to:

(A) Solvents sold in this District for shipment outside of this District or for shipment to other manufacturers for repackaging.

~~(B)(2) Paragraph (d)(1) of this rule shall not apply to:~~

~~(A) Solvents provided that they are labeled and designated exclusively for the clean-up of polyaspartic and polyurea coatings application equipment. This exemption does not apply if there are any additional use claims on the label or any other product literature. This exemption does not apply to any person selling or using the otherwise exempt solvent for a non-exempt purpose.~~

~~(B) Thinners provided that they are labeled and designated exclusively for the thinning of Industrial Maintenance (IM) coatings, Zinc-Rich IM Primers, and High Temperature IM Coatings. This exemption does not apply if there are any additional use claims on the label or any other product literature. This exemption does not apply to any person selling or using the otherwise exempt thinner for a non-exempt purpose.~~

~~(C) Artist solvents/thinners provided that they are labeled and designated exclusively to reduce the viscosity of, or remove, art coating compositions or components and are individually packaged in containers having a total capacity equal to or less than 1 liter.~~

(k) Severability

If any provision of this rule is held by judicial order to be invalid, or invalid or inapplicable to any person or circumstance, such order shall not affect the validity of the remainder of this rule, or the validity or applicability of such provision to other persons or circumstances. In the event any of the exceptions to this rule is held by judicial order to

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be invalid, the persons or circumstances covered by the exception shall instead be required to comply with the remainder of this rule.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Final Staff Report

Proposed Amended Rule 1143 - Consumer Paint Thinners & Multi-Purpose Solvents

December 2010

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I. EXECUTIVE SUMMARY

Rule 1143 - Consumer Paint Thinners & Multi-Purpose Solvents, was adopted on March 6, 2009, to implement Control Measure CTS-04 from the 2007 AQMP (“Air Quality Management Plan”) which calls for further Volatile Organic Compound (VOC) emission reductions from categories not regulated by CARB, including paint thinners and multi-purpose solvents. The adopted rule has a two-tier VOC concentration limit beginning with the 300 grams per liter (g/L) VOC limit, effective January 1, 2010, and followed by the final limit of 25 g/L VOC, effective January 1, 2011. The expected emission reduction will be 5.94 tons per day (tpd) by the year 2011, and an additional 3.81 tpd by January 1, 2012, resulting in a total VOC reduction of 9.75 tpd by January 1, 2012, when the rule will be fully implemented.

The rule was amended on June 4, 2010, to rescind the final VOC limit of 25 g/L, to comply with a court order by the Los Angeles County Superior Court.

On July 9, 2010, Rule 1143 was amended to reinstate the final VOC limit of 25 g/L of VOC, effective January 1, 2011 along with a one year sell-through provision allowing consumer paint thinners and multi-purpose solvents to be sold in the AQMD jurisdiction through December 31, 2011, provided that the products were manufactured prior to January 1, 2011. Additionally, Rule 1143 was also amended to allow consumer paint thinners and multi-purpose solvents containing 300 g/L or more of VOC to be sold and used until April 1, 2011, provided that the product container showed product uses that included the thinning of industrial maintenance coatings, and the product was manufactured prior to July 9, 2010.

During the latter part of the July 2010 rule amendment process, staff received comments regarding the need for an exemption relating to the solvents and thinners used by artists. During At the July 9, 2010 public hearing, staff committed to explore and evaluate the request and come back with an amendment prior to the end of the year, if necessary. Staff recognizes that Rule 1143 currently does not take into consideration the artist materials industry. Artist solvents and thinners specifically manufactured for artistic uses have been formulated, refined and purified to eliminate impurities, specifically intended for artist applications. These niche products do not fall into the general category of consumer paint thinners and multi-purpose solvents used for architectural coating thinning and clean-up.

The California Air Resources Board (CARB) exempted the artist solvents and thinners, which they call “Artist’s Solvent/Thinner,” from their Consumer Products Regulations (CPR) provided that they are labeled to meet ASTM D4236-94 (Reapproved 2005) and packaged in containers with a capacity less than or equal to 32 fluid ounces (one quart). At a subsequent public workshop for this project that was held on September 15, 2010, CARB staff stated in those discussions that they would be changing their Consumer Product Regulation language to exempt Artist’s Solvent/Thinner sold in containers with a capacity of 32 fluid ounces to accommodate 1 liter containers. On September 29, 2010, CARB posted a proposed modification to their definition of Artist’s Solvent/Thinner to replace the 32 (fluid) ounces with 34 (fluid) ounces which will include 1 liter containers (1 liter = 33.8 fluid ounces).

Staff is proposing an amendment to the rule that would provide an exemption to artist solvents and thinners from adhering to the VOC requirements set forth in the rule. Staff believes the amendment is necessary because artist solvent and thinner products are designed to be used specifically with artist solvent-based oil paints. Staff is currently unaware of low-VOC solvents that may be successfully reformulated for artist solvent and thinner products. In order to monitor the usage of the exemptions and minimize rule abuse, staff proposes to clarify that recordkeeping and reporting requirements are applicable to all exempt usage including artist solvents and thinners. Staff is also proposing to clarify that any consumer paint thinner or multi-purpose solvent that is manufactured prior to the effective date, of the applicable limit specified in paragraph (d)(1) in the rule, and that has a VOC content above that limit (but not above the limit in effect on the date of manufacture), may be sold, supplied, offered for sale, or used for up to one year after the specified effective date.

Therefore, staff is proposing the following amendment to Rule 1143:

- ⊘ Exempting artist solvents and thinners that are properly labeled and sold in containers that are one liter or less from applicable VOC limits.
- ⊘ Defining artist solvents and thinners.
- ⊘ Making changes to the rule to clarify that all exempt products shall be subject to recordkeeping and reporting requirements.
- ⊘ Making changes to the rule to clarify that the sell-through provisions for the final VOC limit do not apply to products that do not meet the interim VOC limit.

The proposed amendment will result in 114 pounds per day of VOC emissions foregone, which equates to approximately 18.5 gallons per day. The VOC emissions foregone due to this proposed amendment will represent 0.6% of the total existing VOC emission reductions applied to Rule 1143. No socioeconomic impacts are anticipated from this current proposal.

II. BACKGROUND

Consumer Products are the largest source of VOC emissions in the South Coast Air Basin (Basin). The California Air Resources Board (CARB) estimates that consumer products in the state of California account for approximately 245 tons per day (tpd) of VOC emissions¹. Approximately forty-five percent (45%) of that estimate or 110.3 tpd of VOC emissions² can be attributed to the Basin.

The 2007 AQMP highlights the growing impact of VOC emissions from consumer products. Taking into account population growth and planned VOC reductions by CARB, the AQMP estimates that the annual average VOC emissions for the consumer product category will be 107 tpd by the year 2014, and will likely increase to 112.1 tpd by the year 2020³. Rule 1143 implements Control Measure CTS-04 from the 2007 AQMP.

Consumer multi-purpose solvents work very well for cleaning deposits such as grease, oil, paint, carbon deposits, residues from tools, equipment, and general household uses, whereas consumer paint thinners are used to thin traditional solvent-based architectural coatings. However, based on staff's market assessment, traditional high-VOC containing consumer paint thinners and multi-purpose solvents are typically used interchangeably. PAR1143 changes this practice, since both consumer paint thinners and multi-purpose solvents are required to meet similar VOC limits prescribed in the rule.

III. RULE HISTORY

Rule 1143 - Consumer Paint Thinners & Multi-Purpose Solvents, was adopted on March 6, 2009, by the Governing Board and is currently in effect regulating consumer paint thinners and multi-purpose solvent products offered for sale and use within the Basin. Rule 1143 limits the VOC content in a ~~two~~-tier approach for products sold to consumers and these VOC limits apply to suppliers, distributors, and retailers of consumer paint thinners and multi-purpose solvents. No public comments pertaining to artist solvents and thinners were received by staff during this nine-month rulemaking process.

On April 1, 2009, W.M. Barr filed a petition for writ of mandate and declaratory relief, challenging Rule 1143, primarily based on alleged inadequacies of the environmental assessment, including its analysis of safety issues, regarding the increased flammability as a result of compliant formulations that use acetone as an exempt solvent.

On September 24, 2009, CARB amended the Consumer Products Regulations (CPR), with virtually the same VOC limits for consumer paint thinners and multi-purpose solvents, but with implementation dates of January 1, 2011 for the interim VOC limit and January 1, 2014 for the final VOC limit. Additionally, CARB also included other provisions with statewide applicability, including the limitation of aromatic content, prohibition of the use of trichloroethylene, and limiting the use of products that exceed the 150 Global Warming Potential

¹ See <http://www.arb.ca.gov/consprod/geninfo/cpsmog.htm>

² This estimate does not reflect additional VOC reductions proposed by CARB.

³ See Final 2007 Air Quality Management Plan, Chapter 3.

("GWP"). CARB also included a sell-through provision for 3 years and when combined with implementation dates, the 30% by weight VOC limit will not be fully implemented until January 1, 2014 and the 3% by weight VOC limit will not be fully implemented until January 1, 2017. CARB also provided language in their CPR to exempt artist solvents and thinners provided they were sold in containers with a capacity of 32 fluid ounces (one quart) or less and they were properly labeled to meet the labeling requirements as specified in ASTM D4236-94 (Reapproved 2005).

On December 7, 2009, the court upheld the AQMD's environmental assessment except on the flammability issue. Subsequently, the AQMD filed a motion to limit the court's remedy.

On April 1, 2010, the AQMD's motion was granted in part, but the judgment and writ required the AQMD to vacate the final VOC limits of the 25 g/L VOC limit, and prepare an Environmental Assessment (EA) that considers the fire hazard issue.

On June 4, 2010, the AQMD Governing Board amended Rule 1143 to comply with the court's decision by rescinding the final 25 g/L VOC limit. The rescinding of the final 25 g/L VOC limit resulted in foregoing 3.81 tons per day of VOC emission reductions.

On July 9, 2010, Rule 1143 was amended to readopt the final 25 g/L VOC limit, effective January 1, 2011, and recover the foregone 3.81 tpd of VOC emissions. In addition, a supplemental environmental assessment ~~was completed~~ that focused only on the fire hazard issue, was completed as directed by the court.

During the latter part of the July 2010 rule amendment process, staff received comments regarding the need for an exemption relative to the solvents and thinners used by artists. On July 9, 2010, during the public hearing for the rule, staff committed to explore and evaluate the request and come back with an amendment prior to the end of the year, if necessary. Staff recognizes that Rule 1143 currently does not take into consideration the artist materials industry. Artist solvents and thinners specifically manufactured for artists have been formulated, refined, and purified to eliminate impurities specifically for artist applications. These niche products do not fall into the general category of consumer paint thinners and multi-purpose solvents used for architectural coating thinning and clean-up.

On September 15, 2010, a public workshop for this project was held where CARB staff stated, in their discussions, that they would be changing their Consumer Product Regulation language to exempt Artist's Solvents/Thinners sold in containers with a capacity of 34 fluid ounces to accommodate 1 liter containers.

IV. AFFECTED FACILITIES

Artist solvents and thinners have been formulated and refined to eliminate impurities from paint thinners and solvents specifically for artist applications, and do not fall into the general category of consumer paint thinners and multi-purpose solvents. AQMD staff has worked with CARB in

regard to consumer paint thinners and multi-purpose solvents and is aware that CARB surveyed artist solvents and thinners during their 2006 Consumer and Commercial Products Survey (ARB 2007f)⁴. CARB found the emissions from the artist solvents and thinners category had a minuscule effect on VOC reductions. In fact, CARB estimated that consumer artist solvent and thinner products in the state of California accounted for approximately 252.7 pounds per day (ppd) of VOC emissions. Approximately forty-five percent (45%) of that estimate or 114 (113.7) ppd of VOC emissions can be attributed to the Basin. CARB also found that artist solvents and thinners are required to meet the Labeling of Hazardous Art Materials Act (LHAMA) within the Federal Hazardous Substances Act which requires that any art material, including solvents, must meet the requirements in ASTM D4236-94 (Reapproved 2005), the standard Practice for Labeling Art Materials for Chronic Health Hazards, to protect consumers of any age from potential health hazards of these products. CARB exempted the artist solvents and thinners, which they call “Artist’s Solvents/Thinners⁵,” from the requirements of their CPR, provided said products are labeled to meet ASTM D4236-94 (Reapproved 2005) and packaged in containers with a capacity of 32 fluid ounces or less. At a subsequent public workshop for this project that was held on September 15, 2010, CARB staff stated in those discussions that they would be changing their Consumer Product Regulation language to exempt Artist’s Solvents/Thinners sold in containers with a capacity of 32 fluid ounces to accommodate 1 liter containers. On September 29, 2010, CARB posted a proposed modification to their definition of Artist’s Solvent/Thinner to replace the 32 (fluid) ounce container capacity limit with a 34 (fluid) ounce container capacity limit which will include 1 liter containers (1 liter = 33.8 fluid ounces).

There are approximately 19 manufacturers of artist solvents and thinners products exclusively for the artist industry. The artist industry also includes support organizations and AQMD staff has had several discussions and correspondences with both the Artist Creative Materials Institute (ACMI) and the National Art Materials and Trade Association (NAMTA) to further understand their specific uses. Artist solvents and thinners are typically sold through hobby, craft, and art material store outlets and through internet sales.

V. DISCUSSION OF TECHNOLOGY TYPES FOR ARTIST SOLVENTS AND THINNERS

Artist solvents and thinners are manufactured specifically for a variety of art-related uses; the most common is oil on canvas painting. Although there are products with a VOC content less than 25 g/L available and in use for consumer paint thinners and multi-purpose solvents, those may not be sufficient replacements for the currently used artist-related materials including turpentine, mineral spirits, odorless mineral spirits, and artist mediums. To meet the VOC limits in Rule 1143, consumer paint thinners and multi-purpose solvents have been reformulated using the following technologies: 1) Aqueous technology which includes formulations made from water, detergents, chelating agents, alkaline builders and various blends of surfactants and is typically used for multi-purpose cleaning agents; 2) Exempt solvents including acetone, PCBTF, and methyl acetate, as well as blends of the three; and; 3) Bio-based technology including methyl

⁴ CARB, 2006 Consumer and Commercial Products Survey, 2009, <http://www.arb.ca.gov/consprod/regact/2006surv/2006surv.htm>.

⁵ CARB, Consumer Products Regulations, August 7, 2009, <http://www.arb.ca.gov/regact/2009/cpmthd310/cpmthdisor.pdf>.

esters is currently available for a variety of uses, including lowering the volatility of exempt solvents. The artist solvents and thinners are used specifically for arts and crafts and are broken down into the following solvent and thinner variants.

Turpentine

Turpentine is the traditional solvent that is manufactured from tree resins and has been used for oil on canvas painting for many years. Artist quality turpentines are further refined to remove the impurities commonly found in products sold at hardware stores for general consumer use. Turpentine is also known as Spirit of Turpentine, Oil of Turpentine, Genuine Turpentine, English Turpentine, Distilled Turpentine, Double Rectified Turpentine, and simply “Turps”.

Mineral Spirits

Mineral Spirits are a commonly used solvent that are manufactured from petroleum products. Mineral Spirits are generally less expensive than turpentine and are a stronger solvent than Odorless Mineral Spirits. Mineral Spirits are used to reduce the viscosity of various acrylic resins to a range needed for application. Mineral Spirits are also used to remove (resolubilize) the varnish in case the artist is unhappy with the outcome of the painting and can be used for periodic cleaning or restoration of the work. Mineral Spirits are also known as White Spirits.

Odorless Mineral Spirits

Odorless Mineral Spirits are also a commonly used solvent that ~~is~~are manufactured from petroleum products. Odorless Mineral Spirits are marginally more expensive than Mineral Spirits but have been manufactured with less of the harmful aromatic solvents found in Mineral Spirits. As in the case of Mineral Spirits, Odorless Mineral Spirits are used to reduce the viscosity of various acrylic resins to a range needed for application. Odorless Mineral Spirits are also used to remove (resolubilize) the varnish in case the artist is unhappy with the outcome of the painting and can be used for periodic cleaning or restoration of the work.

Citrus-Based Thinners

Citrus-based thinners are manufactured from food-grade and technical-grade citrus oils and are nontoxic, nonflammable solvents that are used in some arts and crafts applications. The major component used in citrus-based thinners is d-Limonene, which is the oil extracted from citrus and citrus peels. The oil separated from the juice after the juicing process is the food-grade d-Limonene and the citrus peels that are sent to a steam extractor to extract the oil from the peel becomes the technical-grade d-Limonene. In Technical-grade d-Limonene, the oil is collected after the steam is condensed by capturing the layer of oil floating on the surface of the condensed water. D-Limonene is known to have more than 95% per volume of VOC.

Artist Mediums

Artist mediums are used to modify artist oil paint straight from the tube. The mediums can be used to lengthen the drying time of the paint, make it thinner, or alter the character of the paint from what comes out of the tube. Mediums can ~~also~~ be used to make the paint transparent or opaque and can also be used to alter gloss or matte sheen of the paint. Mediums are used for oil on canvas paintings to influence the color of a pigment.

Brush Cleaners

The most common application technique for an artist using paint is simply to apply the paint with a paint brush. There are several artist brush cleaners that are currently available to clean artist paint brushes after they were used to apply oil-based paint. Artist paint brush bristles are made from animal hair such as hog's bristles, mongoose hair, red sable (weasel hair), and Siberian mink. The hair possesses several important properties for the artist such as maintaining a superfine point, smooth handling, and good memory (where the bristles return to their original point between brush strokes). There are also synthetic brushes available which can offer durability and cost effectiveness. The artist brush cleaners have been formulated specifically for these types of paint brushes.

VI. ARTIST INDUSTRY'S CONCERNS

Staff had a meeting with several members from the artist industry to hear their concerns with Rule 1143 and the need for an exemption for artist solvents and thinners. One of the major concerns is the ability to continue the use of artist solvents and thinners which are specifically formulated, refined, and purified to eliminate impurities for artist applications. Antique oil paintings normally found in the museums are restored by using specially formulated artist solvents designed specifically for painting restoration. These antique paintings are protected by a coating of varnish, however, the varnish ages and must be removed before a new coat of varnish can be applied. This requires specialty artist solvents that will remove the varnish but will not attack the original painting oils. Other artist uses include using turpentine, tinted with paint, to make the special layering effects on an oil painting. Turpentine is also used for dissolving Damar varnish which is an essential solvent for an artist. The Damar resin will only dissolve in Gum Turpentine. The other main concern from the artist industry is that artists use handmade brushes that can cost \$50 to \$150 per brush. The brush is cleaned with turpentine and then oil, typically vegetable oil, is used to preserve the brush while it's not in use. The brush is cleaned with turpentine to clean the hairs of the oil before it is used again. The artist industry contends that an artist oil painting brush cannot be cleaned using soap and water mainly due to the oil paint chemistry and the soap will dry out the hairs. Cleaning a paint brush using mechanical means will cause the brush hairs to break.

VII. OVERVIEW: PROPOSED AMENDMENT TO RULE

Staff is proposing an amendment to the rule that would provide an exemption for artist solvents and thinners from the VOC requirements set forth in the rule. Staff believes this provision is necessary because artist solvent and thinner products are designed to be used with specific-to-artist solvent-borne paints, and successful low-VOC technology is currently unavailable.

AQMD staff researched the costs of artist solvents and thinners and compared them to equivalent products sold at home improvement, paint, and hardware stores. AQMD staff found that for a common quart size, the artist products cost 67.6% more than the general use consumer paint thinners and multi-purpose solvents, whereas for the gallon size, the artist products cost 54.1% more than the general use consumer paint thinners and multi-purpose solvents. CARB exempted the artist solvents and thinners, which they call "Artist's Solvents/Thinners," from their CPR

provided that they are labeled to meet ASTM D4236-94 (Reapproved 2005) and packaged in containers with a capacity less than or equal to 32 fluid ounces (the language in their CPR is expected to change the 32 fluid ounces maximum capacity to accommodate 1 liter maximum capacity).

Staff is proposing a new definition to be added to Rule 1143 for “ARTIST SOLVENTS/THINNERS.” This amendment proposes to exclude artist solvents and thinners that meet the above mentioned criteria from adhering to the VOC requirements set forth in the rule for Consumer Paint Thinners & Multi-Purpose Solvents.

Staff is proposing to make changes to the rule that will clarify that recordkeeping and reporting requirements are applicable for the following exempted products:

- ⊄ Solvents, provided that they are labeled and designated exclusively for the clean-up of polyaspartic and polyurea coatings application equipment.
- ⊄ Thinners, provided that they are labeled and designated exclusively for the thinning of Industrial Maintenance coatings, Zinc-Rich IM Primers, and High Temperature Coatings.
- ⊄ Artist solvents and thinners, provided that they are labeled and designated exclusively to reduce the viscosity of, or remove, art coating compositions or components and are individually packaged in containers having a total capacity equal to or less than 1 liter.

AQMD staff believes that these measures will discourage possible circumvention by non-exempted product users and will allow staff to monitor and assess if use of these exempt products has substantially increased, which could imply that they are being purchased for non-labeled non-compliant uses.

Staff is also proposing to clarify that any consumer paint thinner or multi-purpose solvent that is manufactured prior to the effective date of the applicable limit specified in paragraph (d)(1) in the rule, and that has a VOC content above that limit (but not above the limit in effect on the date of manufacture) may be sold, supplied, offered for sale, or used for up to one year after the specified effective date.

Therefore, staff is proposing to amend Rule 1143 by:

- ⊄ Exempting artist solvents and thinners that are properly labeled and sold in containers that are one liter or less from applicable VOC limits.
- ⊄ Defining artist solvents and thinners.
- ⊄ Making changes to the rule to clarify that all exempt products shall be subject to recordkeeping and reporting requirements.
- ⊄ Making changes to the rule to clarify that the sell-through provisions for the final VOC limit do not apply to products that do not meet the interim VOC limit.

VIII. EMISSION IMPACTS

Rule 1143 was developed to have two different VOC limit reductions. The interim limit, currently in effect, as of January 1, 2010, limits any consumer paint thinner and multi-purpose solvent to 300 g/L VOC but offers a sell-through provision up to December 31, 2010 to allow sales and use of high-VOC traditional solvents provided they were manufactured prior to January 1, 2010. When fully implemented, the interim reduction limit will reduce VOC emissions by 5.94 tons per day. The second reduction, the final limit, will commence on January 1, 2011 and the VOC limit will be reduced to 25 g/L. In addition, any consumer paint thinner and multi-purpose solvent manufactured prior to January 1, 2011 will have a one-year sell-through allowance for products containing up to 300 g/L VOC. Furthermore, any consumer paint thinner and consumer multi-purpose solvent that exceeds 300 g/L VOC but also displays multiple uses on the container label including the thinning of industrial maintenance coatings and was manufactured prior to July 9, 2010, will be allowed a sell-through until April 1, 2011. When fully implemented, the 25 g/L VOC limit will reduce VOC emissions by another 3.81 tons per day thus resulting in a composite VOC emissions reduction of 9.75 tons per day. To recap, CARB's 2006 Consumer and Commercial Products Survey found that the statewide VOC emissions contribution for artist solvent and thinners was 252.7 pounds per day. AQMD staff uses a 45% factor of the statewide emissions inventory based on population distribution to determine the South Coast AQMD jurisdiction emissions contribution.

$$252.7 \text{ lbs/day} * 0.45 = 113.7 \text{ lbs/day};$$

$$113.7 \text{ lbs/day} * 1 \text{ ton}/2000 \text{ lbs} = 0.057 \text{ tons per day}$$

Thus, the emissions foregone in the South Coast AQMD jurisdiction will be 113.7 lbs/day and is summarized in Table VIII-1 below.

TABLE VIII-1: BREAKDOWN OF EMISSIONS

INVENTORY DESCRIPTION	VOC EMISSIONS (tpd)
Rule 1143 Interim VOC Limit (300 g/L)	5.94
Rule 1143 Final VOC Limit (25 g/L)	3.81
Total Existing Emission Reductions Applied to Rule 1143	9.75
Artist Solvent/Thinner Exemption	-0.057
Total Emission Reduction Applied to Rule 1143	9.69

The proposed amendments would result in an increase of 0.62% of VOC emissions foregone.

$$(9.75 \text{ tpd} - 9.69 \text{ tpd})/9.75 \text{ tpd} = 0.0062 = 0.62\%$$

IX. COST ANALYSIS

PAR1143 results in a cost savings to the industry, since they will be able to continue business as usual.

X. INCREMENTAL COST-EFFECTIVENESS

Under Health and Safety Code § 40920.6, the AQMD is required to perform an incremental cost analysis when adopting a Best Available Retrofit Control Technology (BARCT) rule or feasible measure required by the California Clean Air Act. To perform this analysis, the AQMD must (1) identify one or more control options achieving the emission reduction objectives for the proposed rule, (2) determine the cost effectiveness for each option, and (3) calculate the incremental cost effectiveness for each option. To determine incremental costs, the AQMD must “calculate the difference in the dollar costs divided by the difference in the emission reduction potentials between each progressively more stringent potential control option as compared to the next less expensive control option.”

The proposed amendments to Rule 1143 do not implement a more restrictive BARCT or feasible control measure, and therefore § 40920.6 is inapplicable.

XI. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

~~Pursuant to California Environmental Quality Act (CEQA) and AQMD Rule 110, the AQMD staff has prepared a Draft Environmental Assessment (EA) and circulated it for a 45-day public review and comment period from September 30, 2010 to November 16, 2010. The only topic identified in the Draft EA that may be adversely affected by the proposed project is air quality. Comments on the Draft EA received within the public comment period will be included with response to comments in the Final EA. Copies of the Draft EA are available at AQMD Headquarters, by calling the AQMD Public Information Center at (909) 396-2039, or by accessing AQMD's CEQA website at: www.aqmd.gov/ceqa.~~

Pursuant to California Environmental Quality Act (CEQA) and AQMD Rule 110, the AQMD staff has prepared a Draft Environmental Assessment (EA) and circulated it for a 45-day public review and comment period from September 30, 2010 to November 16, 2010. No comments were received during the public comment period. The Draft EA has been revised and is now a Final EA. The only environmental topic identified in the Final EA that may be adversely affected by the proposed project is air quality. PAR 1143 would result in 113.7 pounds per day of VOC emission reductions foregone from exempting artist solvents and thinners, which exceeds the SCAQMD operational VOC significant threshold of 55 pounds per day. Since the operational VOC emissions would exceed the applicable significance threshold; VOCs are ozone precursors; and the district is classified as non-attainment for ozone; PAR 1143 may contribute to an existing or projected air quality violation. AQMD staff prepared Findings and a Statement of Overriding Considerations pursuant to state CEQA Guidelines §§15091 and 15093, respectively, regarding adverse environmental impacts that cannot be mitigated to insignificance; and since no mitigation measures were identified a mitigation monitoring and reporting plan pursuant to CEQA Guidelines §15097 is not required.

XII. SOCIOECONOMIC ASSESSMENT

PAR 1143 allows for an artist solvents and thinners exemption that provides regulatory relief because low-VOC artist solvents and thinners are currently not available on the market. Therefore, no socioeconomic impacts are anticipated from this proposal.

XIII. DRAFT FINDINGS

Health and Safety Code § 40727 requires that prior to adopting, amending, or repealing a rule or regulation, the AQMD Governing Board shall make findings of necessity, authority, clarity, consistency, non-duplication, and reference based on relevant information presented at the hearing. The draft findings are as follows:

Necessity – The proposed amendment to Rule 1143 is necessary to allow the availability and use of certain types of solvents and thinners that are of vital importance to the artist industry. In addition, an exemption for artist solvents and thinners is required since no low-VOC alternatives have been identified for this niche category.

Authority - The AQMD Governing Board obtains its authority to adopt, amend, or repeal rules and regulations from Health and Safety Code §§ 39002, 40000, 40001, 40440, 40441, 40702, 41508, and 41700.

Clarity - The AQMD Governing Board has determined that Proposed Amended Rule 1143 - Consumer Paint Thinners & Multi-purpose Solvents, is written and displayed so that the meaning can be easily understood by persons directly affected by it.

Consistency - The AQMD Governing Board has determined that Proposed Amended Rule 1143 - Consumer Paint Thinners & Multi-purpose Solvents, is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, federal or state regulations.

Non-Duplication - The AQMD Governing Board has determined that Proposed Amended Rule 1143 - Consumer Paint Thinners & Multi-purpose Solvents, does not impose the same requirement as any existing state or federal regulation, and the proposed amendments are necessary and proper to execute the powers and duties granted to, and imposed upon, the AQMD.

Reference - In adopting this regulation, the AQMD Governing Board references the following statutes which the AQMD hereby implements, interprets or makes specific: California Health and Safety Code §§ 40001, 40440, and 40702.

XIV. COMPARATIVE ANALYSIS

Health and Safety Code Section 40727.2

As required by Health and Safety Code § 40727.2, the purpose of this analysis is to identify and compare any other AQMD, state, or federal regulations that apply to the same equipment or source type contained in this rule proposal. Staff identified one regulation authored by the California Air Resources Board (CARB) that shares regulatory language with AQMD's Proposed Amended Rule (PAR) 1143 – Consumer Paint Thinners and Multi-Purpose Solvents. CARB's Consumer Products Regulations (CPR) is a multi-faceted regulation that regulates the consumer product industry including standards for multi-purpose solvents and paint thinners.

Staff has worked extensively with CARB to make PAR 1143 as consistent as possible with CARB's CPR. This amendment seeks to further align AQMD's PAR 1143 with CARB's CPR by proposing an amendment to include an Artist Solvents/Thinners exemption for products that are properly labeled and sold in containers that are one liter or less from applicable VOC limits and to clarify that all exempt products shall be subject to recordkeeping and reporting.

Affected sources under CARB's CPR include multiple categories of consumer products, including multi-purpose solvents and paint thinners. The proposed amendment to PAR 1143 will result in minor VOC emissions foregone but does not affect existing VOC limits. Therefore, PAR 1143 does not impose a new emission limit or standard, make an existing emission limit or standard more stringent, or impose new or more stringent monitoring, reporting or recordkeeping requirements [See California Health & Safety Code § 40727.2(g)].

Table XIV.1 immediately follows and shows a comparative analysis between AQMD PAR 1143 and CARB's CPR, for the multi-purpose and paint thinners categories only.

TABLE XIV 1: COMPARISON OF AQMD PAR 1143 TO CARB'S CPR

CATEGORY	SCAQMD PAR 1143 Consumer Paint Thinners & Multi Purpose Solvents	CARB Consumer Products Regulations Sections: 94508, 94509, 94510, 94512, 94513, and 94515
Adoption Date	March 9, 2009	August 6, 2010
Purpose	Reduce VOC emissions from the use, storage and disposal of consumer paint thinners & multi-purpose solvents commonly used in thinning of coating materials, cleaning of application equipment, or other solvent cleaning operations by limiting their VOC content	Reduce VOC emissions for a wide variety of consumer products including multi-purpose solvent and paint thinner products which will partially fulfill the consumer product reduction commitment contained in the State Strategy for California's 2007 SIP
Applicability (to whom)	Rule 1143 applies to any person who sells, offers for sale, or manufactures, or any person who uses or solicits the use of any consumer paint thinners & multi-purpose solvents in the District	Except as provided in Sections 94509(i) and 95510, this article shall apply to any person who sells, supplies, offers for sale, or manufactures consumer products for use in the State of California.
Applicability (jurisdiction)	South Coast Air Quality Management District Jurisdiction Statewide Provisions: SCAQMD will recognize the statewide provisions set forth in the CPR, see "Other Elements" under General Prohibitions, shown in the CARB column, for details	Applicable in all areas of California outside the South Coast Air Quality Management District Statewide Provisions: See "Other Elements" under General Prohibitions for details
Averaging Provisions	Not Applicable	Not Applicable

Units	VOC Limit (Unit: Mass/Volume): Grams/Liter (g/L) or Pounds/Gallon (lb/G) Tier 1 – 300 g/L (2.50 lb/Gal), {Eff 1/1/10} Tier 2 – 25 g/L (0.21 lb/Gal), {Eff 1/1/11}	VOC Limit (Unit: %/Wt.): Percent by Weight VOC Determination Tier 1 – 30% by weight, {Eff 12/31/10} Tier 2 – 3% by weight, {Eff 12/31/13}
Operating Parameters	See Work Practices	See Work Practices
Work Practices	Any solvent container subject to the rule shall be closed when not in use. Solvent containers include: drums, buckets, cans, pails, trays or other application containers	No work practices cited in CPR
Method to Determine VOC	U.S.EPA Method 24 – or – SCAQMD Method 304	CARB Method 310
Monitoring	Not Applicable	Not Applicable

TABLE XIV 1: COMPARISON OF AQMD PAR 1143 TO CARB'S CPR, continued

CATEGORY	SCAQMD PAR 1143 Consumer Paint Thinners & Multi Purpose Solvents	CARB Consumer Products Regulations Sections: 94508, 94509, 94510, 94512, 94513, and 94515
Reporting	All manufacturers and distributors subject to the rule shall report annually, a list of all their US distributors and on April 1 and each subsequent year thereafter, submit an Annual Quantity and Emissions Report. Proposed Amended Rule 1143 will clarify that all exempt products shall be subject to recordkeeping and reporting requirements	All responsible parties for multi-purpose solvent and paint thinner products shall report data regarding product sales and composition for the year 2011. Additional reporting requirements for Consumer Products that contain perchloroethylene or methylene chloride
Recordkeeping	On or before April 1, 2010 and each subsequent April each manufacturer subject to the rule shall maintain records for 5 years and such records shall be made available to the Executive Officer upon request Records to include: Product Formulation Records, Production Records, Distribution Records and Sales Records	On or before June 30, 2012, all responsible parties for multi-purpose solvent and paint thinner products shall submit reports to the Executive Officer Records to include: Company name, product name, category, product label, applicable product forms, and California sales

TABLE XIV 1: CONTINUES ON NEXT PAGE

TABLE XIV 1: COMPARISON OF AQMD PAR 1143 TO CARB'S CPR, continued

CATEGORY	SCAQMD PAR 1143 Consumer Paint Thinners & Multi Purpose Solvents	CARB Consumer Products Regulations Sections: 94508, 94509, 94510, 94512, 94513, and 94515
Exemptions	<p>General Exemptions: None</p> <p>VOC Limit Exemptions: Solvents provided that they are labeled and designated exclusively for the clean-up of polyaspartic and polyurea coatings application equipment</p> <p>Thinners provided that they are labeled and designated exclusively for the thinning of Industrial Maintenance (IM) coatings, Zinc-Rich IM primers, and High Temperature IM coatings</p> <p>Artist solvents/thinners provided that they meet and are labeled to meet ASTM D4236-94 and designated exclusively to reduce the viscosity of, or remove, art coating compositions or components and are individually packaged in containers having a total capacity equal to or less than 1 liter</p> <p>No Small Container Exemption</p> <p>No Low-Vapor Pressure Provision in Proposed Amended Rule 1143</p>	<p>General Exemptions: Until December 31, 2013, the VOC limits and the prohibition of Aromatic Compounds shall not apply to paint thinners with a capacity less than or equal to 8 fluid ounces</p> <p>VOC Limit Exemptions: The CPR does not have a specific exemption for the clean-up of application equipment used for polyaspartic or polyurea coatings however, the definition for Multi-purpose Solvent, paragraph B, has language that states "Multi-purpose solvent does not include solvents used exclusively for the clean-up of polyaspartic and polyurea coatings"</p> <p>The CPR does not have a specific exemption for the thinning of Industrial Maintenance (IM) coatings however, the definition for Paint Thinners has language the states "products that are sold in containers of 5 gallons or more and labeled exclusively for the thinning of Industrial Maintenance Coatings, Zinc-Rich Primers, or High Temperature Coatings" are not included in the definition of "Paint Thinner"</p> <p>Artist's Solvent/Thinner provided they are labeled to meet ASTM D4236-95 (sic) and packaged in a container equal to or less than 32 fluid ounces (CARB has submitted an amendment to the CPR to increase the capacity to 34 fluid ounces)</p> <p>Temporary exemption for paint thinners sold and packaged in small containers less than or equal to 8 fluid ounces until December 31, 2013</p> <p>The VOC limits shall not apply to any Low-Vapor Pressure VOC</p>

TABLE XIV 1: COMPARISON OF AQMD PAR 1143 TO CARB'S CPR, continued

CATEGORY	SCAQMD PAR 1143 Consumer Paint Thinners & Multi Purpose Solvents	CARB Consumer Products Regulations Sections: 94508, 94509, 94510, 94512, 94513, and 94515
Other Elements	<p>General Prohibition: No person shall supply, sell, offer for sale, manufacture, blend, package, or repackage any Consumer Paint Thinners & Multi-Purpose Solvents subject to Rule 1143 that contain in the excess of 0.1% by weight any Group II exempt compounds listed in Rule 102. Cyclic, branched, or linear methylated siloxanes (VMS) are not subject to this prohibition SCAQMD will recognize the statewide provisions set forth in the CPR, see adjacent column</p>	<p>General Prohibition: The CPR has state-wide requirements that will be effective on December 31, 2010, when no person shall sell, supply, offer for sale, or manufacture for use in California any multi-purpose solvent or paint thinning that contains: Chemical compounds that have a Global Warming Potential (GWP) Value of 150 or greater Methylene Chloride, Perchloroethylene, or trichloroethylene Greater than 1% "Aromatic Compounds" by weight</p>
	<p>Sell-through Provision: Tier 1 – One year (until January 1, 2011), allows sale and use of high-VOC solvents and thinners if manufactured prior to January 1, 2010 Tier 2 – One year (until January 1, 2012), allows sale and use of solvents and thinners that have more than 25 g/L VOC but less than 300 g/L VOC if manufactured prior to January 1, 2011 An additional sell-through provision for consumer paint thinners manufactured prior to July 9, 2010 and labeled for more than one use including industrial maintenance coating thinning, may be sold, supplied, offered for sale, or used up to April 1, 2011</p>	<p>Sell-through Provision: Tier 1 – Three years (until December 31, 2013), allows sale and use of high-VOC solvents and thinners if manufactured prior to December 31, 2010 Tier 2 – Three years (until December 31, 2016), allows sale and use of solvents and thinners that have more than 3 percent by weight VOC but less than 30 g/L percent by weight VOC if manufactured prior to December 31, 2013 Multi-purpose solvents and paint thinners that contain any chemical compound that has a GWP Value of 150 or greater; methylene chloride, perchloroethylene, or trichloroethylene; or greater than 1% aromatic compounds by weight and were manufactured before December 31, 2010, may be sold, supplied, or offered for sale until December 31, 2013</p>

XV. DRAFT CONCLUSIONS AND RECOMMENDATIONS

Staff recommends that Rule 1143 be amended as proposed to align the artist solvents and thinners exemption with CARB's CPR.

XVI. PUBLIC COMMENTS AND RESPONSES

This section presents the comment letter that was received after the Wednesday, September 15, 2010 public workshop. The comment letter shows the paragraphs numbered which will correlate to staff responses following the reproduction of the comment letter. The public commenting period started on September 15, 2010 and continued up to the deadline September 24, 2010.

The following comment letter was received on September 24, 2010 from Charles H. Pomeroy, Partner with McKenna Long and Aldridge, Attorneys at Law, LLP, representing ACMI, the Art & Creative Materials Institute. The letter also included an attachment of a reproduced printed version of ASTM D4236-94 (Reapproved 2005) which is not reproduced in this report due to copyright laws.

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September 24, 2010

Via Email and U.S. Mail

Mr. Don Hopps
Air Quality Specialist
Planning, Rule Development and Area Sources
South Coast Air Quality Management District
21865 E. Copely Drive
Diamond Bar, CA 91765

Re: Public Workshop: Proposed Rule 1143 Rulemaking for Artists

Dear Mr. Hopps:

Again, my client, the Art & Creative Materials Institute ("ACMI"), wishes to thank you and SCAQMD for holding the September 15, 2010 Public Workshop concerning the proposed amendment of Rule 1143 exempting Artist Solvent/Thinner. As we heard, you believe this amendment will be presented to the SCAQMD Governing Board on December 3rd. ACMI fully endorses the proposed amendment to Rule 1143. We concur with SCAQMD's position that the Rule 1143 modification remain consistent with the language provided by the California Air Resources Board ("CARB") definition of Artist's Solvent/Thinner in its Consumer Product Regulation. We further present this letter in support of the proposed amendment and also to confirm and clarify two issues discussed during the Workshop.

1 1

Following the SCAQMD Workshop presentation, representatives present from the coatings industry raised a concern regarding potential circumvention of the recently amended Rule 1143 through use of the proposed artist's exemption. One company representative specifically raised the question whether other companies could go through the D4236-94 testing and thereafter sell the product at Home Depot, Lowes or other large commercial hardware stores. In response, both CARB and SCAQMD suggested the container size and cost would preclude use by non-artists of the solvents. CARB also stated that it would be monitoring sales to determine if circumvention was occurring (and would modify the rule in the future if needed).

1 2

We agree with the statements made by SCAQMD and CARB, but also believe the proposed Artist Solvent/Thinner definition offers additional protection against

LA 17757484.1

Mr. Don Hopps
September 24, 2010
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circumvention. The D4236-94 protocol that is part of both the proposed Rule 1143 amendment and CARB rule (available on the CARB website and attached hereto), is a labeling practice for chronic health hazards limited to art materials sold exclusively for artist use. See D4236-94, sections 2.1.2 and 2.1.12. With this designated labeling, a product sold in a commercial hardware store would have to be sold solely for the purpose of artistic use. Presently, the large retail chains, such as Home Depot and Lowes, do not have an area designated for artistic products. Generally, it would appear unusual for a large commercial hardware store to identify exclusive shelf space for artistic products, which are inconsistent with the company business (i.e., home repair and improvement). Further, to meet D4236-94 and thus be specially identified for artistic use, the product presence at a commercial hardware store should be readily identifiable, thus permitting both SCAQMD and CARB a means to effectively monitor sales. Finally, artists are unlikely to purchase artist solvent at commercial hardware stores since specialty art stores are their traditional source and the quality of the product would potentially be less trustworthy (even if it came with D4236-94 labeling). Thus, the consumer artist acquiring D4236-94-labeled products is unlikely to buy these products at a hardware store, thereby reducing the economic incentive to stock a product that is unlikely to be purchased by the targeted consumer.

1 2

A second issue also discussed at the Workshop concerned the recent ACMI submission to CARB requesting that CARB's Artist's Solvent/Thinner definition be modified to allow for a maximum one liter container rather than a 32 ounce limit. Industry representatives present at the Workshop expressed support with ACMI's proposal, stating that the metric system conversion was consistent with their current business development and noting that the metric system was already used in Rule 1143 for the measurement of VOCs (i.e., grams per liter). Based on the general discussion, we understand that both CARB and the District support the change to a maximum one liter size (or perhaps 34 ounces to accommodate the one liter volume). We appreciate that support and await the final revised language for both CARB and SCAQMD.

1 3

On behalf of ACMI, I wish to thank you again for the opportunity to participate in this important subject. Please contact me should you require further information.

Sincerely,



Charles H. Pomeroy

CHP/cp
Enclosures

cc: Deborah M. Fanning, CAE, ACMI
Martin Neville, Esq.

LA 1767884.1

Response to Comment #1-1

Staff agrees with the comment that an Artist Solvent/Thinner exemption should be included in Rule 1143 but with the criteria of a size requirement, where any individual packaged container having a total capacity less than or equal to 1 liter and is labeled and designated exclusively to reduce the viscosity of, or remove, art coating compositions or components, and meets and is labeled to meet the requirements of ASTM D4236-94 (Reapproved 2005) the Standard Practice for Labeling Art Materials for Chronic Health Hazards. Staff has worked extensively with CARB staff to make the proposed rule language for the Artist Solvents/Thinners as consistent as possible with the language in their Consumer Products Regulation.

Response to Comment #1-2

Staff recalls the comment made during the public workshop regarding potential circumvention of the proposed rule language for Artist Solvents/Thinners and that non-artist companies could go through the ASTM D4236-94 testing and thereafter sell the products at home improvement stores such as Home Depot, Lowes, and other commercial hardware stores. The comment also points out that CARB and AQMD staff both commented at the public workshop that the container size of less than 1 liter and cost of the product would preclude use by the non-artists of the solvents. Staff has had discussions with CARB and was informed that solvents and thinners manufactured exclusively for artists can cost 4 to 5 times the price a similar size (capacity) product commonly found at a Home Depot would cost. Staff verified these costs and found that for a common quart size, the artist products cost 67.6% more than the general use consumer paint thinners and multi-purpose solvents commonly found in Home Depot, Lowes, and other commercial hardware stores, whereas for the gallon size, the artist products cost 54.1% more than the general use consumer paint thinners and multi-purpose solvents. Staff believes that these higher costs, even though much lower than CARB's estimates, and the 1 liter or less capacity requirement, will discourage circumvention by solvent and thinner users that do not use these types of products for non-artistic uses. Further, staff has reinforced the proposed definition by adding the following: "*Artist Solvents/Thinners do not include commercial-grade solvents or thinners*". Finally, staff believes that monitoring sales trends would be a viable tool to detect circumvention. Staff has revised the rule language in Rule 1143 to exempt Artist Solvents/Thinners from the VOC requirements in paragraph (d)(1). This clarification will require recordkeeping for all manufacturing and distribution facilities, artist and non-artist, as described in the rule, which will provide AQMD with data to monitor the sales trends for Artist Solvents/Thinners, in addition to the other exempt products in the rule that are labeled and designated exclusively for the clean-up of polyaspartic and polyurea coatings, and thinners that are labeled and designated exclusively for the thinning of Industrial Maintenance coatings, zinc-rich primers, and high temperature coatings. AQMD believes that all of these measures will discourage circumvention and allow staff to monitor and assess whether the exempt solvents are possibly being used improperly.

Staff also agrees with the comment that ASTM D4236-94 does indeed have language in sections 2.1.2 and 2.1.12 where section 1.2 of the ASTM states "*This practice applies exclusively to art materials packaged in sizes intended for individual users of any age or those participating in a small group.*" This language in ASTM D4236-94 and the language in proposed Rule 1143 paragraph (c)(1) both have language to require solvents and thinners that will be used for artist use shall be labeled and meet the requirements in ASTM D4236-94.

Response to Comment #1-3

Staff agrees. Staff has revised the proposed rule language and replaced 32 fluid ounces with 1 liter. The new language will read “Artist solvents/thinners provided that they are labeled and designated exclusively to reduce the viscosity of, or remove, art coating compositions or components and are individually packaged in containers having a total capacity equal to or less than 1 liter.”

XVII. REFERENCES

ASTM D4236-94 (Reapproved 2005), Standard Practice for Labeling Art Materials for Chronic Health Hazards

CARB, 2006 Consumer and Commercial Products Survey, 2009,
<http://www.arb.ca.gov/consprod/regact/2006surv/2006surv.htm>

CARB, Consumer Products Regulations, August 7, 2009,
<http://www.arb.ca.gov/regact/2009/cpmthd310/cpmthdisor.pdf>

AQMD Rule 1143 - Consumer Paint Thinners & Multi-Purpose Solvents, amended on June 4, 2010

AQMD Rule 1143 - Consumer Paint Thinners & Multi-Purpose Solvents, Current Amendment, amended on July 9, 2010

AQMD, Preliminary Draft Staff Report for Proposed Amended Rule 1143 - Consumer Paint Thinners & Multi-Purpose Solvents, posted on AQMD website on August 24, 2010

AQMD, Proposed Amended Rule 1143 - Consumer Paint Thinners & Multi-Purpose Solvents, posted on AQMD website on August 24, 2010

ATTACHMENT G

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

**Final Environmental Assessment for Proposed Amended Rule (PAR) 1143 –
Consumer Paint Thinners and Multi-Purpose Solvents**

November 2010

**SCAQMD No. 100820JK
State Clearinghouse No: 2008111052**

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PREFACE

This document constitutes the Final Environmental Assessment (EA) for Proposed Amended Rule (PAR) 1143 – Consumer Paint Thinners and Multi-Purpose Solvents. The Draft EA was released for a 45-day public review and comment period from September 30, 2010 to November 16, 2010. No comment letters were received on the Draft EA.

To ease in identification, modifications to the document are included as underlined text and text removed from the document is indicated by ~~striketrough~~. None of the modifications alter any conclusions reached in the Draft EA, nor provide new information of substantial importance relative to the draft document. As a result, these minor revisions do not require recirculation of the document pursuant to CEQA Guidelines §15088.5. This document constitutes the Final EA for Proposed Amended Rule (PAR) 1143 – Consumer Paint Thinners and Multi-Purpose Solvents.

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LIST OF ACRONYMS & TERMS

AAM = annual arithmetic mean
AB = Assembly Bill
AB2588 = Air Toxics Hot Spots Information and Assessment Act of 1987
ACMI = Artist Creative Materials Institute
AHM = acutely hazardous material
ANPR = Advance Notice of Proposed Rulemaking
APE = area of potential effect
AQMP = Air Quality Management Plan
ATCM = Airborne Toxic Control Measure
Basin = South Coast Air Basin
CAA = Clean Air Act
CalEPA = California Environmental Protection Agency
CARB = California Air Resources Board
CEC = California Energy Commission
CEQA = California Environmental Quality Act
CFCs = chlorofluorocarbons
CH₄ = methane
CO₂ = carbon dioxide
CO₂eq = carbon dioxide equivalent
CO = carbon monoxide
Co = county
COHb = carboxyhemoglobin
CM = control measure
District = South Coast Air Quality Management District (area of jurisdiction)
EA = Environmental Assessment
e.g. = example
EIR = Environmental Impact Report
etc. = et cetera
FR = Federal Register
g/L = grams per liter
gal = gallons
GHG = greenhouse gases
GMC = Growth Management Chapter
HAPs = hazardous air pollutants
HCFCs = hydrochlorofluorocarbons
HFC = hydrofluorocarbon
HI = Hazard Index
HNO₃ = nitric acid
hr = hour
i.e. = that is
IM = industrial/maintenance
kW = kilowatt
LADWP = Los Angeles Department of Water and Power
lb = pound
LHAMA = Labeling of Hazardous Art Materials Act
MDAB = Mojave Desert Air Basin

LIST OF ACRONYMS & TERMS (Cont.)

MEK = methyl ethyl ketone
MICR = maximum individual cancer risk
mmBTU = million British Thermal Units
MSDS = Material Safety Data Sheet
Mton = metric ton
MW = megawatt
N₂ = nitrogen
N₂O = nitrous oxide
NAAQS = National Ambient Air Quality Standards
NAMTA = National Art Materials and Trade Association
NESHAP = National Emission Standard for Hazardous Air Pollutants
NOC = Notice of Completion
NOP/IS = Notice of Preparation/Initial Study
NO_x = oxides of nitrogen
O₃ = ozone
OPR = Office of Planning and Research
PAR = proposed amended rule
PCBTF = parachlorobenzotrifluoride
PFC = perfluorocarbon
PM = particulate matter
PM_{2.5} = particulate matter with an aerodynamic diameter of 2.5 microns or less
PM₁₀ = particulate matter with an aerodynamic diameter of 10 microns or less
ppm = parts per million
PST = Pacific Standard Time
PVC = polyvinyl chloride
RCPG = Regional Comprehensive Plan Guide
REL = Reference Exposure Level
SB = San Bernardino
SB = Senate Bill
SCAB = South Coast Air Basin
SCAG = Southern California Association of Governments
SCAQMD = South Coast Air Quality Management District
SCE = Southern California Edison
SEA = Supplemental Environmental Assessment
SF₆ = sulfur hexafluoride
SO₂ = sulfur dioxide
SO_x = oxides of sulfur
SSAB = Salton Sea Air Basin
TAC = toxic air contaminant
TAO = Technology Advancement Office
TCA = 1,1,1-trichloroethane
µg/m³ = micrograms per cubic meter
USEPA = United States Environmental Protection Agency
USPS = United States Postal Service
VOC = Volatile Organic Compounds

CHAPTER 1

EXECUTIVE SUMMARY

Introduction

California Environmental Quality Act

Previous CEQA Documentation for PAR 1143

Intended Uses of this Document

Areas of Controversy

Executive Summary

INTRODUCTION

Consumer products are the largest source of VOC emissions in the South Coast Air Basin (Basin). The California Air Resources Board (CARB) estimates that consumer products in the state of California account for approximately 245 tons per day of VOC emissions. The 2007 Air Quality Management Plan (AQMP) highlights the growing impact of VOC emissions from consumer products, which include cleaning products and solvents. Taking into account population growth and planned VOC reductions by CARB, the AQMP estimates that the annual average VOC emissions for the consumer product category will be 107 tons per day by the year 2014, and will likely increase to 112.1 tons per day by the year 2020.

One subcategory of the paint thinner and multi-purpose solvent category is artist solvents and thinners. Artist solvents and thinners have been formulated and refined to eliminate impurities normally found in commercial grade solvents and thinners. CARB staff surveyed artist solvents and thinners during their 2006 Consumer and Commercial Products Survey¹ and found VOC emissions from the artist solvents and thinners sub-category were small compared to the overall VOC emissions from the consumer products category. CARB staff also found that artist solvents and thinners are required to meet the Labeling of Hazardous Art Materials Act (LHAMA) within the Federal Hazardous Substances Act, which requires that any art material, including solvents, must meet the requirements in ASTM D-4236-94 (reapproved 2005), the standard Practice for Labeling Art Materials for Chronic Health Hazards, to protect consumers of any age from potential health hazards from these products. CARB staff was unable to identify technology that would allow artist solvents and thinners to be reformulated to meet lower VOC content limits and meet performance requirements. As a result, CARB staff exempted artist solvents and thinners, which they call artist's solvents/thinners,² from the requirements of their Consumer Products Regulations, provided that they are labeled to meet ASTM D4236-94 and are individually packaged in containers having a total capacity equal to or less than one liter.

Adopting Proposed Amended Rule (PAR) 1143 would incorporate the CARB VOC content limit exemption for artist solvents and thinners provided they are labeled as such and are individually packaged in a container equal to or less than one liter. Artist solvents and thinners would be defined as any liquid product labeled to meet the requirements of ASTM D4236-94 (Reapproved 2005) Standard Practice for Labeling Art Materials for Chronic Health Hazards, and refined to remove impurities for artist use to reduce the viscosity of, or remove, art coating compositions or components. Artist solvents and thinners do not include commercial-grade solvents or thinners.

The Initial Study, prepared pursuant to the California Environmental Quality Act (CEQA), identified air quality as the only environmental topic that may have significant adverse impacts from the proposed project. This ~~Draft~~ Final Environmental Assessment (EA) has been prepared to analyze further the potential impacts to air quality.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

The proposed amendments to Rule 1143 are considered a “project” as defined by CEQA. CEQA requires that the potential adverse environmental impacts of proposed projects be evaluated and that methods to reduce or avoid identified significant adverse environmental impacts of these projects be implemented if feasible. The purpose of the CEQA process is to inform the SCAQMD's Governing Board, public agencies, and all interested parties of the potential adverse

¹ CARB, 2006 Consumer and Commercial Products Survey, 2009, <http://www.arb.ca.gov/regact/2009/cpmthd310/cpmthdisor.pdf>.

² CARB, Consumer Products Regulation, September 2009, <http://www.arb.ca.gov/consprod/regs/regs.htm>.

environmental impacts that could result from implementing the proposed project and to identify feasible mitigation measures or alternatives, when an impact is significant.

California Public Resources Code §21080.5 allows public agencies with regulatory programs to prepare a plan or other written documents in lieu of an environmental impact report once the Secretary of the Resources Agency has certified the regulatory program. The SCAQMD's regulatory program was certified by the Secretary of Resources Agency on March 1, 1989, and is codified as SCAQMD Rule 110 (the rule which implements the SCAQMD's certified regulatory program). CEQA and Rule 110 require that potential adverse environmental impacts of proposed projects be evaluated and that feasible methods to reduce or avoid significant adverse environmental impacts of these projects be identified.

The SCAQMD as Lead Agency for the proposed project, prepared a Notice of Preparation/Initial Study (NOP/IS) which identified the environmental topic to be analyzed in a Draft Environmental Assessment (EA). The NOP/IS provided information about the proposed project to other public agencies and interested parties prior to the intended release of the Draft EA. The NOP/IS was distributed to responsible agencies and interested parties for a 30-day review and comment period from August 24, 2010 to September 22, 2010. The initial evaluation in the NOP/IS identified only air quality as having potentially adverse impacts from the proposed project. During that public comment period, the SCAQMD received one comment letter. The letter and the responses to comments can be found in Appendix D of this document. In addition, the NOP/IS, is attached to this ~~Draft~~ Final EA as Appendix C.

This ~~Draft~~ Final EA, prepared pursuant to CEQA, ~~evaluates~~ evaluates air quality as the only area that may be adversely affected by the proposed project. Based on the conclusions in the NOP/IS prepared for the proposed project, no other environmental topic areas were analyzed in this ~~Draft~~ Final EA.

~~Any comments received during the public comment period from September 30, 2010 to November 16, 2010, on the analysis presented in this Draft EA will be responded to and included in the Final EA. The Draft EA was circulated for public review from September 30, 2010 to November 16, 2010, no comments were received.~~ Prior to making a decision on the proposed amendments to PAR 1143, the SCAQMD Governing Board must review and certify the Final EA as providing adequate information on the potential adverse environmental impacts of the proposed amendments to Rule 1143.

PREVIOUS CEQA DOCUMENTATION FOR PAR 1143

This ~~Draft~~ Final EA is a comprehensive environmental document that analyzes potential environmental impacts from the proposed amendments to Rule 1143. SCAQMD rules, as ongoing regulatory programs, have the potential to be revised over time due to a variety of factors (e.g., regulatory decisions by other agencies, new data, and lack of progress in advancing the effectiveness of control technologies to comply with requirements in technology forcing rules, etc.). Several previous environmental analyses have been prepared to analyze past amendments to Rule 1143. The following paragraphs summarize these previously prepared CEQA documents and are included for informational purposes only. The current ~~Draft~~ Final EA focuses on the currently proposed amendments to Rule 1143 and does not rely on these previously prepared CEQA documents. The following documents can be obtained by submitting a Public Records Act request to the SCAQMD's Public Records Unit. In addition, a link for downloading files from the SCAQMD's website is provided for these CEQA documents. The following is a summary of the contents of these documents.

Final Environmental Assessment for Proposed Amended; February 2009 (SCAQMD No. 11112008BAR, State Clearinghouse No. 2008111052): The objective of proposed Rule (PR) 1143 was to implement Control Measure CTS-04 in the 2007 AQMP by reducing VOC emissions from the use of consumer paint thinners and multi-purpose solvents that are typically sold through retail outlets or through any persons acquiring a consumer product for resale of these materials within SCAQMD’s jurisdiction. The adoption of PR 1143: 1) effective January 1, 2010, established an interim material VOC limit of 300 grams per liter for all consumer paint thinners and multi-purpose solvents; 2) effective January 1, 2011, established a material VOC limit of 25 grams per liter for all consumer paint thinners and multi-purpose solvents; 3) provided a sell-through period of one year for products manufactured prior to the effective date; 4) required manufacturers to provide a list of distributors and to submit annual quantity emission reports; 5) prohibited the sale of non-compliant products; 6) exempted solvents used to clean-up equipment provided they are labeled and designated for polyaspartic and polyurea coatings, and thinners labeled and designated for the thinning of specific industrial maintenance coatings; and, 7) prohibited consumer paint thinners and multi-purpose solvents that contain an excess of 0.1 percent of Group II exempt compounds as listed in SCAQMD Rule 102 – Definition of Terms, except cyclic, branched, or linear, completely methylated siloxanes. PR 1143 was estimated to reduce VOC emissions by 9.75 tons per day, with 5.94 tons per day by January 1, 2010 and then by an additional 3.81 tons per day for the final limit, effective January 1, 2011. A Draft EA for the proposed adoption of Rule 1143 was released for a 30-day public review and comment period from November 13, 2008, to December 12, 2008. Three comment letters were received from the public on the Draft EA on or before the close of the comment period of the Draft EA. In addition, one comment letter was received from the public relative to both the proposed rule and the Draft EA on December 30, 2008. After circulation of the Draft EA, a Final EA was prepared, which included the comment letters and responses to comments, and was certified by the SCAQMD Governing Board on March 6, 2009. The environmental analysis in the Final EA concluded that PR 1143 would not generate any significant adverse environmental impacts. On April 1, 2010, the Los Angeles Superior Court upheld this Final EA with respect to the interim 300 gram per liter VOC content limit requirement against CEQA challenges raised by W.M. Barr. However, the Court struck down the final VOC content limit of 25 grams per liter because the Final EA did not adequately address flammability impacts. This document can be obtained by visiting the following website at:

<http://www.aqmd.gov/ceqa/documents/2009/aqmd/finalEA/FEA-1143.pdf>

Notice of Exemption From CEQA for Proposed Amended Rule 1143 – Consumer Paint Thinners and Multi-Purpose Solvents; June 2010: The proposed amendments to Rule 1143 consisted of rescinding the VOC limit of 25 grams per liter for paint thinners and multi-purpose solvents to comply with the judgment issued by the Los Angeles County Superior Court on April 1, 2010. Because the SCAQMD had no discretion with regard to the proposed project, it was considered to be ministerially exempt. Therefore, pursuant to CEQA Guidelines §15268 – Ministerial Projects, the proposed project was determined to be exempt from CEQA and a Notice of Exemption was prepared. This document is available for downloading by visiting the following website at: <http://www.aqmd.gov/ceqa/noe.html>

Final Environmental Supplemental Assessment for Proposed Amended; June 2010 (SCAQMD No. 11112008BAR, State Clearinghouse No. 2008111052):

On July 9, 2010, the SCAQMD Governing Board adopted proposed amendments to Rule 1143 that: 1) re-established the 25 grams per liter VOC limit; 2) added consumer warning requirements for all flammable and extremely flammable products; 3) added requirements for conducting public education and outreach with local fire departments to consumers regarding the

reformulation of potentially more flammable paint thinners; 4) clarified the intent of the exemption for thinners for industrial/maintenance (IM) coatings, zinc-rich IM primers, and high-temperature IM coatings as well as clean-up solvents for polyaspartic and polyurea coatings; and, 5) made other minor clarifications. Of these proposed changes, only the re-establishment of the 25 grams per liter VOC content limit was expected to result in physical changes that would require an additional CEQA analysis relative to fire hazards. To comply with the court order to make the previously prepared CEQA document adequate with respect to the aforementioned fire hazard issue in accordance with CEQA Guidelines §15163(b), SCAQMD prepared the Final Supplemental EA to specifically analyze the effects of the proposed amendments with respect to fire hazards from replacing formulations that contain combustible solvents like mineral spirits with formulations that may contain flammable and extremely flammable solvents, such as acetone. Because the remainder of the Final EA that was prepared at the time of adoption of Rule 1143 was either not challenged or was upheld by the court, no other environmental topics were considered in the Final Supplemental EA. The Final Supplemental EA concluded that the proposed amendments would not generate a significant fire hazard. This document can be obtained by visiting the following website at: <http://www.aqmd.gov/ceqa/documents/2010/aqmd/finalEA/1143FSEA.PDF>. The CEQA document for these proposed amendments is currently under litigation.

Notice of Preparation/Initial Study of Draft Environmental Assessment for the Proposed Amended Rule 1143; August 2010: The proposed project would add a new definition of and exempt artist solvents and thinners from the VOC content limit requirements of Rule 1143. The proposed project would also align the existing Rule 1143 with CARB’s Consumer Products Regulations, which provides an exemption for artist solvents and thinners. The IS identifies only the topic of air quality that may be adversely affected by the proposed project. The IS was released for a 30-day public comment period from August 24, 2010 to September 22, 2010. This document is included as Appendix C of this ~~Draft-Final~~ EA.

INTENDED USES OF THIS DOCUMENT

In general, a CEQA document is an informational document that informs a public agency’s decision-makers and the public generally of potentially significant adverse environmental effects of a project, identifies possible ways to avoid or minimize the significant effects, and describes reasonable alternatives to the project (CEQA Guidelines §15121). A public agency’s decision-makers must consider the information in a CEQA document prior to making a decision on the project. Accordingly, this ~~Draft-Final~~ EA is intended to: (a) provide the SCAQMD Governing Board and the public with information on the environmental effects of the proposed project; and, (b) be used as a tool by the SCAQMD Governing Board to facilitate decision making on the proposed project.

Additionally, CEQA Guidelines §15124(d)(1) requires a public agency to identify the following specific types of intended uses of a CEQA document:

1. A list of the agencies that are expected to use the EA in their decision-making;
2. A list of permits and other approvals required to implement the project; and,
3. A list of related environmental review and consultation requirements required by federal, state, or local laws, regulations, or policies.

There are no permits or other approvals required to implement the project. Moreover, the project is not subject to any other related environmental review or consultation requirements.

To the extent that local public agencies, such as cities, county planning commissions, et cetera, are responsible for making land use and planning decisions related to projects that must comply with the requirements in the proposed project, they could possibly rely on this EA during their decision-making process. Similarly, other single purpose public agencies approving projects at facilities complying with the proposed project may rely on this EA.

AREAS OF CONTROVERSY

CEQA Guidelines §15123(b)(2) requires a public agency to identify the areas of controversy in the CEQA document, including issues raised by agencies and the public. Over the course of developing the proposed project, the only one comment was received related to environmental concerns from representatives of other agencies, industry and environmental groups, either in public meetings or in written comments, regarding the proposed project. The comment was letter on the NOP/IS that asked SCAQMD staff to consider avoidance, when significant cultural resources are discovered during the course of project planning and implementation. Since PAR 1143 would only exempt artist solvents and thinners from the requirements of Rule 1143, no construction is required, and usage is expected to occur within existing structures in small quantities; no cultural resource impacts are expected. Therefore, the comment does not apply to PAR 1143 and is not considered controversial. The comment letter and response to comments are addressed in Appendix D of this EA.

Pursuant to CEQA Guidelines §15131(a), “Economic or social effects of a project shall not be treated as significant effects on the environment.” CEQA Guidelines §15131(b) states further, “Economic or social effects of a project may be used to determine the significance of physical changes caused by the project.” Physical changes caused by the proposed project have been evaluated in Chapter 4 of this EA. No direct or indirect physical changes resulting from economic or social effects have been identified as a result of implementing the proposed project.

To date, no controversial issues have been raised as a part of developing the proposed project.

EXECUTIVE SUMMARY

CEQA Guidelines §15123 requires a CEQA document to include a brief summary of the proposed actions and their consequences. In addition, areas of controversy including issues raised by the public must also be included in the executive summary (see preceding discussion). This ~~Draft-Final~~ EA consists of the following chapters: Chapter 1 – Executive Summary; Chapter 2 – Project Description; Chapter 3 – Existing Setting, Chapter 4 – Potential Environmental Impacts and Mitigation Measures; Chapter 5 – Project Alternatives; Chapter 6 - Other CEQA Topics and various appendices. The following subsections briefly summarize the contents of each chapter.

Summary of Chapter 1 – Executive Summary

Chapter 1 includes a discussion of the legislative authority that allows the SCAQMD to amend and adopt air pollution control rules, identifies general CEQA requirements and the intended uses of this CEQA document, and summarizes the remaining five chapters that comprise this ~~Draft-Final~~ EA.

Summary of Chapter 2 - Project Description

The proposed project includes adding a new definition to Rule 1143 for artist solvents and thinners as any liquid product labeled to meet ASTM D4236 – 95 (Reapproved 2005) Standard Practice for Labeling Art Materials for Chronic Health Hazards; and refined to removed impurities for artistic use to reduce the viscosity of, or remove, art coating compositions or

components. Artist solvents and thinners do not include commercial-grade solvents or thinners. PAR 1143 would also align Rule 1143 with CARB’s Consumer Products Regulations relative to artist solvents and thinners by exempting artist solvents and thinners provided that they are labeled and designated exclusively to reduce the viscosity of, or remove, art coating compositions or component and are individually packaged in containers having a total capacity equal to or less than one liter from the VOC content limit requirements of Rule 1143.

Summary of Chapter 3 - Existing Setting

Pursuant to the CEQA Guidelines §15125, Chapter 3 – Existing Setting, includes descriptions of those environmental areas that could be adversely affected by the proposed project as identified in the NOP/IS (Appendix C). The following subsection briefly highlights the existing setting for air quality, which is the only environmental topic with potentially significant adverse impacts.

Air Quality

The air quality in the SCAQMD's jurisdiction has shown substantial improvement over the last two decades. Nevertheless, some federal and state air quality standards are still exceeded frequently and by a wide margin. Of the National Ambient Air Quality Standards (NAAQS) established for seven criteria pollutants (ozone, lead, sulfur dioxide, nitrogen dioxide, carbon monoxide, PM10 and PM2.5), the area within the SCAQMD's jurisdiction is only in attainment with carbon monoxide, sulfur dioxide, and nitrogen dioxide standards. Air monitoring for PM10 indicates that SCAQMD has attained the NAAQS but USEPA has not yet approved the SCAQMD’s request for re-designation. The Los Angeles County portion of the SCAQMD's jurisdiction is proposed to be designated as non-attainment for the new federal standard for lead, based on emissions from two specific facilities. Chapter 3 provides a brief description of the existing air quality setting for each criteria pollutant, as well as the human health effects resulting from exposure to each criteria pollutant. In addition, this section includes a discussion on greenhouse gases (GHGs), climate change and toxic air contaminants.

Summary of Chapter 4 - Environmental Impacts

CEQA Guidelines §15126(a) requires that a CEQA document shall identify and focus on the “significant environmental effects of the proposed project.” Direct and indirect significant effects of the project on the environment shall be clearly identified and described, giving due consideration to both the short-term and long-term effects.

The Initial Study identified and described the environmental topic where the proposed project could cause significant adverse environmental impacts (i.e., air quality). Analysis of air quality revealed that potentially significant adverse impacts may result from VOC emission reductions foregone from exempting artist solvents and thinners. The following summarizes the analysis of potential adverse environmental impacts from the implementation of the proposed project:

Air Quality

PAR 1143 would result in 113.7 pounds of VOC emissions foregone per day, which exceeds the SCAQMD operational VOC significant threshold of 55 pounds per day. Since the operational VOC emissions would exceed the significance threshold; VOCs are an ozone precursor, and the district is not in attainment for ozone; PAR 1143 may contribute to an existing or projected air quality violation. Since the proposed project would result in VOC emissions reductions foregone from the existing Rule 1143 that exceed the operational VOC significant threshold of 55 pounds per day, it may diminish an existing air quality rule or future compliance requirement resulting in a significant increase in an air pollutant. No mitigation measures were identified by SCAQMD staff to reduce VOC emissions.

Even though the proposed project would cause significant adverse increase in VOC emissions foregone during operations, the net increase in operational VOC emissions foregone combined with the total permanent emission reductions achieved by Rule 1143 would not interfere with the air quality progress and attainment demonstration projected in the AQMP. Therefore, cumulative air quality impacts from the proposed project, previous amendments and all other AQMP control measures considered together, are not expected to be significant because implementation of all AQMP control measures is expected to result in net emission reductions and overall air quality improvement.

Artist solvents and thinners may contain toxic air contaminants (TACs). SCAQMD staff identified the following conventional solvent TACs: isopropyl alcohol, xylene, ethyl benzene, toluene, methyl ethyl ketone, and hexane in artist solvents and thinners. None of these TACs have carcinogenic health risk values, so the carcinogenic health risk was not quantified. The chronic and acute non-carcinogenic health risk was estimated from these TACs using the SCAQMD Rules 1401/212 Tier 2 Health Risk Assessment Procedure (<http://www.aqmd.gov/prdas/Risk%20Assessment/RiskAssessment.html>). The chronic and acute non-carcinogenic hazard index is less than the SCAQMD significance threshold of 1.0 presented in Table 4-1; therefore, PAR 1143 is not considered significant for chronic non-carcinogenic health risk.

Greenhouse gas (GHG) emissions and odors were evaluated in the NOP and were found not to be significant; therefore, they were not further evaluated in this ~~Draft~~ Final EA.

Potential Environmental Impacts Found Not To Be Significant

The Initial Study for the proposed project includes an environmental checklist of approximately 17 environmental topics to be evaluated for potential adverse impacts from a proposed project. Review of the proposed project at the NOP/IS stage identified air quality as the only environmental topic for further review in the ~~Draft~~ Final EA. Where the Initial Study concluded that the project would have no significant direct or indirect adverse effects on the remaining environmental topics, of the comments received on the NOP/IS or at the public meetings, none of the comments changed this conclusion. The screening analysis concluded that the following environmental areas would not be significantly adversely affected by the proposed project:

- aesthetics
- agriculture and forestry resources
- biological resources
- cultural resources
- energy
- geology/soils
- hazards and hazardous materials
- hydrology and water quality
- land use and planning
- mineral resources
- noise
- population and housing
- public services
- recreation
- solid/hazardous waste
- transportation/traffic

The NOP/IS for the proposed project was circulated for a 30-day review and comment period from August 24, 2010 to September 22, 2010.

Consistency

The Southern California Association of Governments (SCAG) and the SCAQMD have developed, with input from representatives of local government, the industry community, public health agencies, the USEPA-Region IX and the California Air Resources Board (CARB), guidance on how to assess consistency within the existing general development planning process in the Basin. Pursuant to the development and adoption of its Regional Comprehensive Plan Guide (RCPG), SCAG has developed an Intergovernmental Review Procedures Handbook (June 1, 1995). The SCAQMD also adopted criteria for assessing consistency with regional plans and the AQMP in its CEQA Air Quality Handbook. The proposed project is considered to be consistent with SCAG's RCPG because it does not interfere with achieving any of the goals identified in any of the RCPG policies.

Other CEQA Topics

CEQA documents are required to address the potential for irreversible environmental changes, growth-inducing impacts and inconsistencies with regional plans. Consistent with the Final Program Environmental Impact Report (EIR) prepared for the 2007 AQMP, additional analysis of the proposed project confirms that it would not result in irreversible environmental changes or the irretrievable commitment of resources, foster economic or population growth or the construction of additional housing, or be inconsistent with regional plans.

Summary Chapter 5 - Alternatives

Two alternatives to the proposed project are summarized in Table 1-1: Alternative A (No Project) and Alternative B (VOC Limit). Pursuant to the requirements in CEQA Guidelines §15126.6 (b) to mitigate or avoid the significant effects that a project may have on the environment, a comparison of the potentially significant adverse air quality impacts from each of the project alternatives for the individual rule components that comprise the proposed project is provided in Table 1-2. No other potentially significant adverse impacts were identified for the proposed project or any of the project alternatives. The proposed project is considered to provide the best balance between emission reductions and the adverse environmental impacts due to construction and operation activities while meeting the objectives of the project. Therefore, the proposed project is preferred over the project alternatives.

**Table 1-1
Proposed Project and Alternatives**

Proposed Project	Alternative A: No Project	Alternative B: VOC Content Limit
<p>The proposed project would exempt any artist solvent or thinner labeled and designed exclusively to reduce the viscosity of, remove, art coating compositions or components and are individually packaged in containers having a total capacity equal to or less than one liter. Artist solvents and thinners would be defined as any liquid labeled to meet ASTM D4236-94 (Reapproved 2005) Standard Practice for Labeling Art Materials for Chronic Health Hazards, and refined to remove impurities for artistic use to reduce the viscosity of, or remove, art coating compositions or components. This proposal would align the existing Rule 1143 with CARB's artist solvent and thinner exemption in their Consumer Products Regulation.</p>	<p>The proposed project is not adopted and existing Rule 1143 would remain in effect, which requires any artist solvents and thinners manufactured after the compliance dates would need to meet the 300 gram per liter VOC content limit on or after January 1, 2010 and the 25 gram per liter VOC content limit on or after January 1, 2011. Existing Rule 1143 allows the artist solvents and thinners manufactured prior to the implementation dates to meet the 300 gram per liter VOC content limit by January 1, 2011 and the 25 gram per liter VOC content limit by January 1, 2012. The one-year sell through provision is provided for both the interim and final VOC content limits.</p>	<p>Establish a VOC content limit of 880 grams per liter by January 1, 2013 for artist solvents and thinners.</p>

Table 1-2
Comparison of Adverse Environmental Impacts of the Proposed Project and Alternatives

Category	Proposed Project	Alternative A: No Project	Alternative B: VOC Content Limit
Air Quality	A minimum of 113.7 pounds of VOC emission reductions foregone per day.	Decrease in VOC emissions January 1, 2011 and January 1, 2012 when sell through provisions expire.	Qualitative reduction in VOC emissions foregone per day, since highest VOC content for artist solvents and thinners would be prohibited. However, since VOC emission reductions foregone are estimated based on a high VOC content limit, a maximum of 113.7 pounds of VOC emission reductions foregone per day are still expected.
Air Quality Impacts Significant?	<ul style="list-style-type: none"> • No construction impacts. • Significant, a minimum of 113.7 pounds of VOC emissions foregone per day exceeds the SCAQMD operational significance threshold of 55 pounds of VOC per day. 	<ul style="list-style-type: none"> • Existing setting. • Achieves 2007 AQMP and Rule 1143 VOC emission reductions. 	<ul style="list-style-type: none"> • No construction impacts. • Significant, a maximum of 113.7 pounds of VOC emissions foregone per day exceeds the SCAQMD operational significance threshold of 55 pounds of VOC per day.

CHAPTER 2

PROJECT DESCRIPTION

Project Location

Project Background

Project Objective

Project Description

Technology for Artist Solvents and Thinners

PROJECT LOCATION

The SCAQMD has jurisdiction over an area of 10,473 square miles (referred to hereafter as the District), consisting of the four-county South Coast Air Basin and the Riverside County portions of the Salton Sea Air Basin (SSAB) and the Mojave Desert Air Basin (MDAB). The Basin, which is a subarea of the SCAQMD’s jurisdiction, is bounded by the Pacific Ocean to the west and the San Gabriel, San Bernardino, and San Jacinto Mountains to the north and east. The 6,745 square-mile Basin includes all of Orange County and the nondesert portions of Los Angeles, Riverside, and San Bernardino counties. The Riverside County portion of the SSAB and MDAB is bounded by the San Jacinto Mountains in the west and spans eastward up to the Palo Verde Valley. The federal nonattainment area (known as the Coachella Valley Planning Area) is a subregion of both Riverside County and the SSAB and is bounded by the San Jacinto Mountains to the west and the eastern boundary of the Coachella Valley to the east (Figure 2-1).

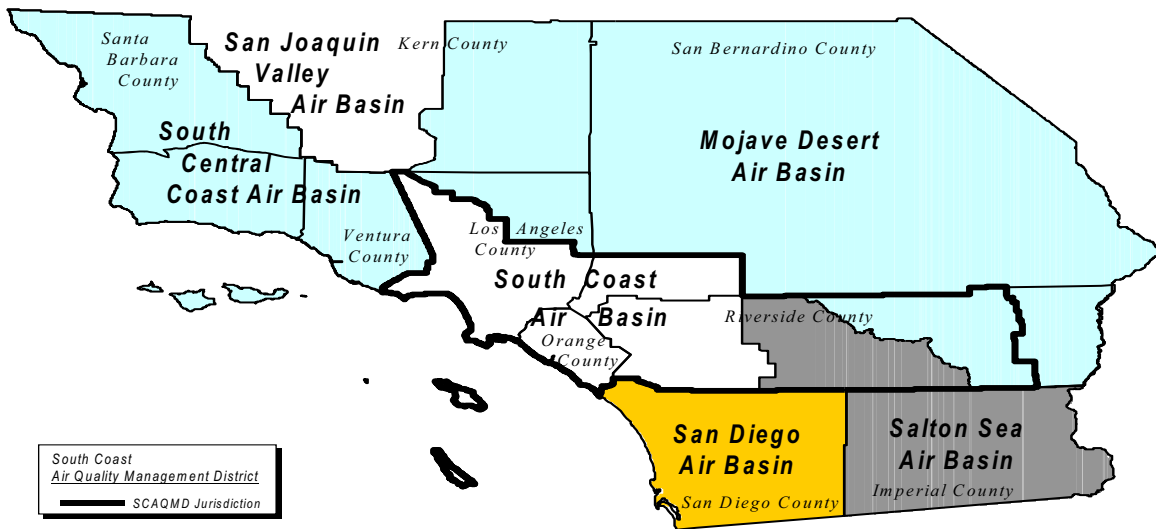


Figure 2-1
Boundaries of the South Coast Air Quality Management District

PROJECT BACKGROUND

Rule 1143– Consumer Paint Thinners and Multi-Purpose Solvents

Rule 1143 – Consumer Paint Thinners and Multi-Purpose Solvents, adopted by the SCAQMD Governing Board on March 6, 2009, implements AQMP Control Measure 2007CTS-04 by reducing the VOC contents of these consumer products sold by suppliers, distributors, and retailers to consumers. As part of the rule adoption, the SCAQMD Governing Board also certified the environmental analysis prepared pursuant to the California Environmental Quality Act (CEQA), Final EA for Proposed Rule 1143 – Consumer Paint Thinners and Multi-Purpose Solvents, February 2009, SCAQMD No. 11112008BAR, State Clearinghouse No. 2008111052.

On April 1, 2009, W.M. Barr initiated a lawsuit challenging the SCAQMD’s environmental analysis in the CEQA document prepared supporting its original March 6, 2009 adoption of Rule

1143. The case, *W.M. Barr v. South Coast Air Quality Management District*, Los Angeles Superior Court Case No. BS 119869, was heard by the court on December 7, 2009. The court upheld the SCAQMD’s Final Environmental Assessment (EA) against all challenges except one. The court found that the SCAQMD’s Final EA failed to address the issue of “whether acetone-based thinner is a significantly higher fire risk than mineral-based paint thinner.”

In constructing the appropriate remedy, the court ultimately allowed the SCAQMD to maintain Rule 1143’s interim VOC limit of 300 grams per liter but ordered the SCAQMD to vacate the final VOC limit of 25 grams per liter for consumer paint thinners and multi-purpose solvents. The court expressly found that the SCAQMD “presents uncontradicted evidence that no one, including Barr, was concerned about the fire hazard associated with the 300 grams per liter [interim limit].” The court also reiterated its earlier ruling that “the Environmental Assessment was adequate except with respect to the fire hazard issue.”

On June 4, 2010, the SCAQMD Governing Board approved amendments to Rule 1143 that rescinded the 25 grams per liter VOC limit. Because the SCAQMD had no discretion with regard to the rescission of this portion of Rule 1143, the action was considered to be ministerially exempt from CEQA pursuant to CEQA Guidelines §15268 – Ministerial Projects. Thus, a Notice of Exemption was prepared pursuant to CEQA Guidelines §15062 - Notice of Exemption. The Notice of Exemption was filed with the county clerks of Los Angeles, Orange, Riverside and San Bernardino counties.

On July 9, 2010, the SCAQMD Governing Board adopted proposed amendments to Rule 1143, which: 1) devise definitions; re-establish a VOC limit of 25 grams per liter for consumer paint thinners and multi-purpose solvents; 2) add consumer warning requirement for all flammable and extremely flammable products, as well as modify labeling for exempt thinners and solvents; 3) conduct outreach with local fire departments to consumers regarding potentially more flammable paint thinners; 4) and make clarifications to enhance enforceability. Of these proposed changes, only the re-establishment of the 25 grams per liter VOC limit resulted in physical changes that required an additional CEQA analysis relative to fire hazards in the Final Supplemental EA for Proposed Amended Rule 1143 – Consumer Paint Thinners and Multi-Purpose Solvents, June 2010, SCAQMD No. 11112008BAR, State Clearinghouse No: 2008111052. The CEQA document for the July 9, 2010 amendments is currently under litigation.

CARB Artist Solvent and Thinner Category

CARB staff surveyed artist solvents and thinners during their 2006 Consumer and Commercial Products Survey. CARB staff found that VOC emissions from the artist solvents and thinners subcategory were small compared to the overall VOC emissions from the consumer products category. CARB staff also found that artist solvents and thinners are required to meet the Labeling of Hazardous Art Materials Act (LHAMA) within the Federal Hazardous Substances Act, which requires that any art material, including solvents, must meet the requirements in ASTM D-4236-94 (Reapproved 2005), the standard Practice for Labeling Art Materials for Chronic Health Hazards, to protect consumers of any age from potential health hazards from these products. CARB staff was unable to identify technology that would allow artist solvents and thinners to be reformulated to meet lower VOC content limits and meet performance requirements. As a result, CARB staff exempted artist solvents and thinners, which they call artist solvents/thinners, from the requirements of their Consumer Products Regulations, provided that they are labeled to meet ASTM D4236-94 and packaged in containers having a total capacity equal to or less than one liter.

Artist Solvent and Thinner Products in District

There are approximately 19 paint thinner and solvent manufacturers that manufacture products exclusively for the artist industry in the district. No manufacturing of artist solvents or thinners in the district was identified (i.e., all artist solvents or thinners are imported into the district). Artist solvents and thinners are typically sold through hobby shops, craft and air material store outlets, and through internet sites. SCAQMD staff worked with CARB staff to evaluate the impact the artist solvents and thinners would have on the CARB Consumer Products Regulations. CARB has provided an exemption for artist solvents and thinners sold in capacities of one liter or less.³ SCAQMD staff also consulted with two artist trade organizations: the Artist Creative Materials Institute (ACMI) and the National Art Materials and Trade Association (NAMTA), both requested an exemption for artist solvents and thinners.

SCAQMD staff had a meeting with artist trade industry representatives to hear their concerns with Rule 1143 and their request for an exemption for artist solvents and thinners. The trade industry representatives stated that:

- 1) Artist solvents and thinners are specifically formulated, refined, and purified to eliminate impurities for artist applications.
- 2) Artist solvents are used to restore antique oil paintings found in museums. The paintings are protected by a coating of varnish, which ages as varnish ages, and must be removed before a new coat of varnish can be applied. Specialty artist solvents that remove the varnish but do not attack the original painting oils are used.
- 3) Turpentine, tinted with paint, is used to make special layering effects on oil paintings.
- 4) Turpentine is also used for dissolving Damar varnish, which is an essential solvent for artists. The Damar resin only dissolves in gum turpentine.
- 5) Artists use handmade brushes that can cost \$50 to \$150 per brush. Brushes are cleaned with turpentine and then oil (typically vegetable oil) is used to preserve brushes while they are not in use. Brushes are cleaned with turpentine to remove oil from the brush hairs before they are used again. The artist industry contends that an artist oil painting brush cannot be cleaned using soap and water because the soap will dry out the hairs and may affect paint chemistry. Mechanical methods of brush cleaning are also unacceptable because they cause the hairs to break.

PROJECT OBJECTIVE

The objects of the proposed project include the following:

- Add a new definition to Rule 1143 for artist solvents and thinners as any liquid product labeled to meet ASTM D4236 – 95 (Reapproved 2005) Standard Practice for Labeling Art Materials for Chronic Health Hazards, and refined to remove impurities for artistic use to reduce the viscosity of, or remove, art coating compositions or components;
- Align Rule 1143 with CARB’s Consumer Products Regulations relative to artist solvents and thinners; and
- Exempt artist solvents and thinners from the VOC content limit requirements of Rule 1143 provided they are labeled and designated exclusively to reduce the viscosity of, or remove, art coating compositions or components and are individually packaged in containers having a total capacity equal to or less than one liter.

³ During the September 15, 2010 Public Workshop for PAR 1143, CARB staff, SCAQMD staff and members of the public discussed changing the 32 fluid ounce limit in the exemption to one liter because European containers are one liter in size. CARB staff agreed that the exemption should be increased to one liter.

- Clarify that the existing exemption for solvents labeled and designated exclusively for clean-up of polyaspartic and poly urea coatings applies to VOC content limit requirements only.
- Clarify that the existing exemption for thinners labeled and designated exclusively for the thinning of Industrial Maintenance (IM) coatings, Zinc-Rich IM Primers and High Temperature IM Coatings applies to VOC content limit requirements only.

PROJECT DESCRIPTION

PAR 1143 would provide an exemption from the VOC content limits for artist solvents and thinners labeled and designated exclusively to reduce the viscosity of, or remove, art coating compositions or components that are individually packaged in containers having a total capacity equal to or less than one liter. The following summarizes these requirements. A copy of PAR 1143 is included in Appendix A.

Purpose (Subdivision (a))

No change.

Applicability (Subdivision (b))

No change.

Definitions (Subdivision (c))

Artist solvents and thinners would be defined as any liquid product labeled to meet ASTM D4236-94 (Reapproved 2005); and have been refined to remove impurities for artistic use to reduce the viscosity of, or remove, art coating compositions or components. Artistic solvents and thinners do not include commercial-grade solvents and thinners.

Requirements (Subdivision (d))

The current requirement that states, “Any consumer paint thinner or multi-purpose solvent that is manufactured prior to the implementation date, may be sold, supplied, offered for sale, or used for up to one year after the specified effective date” has been changed to “Any consumer paint thinner or multi-purpose solvent that is manufactured prior to the effective date of the applicable limit specified in paragraph (d)(1), and that has a VOC content above that limit (but not above the limit in effect on the date of manufacture), may be sold, supplied, offered for sale, or used for up to one year after the specified effective date.”

Administrative Requirements (Subdivision (e))

No change.

Recordkeeping (Subdivision (f))

The current requirement that states “Effective April 1, 2010, each manufacturer shall, on or before April 1 of each subsequent calendar year, submit an annual quantity and emissions report to the Executive Officer” has been changed to “On or before April 1, 2010, and each subsequent April 1 (the official due date), each manufacturer subject to this rule shall submit an annual quantity and emissions report to the Executive Officer.”

Compliance Dates (Subdivision (g))

No change.

Information Exempt from Disclosure (Subdivision (h))

No change.

Test Methods (Subdivision (i))

No change.

Exemptions (Subdivision (j))

- The following existing exemption has been modified to clarify its applicability is only from the VOC content limits of Rule 1143, “Solvents provided that they are labeled and designated exclusively for the clean-up of polyaspartic and polyurea coatings application equipment. This exemption does not apply if there are any additional use claims on the label or any other product literature. This exemption does not apply to any person selling or using the otherwise exempt solvent for a non-exempt purpose.”
- The following existing exemption has been modified to clarify its applicability is only from the VOC content limits of Rule 1143, “Thinners provided that they are labeled and designated exclusively for the thinning of Industrial Maintenance (IM) coatings, Zinc-Rich IM Primers, and High Temperature IM Coatings. This exemption does not apply if there are any additional use claims on the label or any other product literature. This exemption does not apply to any person selling or using the otherwise exempt thinner for a non-exempt purpose.”
- PAR 1143 would exempt artist solvents and thinners from the VOC content limit requirements of Rule 1143 provided they are labeled and designated exclusively to reduce the viscosity of, or remove, art coating compositions or components and are individually packaged in containers having a total capacity equal to or less than one liter.

TECHNOLOGY FOR ARTIST SOLVENTS AND THINNERS

Low- or No-VOC Reformulation

Artist solvents and thinners are manufactured for a variety of art-related uses and are specially formulated to remove the impurities normally found in commercial-grade paint thinners and multi-purpose solvents. Specially formulated artist solvents and thinners are needed, because the commercially available solvents and thinners may cause damage to artwork and art equipment being cleaned.

Originally, SCAQMD staff believed that artist products could be reformulated using low and zero-VOC formulations. These formulations include: 1) Aqueous technology which includes formulations made from water, detergents, chelating agents, alkaline builders and various blends of surfactants and is typically used for multi-purpose cleaning agents, 2) Exempt solvents including acetone, PCBTF, and methyl acetate, as well as blends of the three, and, 3) Bio-based technology including methyl esters is currently available for a variety of uses, including lowering the volatility of exempt solvents. Non- and low-VOC solvents and thinners have not met the performance requirements needed by artists, such as no residue build-up, desired viscosity, desired paint sheen, desired paint blending and limited damage to brushes. Therefore, the proposed exemption would allow artists to continue using existing products described below:

Turpentine

Turpentine is the traditional solvent that is manufactured from tree resins and has been used for oil-on-canvas painting for many years. Turpentine has a fast evaporation rate, but releases harmful vapors thus posing a health risk to the artist. Artist quality turpentines are manufactured with additional processing to remove impurities that are typically present in hardware store general consumer use turpentines that can create deposits in paint. This is important for

restoration and conservation of antique oil paintings. Turpentine is also known as spirit of turpentine, oil of turpentine, genuine turpentine, english turpentine, distilled turpentine, double rectified turpentine, and simply “turps.”

Mineral Spirits

Mineral spirits is a commonly used solvent that is manufactured from petroleum products and has a moderate evaporation rate that releases harmful vapors thus posing a health risk to the artist. Mineral spirits are generally less expensive than turpentine and are a stronger solvent than odorless mineral spirits. Mineral spirits are also known as white spirits.

Odorless Mineral Spirits

Odorless mineral spirits is also a commonly used solvent that is manufactured from petroleum products and has a moderate evaporation rate that releases harmful vapors thus posing a health risk to the artist. Odorless mineral spirits are marginally more expensive than mineral spirits but have been manufactured with less of the harmful aromatic solvents found in mineral spirits.

Citrus Based Thinners

Citrus based thinners are manufactured from food-grade citrus oils combined with nontoxic, nonflammable solvents.

Artist Mediums

Artist mediums are used to modify artist oil paint straight from the tube. The mediums can be used to lengthen the drying time of the paint, make the paint thinner or alter the character of the paint from what comes out of the tube. Mediums can also be used to make the paint transparent or opaque and can also be used to alter gloss or matte sheen of the paint. Mediums are used for oil-on-canvas paintings to influence the color of a pigment.

Artist Brush Cleaners

Artist brush cleaners are used to clean artist paint brushes that were used to apply the oil-based paint. Artist paint brush bristles are made from animal hair such as hog’s bristles, mongoose hair, red sable (weasel hair) and Siberian mink. The hair possesses several important properties for the artist such as maintaining a superfine point, smooth handling, and good memory (where the bristles return to their original point between brush strokes). There are also synthetic brushes available which can offer durability and cost effectiveness. Cleaning a brush by mechanical means causes the hairs to break changing brush performance. Soap and water will also dry out the hairs of brushes used for oil-based paints. For brush storage, artists will clean the brush in turpentine and then use oil to preserve the brush while it’s not in use.

VOC Emission Control Systems

VOC emission control systems consist of two parts: capture of VOC emissions and control of the VOC emissions. Devices such as fume hoods or paint spray booths capture VOC emissions, which are then vented to devices that either destroy or adsorb the VOC emissions.

Capture of VOC Emissions

The thinners and mediums are used frequently when working at close proximity to a piece of art (such as at the artist’s easel) and would not benefit from a control device such as a bench top paint spray booth or a fume hood. Clean-up solvents, on the other hand, can be used with a control device such as the paint spray booth or fume hood since the use of clean-up solvents

often involves cleaning paint brushes and related paint application tools that would be easily moved to the control device for clean-up operations.

Fume hoods are typically enclosures around five sides of a work area, the bottom of which is most commonly located at waist height. Fume hoods are designed to remove vapors from the breathing space of users. Fume hoods are available ducted or ductless (recirculating). Fume hoods are suited for artist clean-up operations such as the clean-up of paint brushes and other related paint application tools that can be cleaned under the hood due to its design to control fumes.

Bench top paint spray booths are intended to be set up on a table, desk or bench. Paint booths are designed to capture overspray and particulate from paint operations using spray equipment such as an air brush or paint aerosol cans (i.e., emissions propelled toward a direction).

Since artist solvents and thinners are not typically sprayed, but instead result in emissions from evaporation, fume hoods are a better technology for artist solvents and thinners.

Control of VOC Emissions

VOC emissions can either be destroyed by combustion or adsorbed to activated carbon. VOC emissions are typically destroyed by boilers, internal combustion engines or thermal oxidizers. If the vapor concentration fluctuates substantially from the process controlled, an auxiliary fuel, such as natural gas, is required to ensure that enough fuel is available to maintain combustion at all times. Since the emissions from artist solvents and thinners are expected to be used in small quantities (i.e., only containers equal to or less than one liter would be exempt from the VOC content limits of Rule 1143) and only the cleaning operations would be captured by fume hoods; the combustion devices would be almost completely fueled by the auxiliary fuel. It is likely that the emissions from operating the combustion devices would exceed the emissions from the artist solvents and thinners. Therefore, combustion technology is not practical to control VOC emissions from artist solvents and thinners.

Carbon adsorption could be used to control VOC emissions from artist solvents and thinners captured by fume hoods. Activated carbon filters could be used to adsorb VOC emission vented from the fume hood. Since activated carbon can adsorb VOC emissions in small concentrations, it is a more applicable technology than combustion for controlling VOC emissions from artist solvents and thinners vented from a fume hood.

While VOC emission control systems are technically feasible for operations that can be performed within them, they were deemed not to be cost effective in the air quality section of Chapter 4 of this EA.

CHAPTER 3

EXISTING SETTING

Introduction

Existing Setting

Air Quality

INTRODUCTION

In order to determine the significance of the impacts associated with a proposed project, it is necessary to evaluate the project's impacts against the backdrop of the environment as it exists at the time the NOP/IS is published. The CEQA Guidelines define "environment" as "the physical conditions that exist within the area which will be affected by a proposed project including land, air, water, minerals, flora, fauna, ambient noise, and objects of historical or aesthetic significance" (CEQA Guidelines §15360; see also Public Resources Code §21060.5). Furthermore, a CEQA document must include a description of the physical environment in the vicinity of the project, as it exists at the time the NOP/IS is published, from both a local and regional perspective (CEQA Guidelines §15125). Therefore, the "environment" or "existing setting" against which a project's impacts are compared consists of the immediate, contemporaneous physical conditions at and around the project site (Remy, et al; 1996).

The following sections summarize the existing setting for aesthetics, air quality, energy, hazards and hazardous materials, hydrology and water quality, and transportation and traffic which are the only environmental areas identified in the NOP/IS that may be adversely affected by the proposed project. The Final Program EIR for the 2007 AQMP contains more comprehensive information on existing and projected environmental settings for all environmental areas discussed in this chapter. Copies of the referenced documents are available from the SCAQMD's Public Information Center by calling (909) 396-2039.

EXISTING SETTING

There are approximately 19 paint thinner and solvent manufacturers that manufacture products exclusively for the artist industry in the District. Artist solvents and thinners are typically sold through hobby shops, craft and air material store outlets, and through internet sites. SCAQMD staff worked with CARB staff to evaluate the impact that artist solvents and thinners would have on the CARB Consumer Products Regulations. CARB has provided an exemption for artist solvents and thinners sold in capacities equal to or less than one liter. SCAQMD staff has also consulted with two artist trade associations: ACMI and NAMTA, both have requested an exemption for artist solvents and thinners.

AIR QUALITY

This section provides an overview of air quality in the District. A more detailed discussion of current and projected future air quality in the District, with and without additional control measures can be found in the Final Program EIR for the 2007 AQMP (Chapter 3).

It is the responsibility of the SCAQMD to ensure that state and federal ambient air quality standards are achieved and maintained in its geographical jurisdiction. Health-based air quality standards have been established by California and the federal government for the following criteria air pollutants: ozone, carbon monoxide (CO), nitrogen dioxide (NO₂), particulate matter less than 10 microns (PM₁₀), particulate matter less than 2.5 microns (PM_{2.5}) sulfur dioxide (SO₂) and lead. These standards were established to protect sensitive receptors with a margin of safety from adverse health impacts due to exposure to air pollution. The California standards are more stringent than the federal standards and in the case of PM₁₀ and SO₂, far more stringent. California has also established standards for sulfates, visibility reducing particles, hydrogen sulfide, and vinyl chloride. The state and national ambient air quality standards for each of these pollutants and their effects on health are summarized in Table 3-1. The SCAQMD monitors levels of various criteria pollutants at 34 monitoring stations. The 2008 air quality data from SCAQMD's monitoring stations are presented in Table 3-2.

**Table 3-1
State and Federal Ambient Air Quality Standards**

AIR POLLUTANT	STATE STANDARD	FEDERAL PRIMARY STANDARD	MOST RELEVANT EFFECTS
	CONCENTRATION, AVERAGING TIME		
Carbon Monoxide (CO)	20 ppm, 1-hour average > 9.0 ppm, 8-hour average >	35 ppm, 1-hour average > 9 ppm, 8-hour average >	(a) Aggravation of angina pectoris and other aspects of coronary heart disease; (b) Decreased exercise tolerance in persons with peripheral vascular disease and lung disease; (c) Impairment of central nervous system functions; and, (d) Possible increased risk to fetuses.
Ozone (O3)	0.09 ppm, 1-hour average > 0.07 ppm, 8-hour average >	0.12 ppm, 1-hour average > 0.075 ppm, 8-hour average >	(a) Short-term exposures: 1) Pulmonary function decrements and localized lung edema in humans and animals; and, 2) Risk to public health implied by alterations in pulmonary morphology and host defense in animals; (b) Long-term exposures: Risk to public health implied by altered connective tissue metabolism and altered pulmonary morphology in animals after long-term exposures and pulmonary function decrements in chronically exposed humans; (c) Vegetation damage; and, (d) Property damage.
Nitrogen Dioxide (NO2)	0.18 ppm, 1-hour average > 0.030 ppm, annual average >	0.0534 ppm, AAM >	(a) Potential to aggravate chronic respiratory disease and respiratory symptoms in sensitive groups; (b) Risk to public health implied by pulmonary and extra-pulmonary biochemical and cellular changes and pulmonary structural changes; and, (c) Contribution to atmospheric discoloration.
Sulfur Dioxide (SO2)	0.25 ppm, 1-hour average > 0.04 ppm, 24-hour average >	0.03 ppm, AAM > 0.14 ppm, 24-hour average > 0.50 ppm, 3-hour average >	(a) Bronchoconstriction accompanied by symptoms which may include wheezing, shortness of breath and chest tightness, during exercise or physical activity in persons with asthma.
Suspended Particulate Matter (PM10)	20 µg/m ³ , AAM > 50 µg/m ³ , 24-hour average >	150 µg/m ³ , 24-hour average >	(a) Excess deaths from short-term exposures and exacerbation of symptoms in sensitive patients with respiratory disease; and, (b) Excess seasonal declines in pulmonary function, especially in children.
Suspended Particulate Matter (PM2.5)	12 µg/m ³ , AAM >	15 µg/m ³ , AAM > 35 µg/m ³ , 24-hour average >	(a) Increased hospital admissions and emergency room visits for heart and lung disease; (b) Increased respiratory symptoms and disease; and, (c) Decreased lung functions and premature death.
Lead	1.5 µg/m ³ , 30-day average >=	0.15 µg/m ³ , rolling three-month average >	(a) Increased body burden; and, (b) Impairment of blood formation and nerve conduction.

KEY:

ppm = parts per million parts of air, by volume	AAM = Annual Arithmetic Mean
µg/m ³ = micrograms per cubic meter	

Table 3-1 (concluded)
State and Federal Ambient Air Quality Standards

AIR POLLUTANT	STATE STANDARD	FEDERAL PRIMARY STANDARD	MOST RELEVANT EFFECTS
	CONCENTRATION, AVERAGING TIME		
Sulfates (SO _x)	25 µg/m ³ , 24-hour average >=		(a) Decrease in ventilatory function; (b) Aggravation of asthmatic symptoms; (c) Aggravation of cardio-pulmonary disease; (d) Vegetation damage; (e) Degradation of visibility; and, (f) Property damage.
Visibility-Reducing Particles	Insufficient amount to give an extinction coefficient >0.23 inverse kilometers (visual range to less than 10 miles) with relative humidity less than 70 percent, 8-hour average (10am – 6pm PST)		Nephelometry and AISI Tape Sampler; instrumental measurement on days when relative humidity is less than 70 percent.
Vinyl Chloride	0.010 ppm, 24-hour average >=		Known carcinogen.
Hydrogen Sulfide	0.03 ppm, 1-hour average >=		Odor annoyance.

KEY:

ppm = parts per million parts of air, by volume	AAM = Annual Arithmetic Mean
µg/m ³ = micrograms per cubic meter	

Table 3-2
2008 Air Quality Data – South Coast Air Quality Management District

CARBON MONOXIDE (CO)						
Source Receptor Area No.	Location of Air Monitoring Station	No. Days of Data	Max. Conc. ppm, 1-hour	Max. Conc. ppm, 8-hour	No. Days Standard Exceeded ^a	
					Federal > 9.0 ppm, 8-hour	State > 9.0 ppm, 8-hour
LOS ANGELES COUNTY (Co)						
1	Central Los Angeles	366	3	2.1	0	0
2	Northwest Coast Los Angeles Co	366	3	2.0	0	0
3	Southwest Coast Los Angeles Co	358	4	2.5	0	0
4	South Coastal Los Angeles Co1	366	3	2.6	0	0
4	South Coastal Los Angeles Co2	--	--	--	--	--
6	West San Fernando Valley	366	4	2.9	0	0
7	East San Fernando Valley	366	3	2.6	0	0
8	West San Gabriel Valley	366	3	2.1	0	0
9	East San Gabriel Valley 1	366	2	1.6	0	0
9	East San Gabriel Valley 2	366	3	3.0	0	0
10	Pomona/Walnut Valley	366	3	2.0	0	0
11	South San Gabriel Valley	357	3	2.1	0	0
12	South Central LA County	310*	6*	4.3*	0	0
13	Santa Clarita Valley	363	2	1.1	0	0
ORANGE COUNTY						
16	North Orange County	366	5	2.9	0	0
17	Central Orange County	366	4	3.6	0	0
18	North Coastal Orange County	366	3	2.0	0	0
19	Saddleback Valley	365	2	1.1	0	0
RIVERSIDE COUNTY						
22	Norco/Corona	--	--	--	--	--
23	Metropolitan Riverside County 1	366	3	2.0	0	0
23	Metropolitan Riverside County 2	366	7	2.0	0	0
23	Mira Loma	366	3	1.9	0	0
24	Perris Valley	--	--	--	--	--
25	Lake Elsinore	365	1	1.0	0	0
29	Banning Airport	--	--	--	--	--
30	Coachella Valley 1**	366	1	0.6	0	0
30	Coachella Valley 2**	--	--	--	--	--
SAN BERNARDINO COUNTY						
32	NW San Bernardino Valley	365	2	1.6	0	0
33	SW San Bernardino Valley	--	--	--	--	--
34	Central San Bernardino Valley 1	363	2	1.9	0	0
34	Central San Bernardino Valley 2	366	2	1.8	0	0
35	East San Bernardino Valley	--	--	--	--	--
37	Central San Bernardino Mountains	--	--	--	--	--
38	East San Bernardino Mountains	--	--	--	--	--
DISTRICT MAXIMUM		366	7	4.3	0	0
SOUTH COAST AIR BASIN			7	4.3	0	0

KEY:

ppm = parts per million parts of air, by volume	* Less than 12 full months of data. May not be representative.
-- = Pollutant not monitored	** Salton Sea Air Basin

- a) The federal 8-hour standard (8-hour average CO > 9 ppm) and state 8-hour standard (8-hour average CO > 9.0 ppm) were not exceeded. The federal and state 1-hour standards (35 ppm and 20 ppm) were not exceeded, either.

Table 3-2 (continued)
2008 Air Quality Data – South Coast Air Quality Management District

OZONE (O ₃)												
Source/Receptor Area		No. Days of Data	Max. Conc. in ppm 1-hour	Max. Conc. in ppm 8-hour	Fourth High Conc. ppm 8-hour	No. Days Standard Exceeded						
						Health Advisory ≥ 0.15 ppm 1-hour	Federal ^{b)}		State ^{c)}			
							> 0.12 ppm 1-hour	> 0.08 ppm 8-hour	> 0.075 ppm 8-hour	> 0.09 ppm 1-hour	> 0.070 ppm 8-hour	
No.	Location											
LOS ANGELES COUNTY												
1	Central LA	356	0.109	0.090	0.073	0	0	1	3	3	7	
2	Northwest Coastal LA County	366	0.11	0.097	0.073	0	0	1	2	3	8	
3	Southwest Coastal LA County	360	0.086	0.075	0.065	0	0	0	0	0	1	
4	South Coastal LA County 1	366	0.093	0.074	0.064	0	0	0	0	0	1	
4	South Coastal LA County 2	--	--	--	--	--	--	--	--	--	--	
6	West San Fernando Valley	366	0.123	0.103	0.095	0	0	14	25	23	40	
7	East San Fernando Valley	366	0.133	0.109	0.092	0	1	8	17	20	35	
8	West San Gabriel Valley	366	0.122	0.100	0.091	0	0	6	16	16	26	
9	East San Gabriel Valley 1	366	0.135	0.111	0.101	0	7	14	28	34	39	
9	East San Gabriel Valley 2	366	0.156	0.118	0.112	2	12	25	45	48	61	
10	Pomona/Walnut Valley	366	0.141	0.110	0.100	0	5	19	35	32	47	
11	South San Gabriel Valley	366	0.107	0.093	0.077	0	0	1	5	7	13	
12	South Central LA County	310*	0.078*	0.060*	0.055*	0*	0*	0*	0*	0*	0*	
13	Santa Clarita Valley	363	0.160	0.131	0.108	2	8	35	60	54	81	
ORANGE COUNTY												
16	North Orange County	366	0.104	0.084	0.078	0	0	0	5	7	15	
17	Central Orange County	366	0.105	0.086	0.076	0	0	1	4	2	10	
18	North Coastal Orange County	366	0.094	0.079	0.075	0	0	0	3	0	6	
19	Saddleback Valley	365	0.118	0.104	0.092	0	0	6	15	9	25	
RIVERSIDE COUNTY												
22	Norco/Corona	--	--	--	--	--	--	--	--	--	--	
23	Metropolitan Riverside County 1	366	0.146	0.116	0.111	0	8	38	64	54	88	
23	Metropolitan Riverside County 2	--	--	--	--	--	--	--	--	--	--	
23	Mira Loma	366	0.135	0.107	0.104	0	4	23	47	38	62	
24	Perris Valley	366	0.142	0.114	0.106	0	4	41	77	65	94	
25	Lake Elsinore	365	0.139	0.118	0.108	0	6	32	69	49	92	
29	Banning Airport	365	0.149	0.120	0.108	0	10	45	74	57	95	
30	Coachella Valley 1**	366	0.11	0.101	0.098	0	0	20	51	26	70	
30	Coachella Valley 2**	355	0.12	0.092	0.090	0	0	11	27	11	44	
SAN BERNARDINO COUNTY												
32	Northwest San Bernardino Valley	365	0.155	0.122	0.111	2	9	30	50	51	65	
33	Southwest San Bernardino Valley	--	--	--	--	--	--	--	--	--	--	
34	Central San Bernardino Valley 1	364	0.162	0.124	0.111	1	8	35	58	55	82	
34	Central San Bernardino Valley 2	366	0.157	0.122	0.113	2	11	43	62	62	90	
35	East San Bernardino Valley	366	0.154	0.120	0.112	1	12	50	75	72	100	
37	Central San Bernardino Mountains	362	0.176	0.126	0.120	2	16	67	97	78	115	
38	East San Bernardino Mountains	--	--	--	--	--	--	--	--	--	--	
DISTRICT MAXIMUM		366	0.176	0.131	0.120	2	17	75	97	79	115	
SOUTH COAST AIR BASIN				0.176	0.131	0.120	7	28	80	120	102	140

KEY:

ppm = parts per million parts of air, by volume	* Less than 12 full months of data. May not be representative.
-- = Pollutant not monitored	** Salton Sea Air Basin

b) The federal 1-hour ozone standard was revoked and replaced by the 8-hour average ozone standard effective June 15, 2005. USEPA has revised the federal 8-hour ozone standard from 0.084 ppm to 0.075 ppm, effective May 27, 2008.

c) The 8-hour average California ozone standard of 0.070 ppm was established effective May 17, 2006.

Table 3-2 (continued)
2008 Air Quality Data – South Coast Air Quality Management District

NITROGEN DIOXIDE (NO ₂)				
Source Receptor Area No.	Location of Air Monitoring Station	No. Days of Data	Max. Conc. ^{d)} ppm, 1-hour	Annual Average ^{d)} AAM Conc. ppm
LOS ANGELES COUNTY (Co)				
1	Central Los Angeles	343	0.12	0.0275
2	Northwest Coastal Los Angeles Co	364	0.09	0.0184
3	Southwest Coastal Los Angeles Co	359	0.10	0.0143
4	South Coastal Los Angeles Co1	366	0.13	0.0208
4	South Coastal Los Angeles Co2	--	--	--
6	West San Fernando Valley	366	0.09	0.0180
7	East San Fernando Valley	364	0.11	0.0285
8	West San Gabriel Valley	365	0.11	0.0235
9	East San Gabriel Valley 1	366	0.10	0.0230
9	East San Gabriel Valley 2	366	0.10	0.0182
10	Pomona/Walnut Valley	366	0.11	0.0302
11	South San Gabriel Valley	341	0.10	0.0263
12	South Central LA County	305*	0.12*	0.0301*
13	Santa Clarita Valley	363	0.07	0.0165
ORANGE COUNTY				
16	North Orange County	361	0.09	0.0206
17	Central Orange County	366	0.09	0.0203
18	North Coastal Orange County	365	0.08	0.0132
19	Saddleback Valley	--	--	--
RIVERSIDE COUNTY				
22	Norco/Corona	--	--	--
23	Metropolitan Riverside County 1	366	0.09	0.0192
23	Metropolitan Riverside County 2	70*	0.09*	0.0258*
23	Mira Loma	366	0.10	0.0174
24	Perris Valley	--	--	--
25	Lake Elsinore	362	0.06	0.0129
29	Banning Airport	366	0.08	0.0128
30	Coachella Valley 1**	366	0.05	0.0093
30	Coachella Valley 2**	--	--	--
SAN BERNARDINO COUNTY				
32	Northwest SB Valley	365	0.09	0.0235
33	Southwest SB Valley	--	--	--
34	Central SB Valley 1	364	0.10	0.0207
34	Central SB Valley 2	366	0.09	0.0217
35	East SB Valley	--	--	--
37	Central SB Mountains	--	--	--
38	East SB Mountains	--	--	--
DISTRICT MAXIMUM			0.13	0.0302
SOUTH COAST AIR BASIN			0.13	0.0302

KEY:

ppm = parts per million parts of air, by volume	* Less than 12 full months of data. May not be representative.
AAM = Annual Arithmetic Mean	** Salton Sea Air Basin
-- = Pollutant not monitored	

- d) The federal standard is annual arithmetic mean NO₂ > 0.534 ppm. CARB has revised the NO₂ 1-hour standard from 0.25 ppm to 0.18 ppm and has established a new annual standard of 0.030 ppm, effective March 20, 2008.

Table 3-2 (continued)
2008 Air Quality Data – South Coast Air Quality Management District

SULFUR DIOXIDE (SO ₂)					
Source Receptor Area No.	Location of Air Monitoring Station	No. Days of Data	Maximum Conc. ^{e)} ppm, 1-hour	Maximum Conc. ^{e)} ppm, 24-hour	Annual Average, AAM ppm
LOS ANGELES COUNTY					
1	Central Los Angeles	366	0.01	0.002	0.0003
2	Northwest Coast Los Angeles County	--	--	--	--
3	Southwest Coast Los Angeles County	357	0.02	0.005	0.0014
4	South Coastal Los Angeles County 1	366	0.09	0.012	0.0022
4	South Coastal Los Angeles County 2	--	--	--	--
6	West San Fernando Valley	--	--	--	--
7	East San Fernando Valley	366	0.01	0.003	0.0008
8	West San Gabriel Valley	--	--	--	--
9	East San Gabriel Valley 1	--	--	--	--
9	East San Gabriel Valley 2	--	--	--	--
10	Pomona/Walnut Valley	--	--	--	--
11	South San Gabriel Valley	--	--	--	--
12	South Central LA County	--	--	--	--
13	Santa Clarita Valley	--	--	--	--
ORANGE COUNTY					
16	North Orange County	--	--	--	--
17	Central Orange County	--	--	--	--
18	North Coastal Orange County	366	0.01	0.003	0.0011
19	Saddleback Valley	--	--	--	--
RIVERSIDE COUNTY					
22	Norco/Corona	--	--	--	--
23	Metropolitan Riverside County 1	366	0.01	0.003	0.0009
23	Metropolitan Riverside County 2	--	--	--	--
23	Mira Loma	--	--	--	--
24	Perris Valley	--	--	--	--
25	Lake Elsinore	--	--	--	--
29	Banning Airport	--	--	--	--
30	Coachella Valley 1**	--	--	--	--
30	Coachella Valley 2**	--	--	--	--
SAN BERNARDINO COUNTY					
32	Northwest San Bernardino Valley	--	--	--	--
33	Southwest San Bernardino Valley	--	--	--	--
34	Central San Bernardino Valley 1	364	0.01	0.003	0.0018
34	Central San Bernardino Valley 2	--	--	--	--
35	East San Bernardino Valley	--	--	--	--
37	Central San Bernardino Mountains	--	--	--	--
38	East San Bernardino Mountains	--	--	--	--
DISTRICT MAXIMUM			0.09	0.012	0.0022
SOUTH COAST AIR BASIN			0.09	0.012	0.0022

KEY:

ppm = parts per million parts of air, by volume	* Less than 12 full months of data. May not be representative.
AAM = Annual Arithmetic Mean	** Salton Sea Air Basin
-- = Pollutant not monitored	

- e) The state standards are 1-hour average SO₂ > 0.25 ppm and 24-hour average SO₂ > 0.04 ppm. The federal standards are annual arithmetic mean SO₂ > 0.03 ppm, 24-hour average > 0.14 ppm, and 3-hour average > 0.50 ppm. The federal and state SO₂ standards were not exceeded.

Table 3-2 (continued)
2008 Air Quality Data – South Coast Air Quality Management District

SUSPENDED PARTICULATE MATTER PM10 ^{f)}						
Source Receptor Area No.	Location of Air Monitoring Station	No. Days of Data	Max. Conc. $\mu\text{g}/\text{m}^3$, 24-hour	No. (%) Samples Exceeding Standard		Annual Average ^{g)} AAM Conc. $\mu\text{g}/\text{m}^3$
				Federal > 150 $\mu\text{g}/\text{m}^3$, 24-hour	State > 50 $\mu\text{g}/\text{m}^3$, 24-hour	
LOS ANGELES COUNTY						
1	Central Los Angeles	42*	66*	0*	3(7%)*	32.2*
2	NW Coastal Los Angeles County	--	--	--	--	--
3	SW Coast Los Angeles County2	60	50	0	0(0%)	25.6
4	South Coastal Los Angeles County1	57	62	0	1(2%)	29.1
4	South Coastal Los Angeles County2	58	81	0	9(16%)	35.8
6	West San Fernando Valley	--	--	--	--	--
7	East San Fernando Valley	54	66	0	7(13%)	35.6
8	West San Fernando Valley	--	--	--	--	--
9	East San Gabriel Valley 1	49	98	0	13(27%)	35.3
9	East San Gabriel Valley 2	--	--	--	--	--
10	Pomona/Walnut Valley	--	--	--	--	--
11	South San Gabriel Valley	--	--	--	--	--
12	South Central LA County	--	--	--	--	--
13	Santa Clarita Valley	57	91	0	2(4%)	25.8
ORANGE COUNTY						
16	North Orange County	--	--	--	--	--
17	Central Orange County	58	61	0	3(5%)	28.6
18	North Coastal Orange County	--	--	--	--	--
19	Saddleback Valley	55	42	0	0(0%)	22.6
RIVERSIDE COUNTY						
22	Norco/Corona	61	86	0	9(15%)	34.4
23	Metropolitan Riverside County 1	119	115	0	49(41%)	47.0
23	Metropolitan Riverside County 2	61	135	0	35(57%)	57.4
23	Mira Loma	--	--	--	--	--
24	Perris Valley	45*	85*	0*	12(27%)*	38.3*
25	Lake Elsinore	--	--	--	--	--
29	Banning Airport	56	51	0	1(2%)	26.1
30	Coachella Valley 1**	52	75	0	4(8%)	24.0
30	Coachella Valley 2**	114	128	0	27(24%)	39.9
SAN BERNARDINO COUNTY-						
32	NW San Bernardino Valley	--	--	--	--	--
33	SW San Bernardino Valley	62	90	0	15(24%)	38.8
34	Central San Bernardino Valley 1	60	75	0	14(23%)	40.3
34	Central San Bernardino Valley 2	60	76	0	19(32%)	42.7
35	East San Bernardino Valley	61	58	0	4(7%)	29.0
37	Central San Bernardino Mountains	46	46	0	0(0%)	25.0
38	East San Bernardino Mountains	--	--	--	--	--
DISTRICT MAXIMUM			135	0	59	57.4
SOUTH COAST AIR BASIN			135	0	68	57.4

KEY:

$\mu\text{g}/\text{m}^3$ = micrograms per cubic meter of air	* Less than 12 full months of data. May not be representative.
AAM = Annual Arithmetic Mean	** Salton Sea Air Basin
-- = Pollutant not monitored	

- f) PM10 samples were collected every 6 days at all sites except for Station Number 4144 and 4157 where samples were collected every 3 days.
- g) Federal annual PM 10 standard (AAM > 50 $\mu\text{g}/\text{m}^3$) was revoked effective December 17, 2006. State standard is annual average (AAM) >20 $\mu\text{g}/\text{m}^3$.

Table 3-2 (continued)
2008 Air Quality Data – South Coast Air Quality Management District

SUSPENDED PARTICULATE MATTER PM _{2.5} ^{h)}							
Source Receptor Area No.	Location of Air Monitoring Station	No. Days of Data	Max. Conc. $\mu\text{g}/\text{m}^3$, 24-hour	98 th Percentile Conc. in $\mu\text{g}/\text{m}^3$ 24-hr	No. (%) Samples Exceeding Federal Standard ⁱ⁾		Annual Averages ^{j)}
					Current $> 35 \mu\text{g}/\text{m}^3$, 24-hour	Old $> 65 \mu\text{g}/\text{m}^3$, 24-hour	AAM Conc. $\mu\text{g}/\text{m}^3$
LOS ANGELES COUNTY (Co)							
1	Central Los Angeles	337	78.3	40.4	10(3.0)	1(0.3)	15.7
2	Northwest Coastal Los Angeles Co	--	--	--	--	--	--
3	Southwest Coastal Los Angeles Co	--	--	--	--	--	--
4	South Coastal Los Angeles Co 1	346	57.2	38.9	8(2.3)	0	14.2
4	South Coastal Los Angeles County	2	--	--	--	--	--
		349	60.9	36.4	7(2.0)	0	13.7
6	West San Fernando Valley	113	50.5	26.2	2(1.8)	0	11.9
7	East San Fernando Valley	116	57.5	34.6	2(1.7)	0	14.1
8	West San Gabriel Valley	118	66.0	32.1	2(1.7)	1(0.9)	12.9
9	East San Gabriel Valley 1	321	53.1	34.8	5(1.6)	0	14.1
9	East San Gabriel Valley 2	--	--	--	--	--	--
10	Pomona/Walnut Valley	--	--	--	--	--	--
11	South San Gabriel Valley	114	47.3	38.0	4(3.5)	0	15.0
12	South Central LA County	118	44.2	36.5	3(2.5)	0	15.5
13	Santa Clarita Valley	--	--	--	--	--	--
ORANGE COUNTY							
16	North Orange County	--	--	--	--	--	--
17	Central Orange County	336	67.9	39.4	13(3.9)	1(0.3)	13.7
18	North Coastal Orange County	--	--	--	--	--	--
19	Saddleback Valley	120	32.6	27.1	0	0	10.4
RIVERSIDE COUNTY							
22	Norco/Corona	--	--	--	--	--	--
23	Metropolitan Riverside County 1	348	57.7	41.5	14(4.0)	0	16.4
23	Metropolitan Riverside County 2	116	43.0	39.1	4(3.4)	0	13.4
23	Mira Loma	111	50.9	47.1	10(9.0)	0	18.2
24	Perris Valley	--	--	--	--	--	--
25	Lake Elsinore	--	--	--	--	--	--
29	Banning Airport	--	--	--	--	--	--
30	Coachella Valley 1**	110	18.1	17.1	0	0	7.2
30	Coachella Valley 2**	113	21.6	18.8	0	0	8.4
SAN BERNARDINO COUNTY							
32	Northwest San Bernardino Valley	--	--	--	--	--	--
33	Southwest San Bernardino Valley	113	54.2	45.0	6(5.3)	0	15.8
34	Central San Bernardino Valley1	112	49.0	47.1	6(5.4)	0	15.4
34	Central San Bernardino Valley2	110	43.5	40.1	3(2.7)	0	13.5
35	East San Bernardino Valley	--	--	--	--	--	--
37	Central San Bernardino Mountains	--	--	--	--	--	--
38	East San Bernardino Mountains	58	36.8	33.3	1(1.7)	0	9.2
DISTRICT MAXIMUM			78.3	47.1	14	1	18.2
SOUTH COAST AIR BASIN			78.3	47.1	28	2	18.2

KEY:

$\mu\text{g}/\text{m}^3$ = micrograms per cubic meter of air	* Less than 12 full months of data. May not be representative.
AAM = Annual Arithmetic Mean	** Salton Sea Air Basin
-- = Pollutant not monitored	

- h) PM_{2.5} samples were collected every 3 days at all sites except for the following sites: Station Numbers 060, 072, 077, 087, 3176, and 4144 where samples were taken every day, and Station Number 5818 where samples were taken every 6 days.
- i) USEPA has revised the federal 24-hour PM_{2.5} standard from 65 $\mu\text{g}/\text{m}^3$ to 35 $\mu\text{g}/\text{m}^3$; effective December 17, 2006.
- j) Federal PM_{2.5} standard is annual average (AAM) $> 15 \mu\text{g}/\text{m}^3$. State standard is annual average (AAM) $> 12 \mu\text{g}/\text{m}^3$.

Table 3-2 (continued)
2008 Air Quality Data – South Coast Air Quality Management District

TOTAL SUSPENDED PARTICULATES TSP ^{k)}				
Source Receptor Area No.	Location of Air Monitoring Station	No. Days of Data	Max. Conc. $\mu\text{g}/\text{m}^3$, 24-hour	Annual Average AAM Conc. $\mu\text{g}/\text{m}^3$
LOS ANGELES COUNTY (Co)				
1	Central Los Angeles	63	112	65.6
2	Northwest Coastal Los Angeles Co	56	88	45.9
3	Southwest Coastal Los Angeles Co	54	85	42.4
4	South Coastal Los Angeles Co 1	61	117	55.7
4	South Coastal Los Angeles Co 2	59	130	61.2
6	West San Fernando Valley	--	--	--
7	East San Fernando Valley	--	--	--
8	West San Gabriel Valley	55	108	46.7
9	East San Gabriel Valley 1	59	146	74.9
9	East San Gabriel Valley 2	--	--	--
10	Pomona/Walnut Valley	--	--	--
11	South San Gabriel Valley	57	119	63.2
12	South Central LA County	51	103	70.4
13	Santa Clarita Valley	--	--	--
ORANGE COUNTY				
16	North Orange County	--	--	--
17	Central Orange County	--	--	--
18	North Coastal Orange County	--	--	--
19	Saddleback Valley	--	--	--
RIVERSIDE COUNTY				
22	Norco/Corona	--	--	--
23	Metropolitan Riverside County 1	59	222	100.6
23	Metropolitan Riverside County 2	63	130	69.4
23	Mira Loma	--	--	--
24	Perris Valley	--	--	--
25	Lake Elsinore	--	--	--
29	Banning Airport	--	--	--
30	Coachella Valley 1**	--	--	--
30	Coachella Valley 2**	--	--	--
SAN BERNARDINO COUNTY				
32	NW San Bernardino Valley	54	87	52.2
33	SW San Bernardino Valley	--	--	--
34	Central San Bernardino Valley 1	57	139	80
34	Central San Bernardino Valley 2	59	166	83.6
35	East San Bernardino Valley	--	--	--
37	Central San Bernardino Mountains	--	--	--
38	East San Bernardino Mountains	--	--	--
DISTRICT MAXIMUM			222	100.6
SOUTH COAST AIR BASIN			222	100.6
KEY:				
$\mu\text{g}/\text{m}^3$ = micrograms per cubic meter of air		-- = Pollutant not monitored		
AAM = Annual Arithmetic Mean		** Salton Sea Air Basin		

k) Total suspended particulates, lead, and sulfate were determined from samples collected every 6 days by the high volume sampler method, on glass fiber filter media.

Table 3-2 (concluded)
2008 Air Quality Data – South Coast Air Quality Management District

Source Receptor Area No.	Location of Air Monitoring Station	LEAD ^{k)}		SULFATES (SO _x) ^{k)}	
		Max. Monthly Average Conc. ^{l)} µg/m ³	Max. Quarterly Average Conc. ^{l)} µg/m ³	Max. Conc. µg/m ³ , 24-hour	No. (%) Samples Exceeding State Standard ≥ 25 µg/m ³ , 24-hour
LOS ANGELES COUNTY (Co)					
1	Central Los Angeles	0.02	0.02	14.4	0
2	Northwest Coastal Los Angeles Co	--	--	11.1	0
3	Southwest Coastal Los Angeles Co	0.01	0.01	14.0	0
4	South Coastal Los Angeles Co 1	0.01	0.01	11.0	0
4	South Coastal Los Angeles Co 2	0.01	0.01	13.2	0
6	West San Fernando Valley	--	--	--	--
7	East San Fernando Valley	--	--	--	--
8	West San Gabriel Valley	--	--	14.1	0
9	East San Gabriel Valley 1	--	--	18.7	0
9	East San Gabriel Valley 2	--	--	--	--
10	Pomona/Walnut Valley	--	--	--	--
11	South San Gabriel Valley	0.02	0.02	10.1	0
12	South Central LA County	0.03	0.02	10.6	0
13	Santa Clarita Valley	--	--	--	--
ORANGE COUNTY					
16	North Orange County	--	--	--	--
17	Central Orange County	--	--	--	--
18	North Coastal Orange County	--	--	--	--
19	Saddleback Valley	--	--	--	--
RIVERSIDE COUNTY					
22	Norco/Corona	--	--	--	--
23	Metropolitan Riverside County 1	0.01	0.01	9.1	0
23	Metropolitan Riverside County 2	0.01	0.01	7.1	0
23	Mira Loma	--	--	--	--
24	Perris Valley	--	--	--	--
25	Lake Elsinore	--	--	--	--
29	Banning Airport	--	--	--	--
30	Coachella Valley 1**	--	--	--	--
30	Coachella Valley 2**	--	--	--	--
SAN BERNARDINO COUNTY					
32	NW San Bernardino Valley	0.01	0.01	8.4	0
33	SW San Bernardino Valley	--	--	--	--
34	Central San Bernardino Valley 1	--	--	9.5	0
34	Central San Bernardino Valley 2	0.02	0.02	8.6	0
35	East San Bernardino Valley	--	--	--	--
37	Central San Bernardino Mountains	--	--	--	--
38	East San Bernardino Mountains	--	--	--	--
DISTRICT MAXIMUM		0.03	0.02	18.7	0
SOUTH COAST AIR BASIN		0.03	0.02	18.7	0

KEY:

µg/m ³ = micrograms per cubic meter of air	** Salton Sea Air Basin
-- = Pollutant not monitored	

l) - Federal lead standard is quarterly average > 1.5 µg/m³; and state standard is monthly average ≥ 1.5 µg/m³. USEPA has established the federal standard of 0.15 µg/m³, rolling 3-month average, as of October 15, 2008.

Criteria Pollutants

Carbon Monoxide

CO is a colorless, odorless, relatively inert gas. It is a trace constituent in the unpolluted troposphere, and is produced by both natural processes and human activities. In remote areas far from human habitation, carbon monoxide occurs in the atmosphere at an average background concentration of 0.04 ppm, primarily as a result of natural processes such as forest fires and the oxidation of methane. Global atmospheric mixing of CO from urban and industrial sources creates higher background concentrations (up to 0.20 ppm) near urban areas. The major source of CO in urban areas is incomplete combustion of carbon-containing fuels, mainly gasoline. In 2002, approximately 98 percent of the CO emitted into the Basin's atmosphere was from mobile sources. Consequently, CO concentrations are generally highest in the vicinity of major concentrations of vehicular traffic.

CO is a primary pollutant, meaning that it is directly emitted into the air, not formed in the atmosphere by chemical reaction of precursors, as is the case with ozone and other secondary pollutants. Ambient concentrations of CO in the Basin exhibit large spatial and temporal variations due to variations in the rate at which CO is emitted and in the meteorological conditions that govern transport and dilution. Unlike ozone, CO tends to reach high concentrations in the fall and winter months. The highest concentrations frequently occur on weekdays at times consistent with rush hour traffic and late night during the coolest, most stable portion of the day.

Individuals with a deficient blood supply to the heart are the most susceptible to the adverse effects of CO exposure. The effects observed include earlier onset of chest pain with exercise, and electrocardiograph changes indicative of worsening oxygen supply to the heart.

Inhaled CO has no direct toxic effect on the lungs, but exerts its effect on tissues by interfering with oxygen transport by competing with oxygen to combine with hemoglobin present in the blood to form carboxyhemoglobin (COHb). Hence, conditions with an increased demand for oxygen supply can be adversely affected by exposure to CO. Individuals most at risk include patients with diseases involving heart and blood vessels, fetuses (unborn babies), and patients with chronic hypoxemia (oxygen deficiency) as seen in high altitudes.

Reductions in birth weight and impaired neurobehavioral development have been observed in animals chronically exposed to CO resulting in COHb levels similar to those observed in smokers. Recent studies have found increased risks for adverse birth outcomes with exposure to elevated CO levels. These include pre-term births and heart abnormalities.

Carbon monoxide concentrations were measured at 25 locations in the Basin and neighboring SSAB areas in 2008. Carbon monoxide concentrations did not exceed the standards in 2008. The highest one-hour average carbon monoxide concentration recorded (7.0 ppm in the South Central Los Angeles County area) was 20 percent of the federal one-hour carbon monoxide standard of 35 ppm. The highest eight-hour average carbon monoxide concentration recorded (4.3 ppm in the South Central Los Angeles County area) was 48 percent of the federal eight-hour carbon monoxide standard of 9.0 ppm. The state one-hour standard is also 9.0 ppm. The highest eight-hour average carbon monoxide concentration is 35 percent of the state eight-hour carbon monoxide standard of 20 ppm.

The 2003 AQMP revisions to the SCAQMD's CO Plan served two purposes: it replaced the 1997 attainment demonstration that lapsed at the end of 2000; and it provided the basis for a CO maintenance plan in the future. In 2004, the SCAQMD formally requested the USEPA to re-designate the Basin from non-attainment to attainment with the CO National Ambient Air Quality Standards. On February 24, 2007, USEPA published in the Federal Register its proposed decision to re-designate the Basin from non-attainment to attainment for CO. The comment period on the re-designation proposal closed on March 16, 2007 with no comments received by the USEPA. On May 11, 2007, USEPA published in the Federal Register its final decision to approve the SCAQMD's request for re-designation from non-attainment to attainment for CO, effective June 11, 2007.

Ozone

Ozone (O₃), a colorless gas with a sharp odor, is a highly reactive form of oxygen. High ozone concentrations exist naturally in the stratosphere. Some mixing of stratospheric ozone downward through the troposphere to the earth's surface does occur; however, the extent of ozone transport is limited. At the earth's surface in sites remote from urban areas ozone concentrations are normally very low (0.03-0.05 ppm).

While ozone is beneficial in the stratosphere because it filters out skin-cancer-causing ultraviolet radiation, it is a highly reactive oxidant. It is this reactivity which accounts for its damaging effects on materials, plants, and human health at the earth's surface.

The propensity of ozone for reacting with organic materials causes it to be damaging to living cells and ambient ozone concentrations in the Basin are frequently sufficient to cause health effects. Ozone enters the human body primarily through the respiratory tract and causes respiratory irritation and discomfort, makes breathing more difficult during exercise, and reduces the respiratory system's ability to remove inhaled particles and fight infection.

Individuals exercising outdoors, children and people with preexisting lung disease, such as asthma and chronic pulmonary lung disease, are considered to be the most susceptible subgroups for ozone effects. Short-term exposures (lasting for a few hours) to ozone at levels typically observed in southern California can result in breathing pattern changes, reduction of breathing capacity, increased susceptibility to infections, inflammation of the lung tissue, and some immunological changes. In recent years, a correlation between elevated ambient ozone levels and increases in daily hospital admission rates, as well as mortality, has also been reported. An increased risk for asthma has been found in children who participate in multiple sports and live in high ozone communities. Elevated ozone levels are also associated with increased school absences.

Ozone exposure under exercising conditions is known to increase the severity of the abovementioned observed responses. Animal studies suggest that exposures to a combination of pollutants which include ozone may be more toxic than exposure to ozone alone. Although lung volume and resistance changes observed after a single exposure diminish with repeated exposures, biochemical and cellular changes appear to persist, which can lead to subsequent lung structural changes.

In 2008, the SCAQMD regularly monitored ozone concentrations at 29 locations in the Basin and SSAB. All areas monitored were below the stage 1 episode level (0.20 ppm), but the maximum concentrations in the Basin exceeded the health advisory level (0.15 ppm). Maximum

ozone concentrations in the SSAB areas monitored by the SCAQMD were lower than in the Basin and were below the health advisory level.

In 2008, the maximum ozone concentrations in the Basin continued to exceed federal standards by wide margins. Maximum one-hour and eight-hour average ozone concentrations were 0.176 ppm and 0.131 ppm (the maximum one-hour was recorded in Central San Bernardino Mountains area, the eight-hour maximum was recorded in Santa Clarita Valley). The federal one-hour ozone standard was revoked and replaced by the eight-hour average ozone standard effective June 15, 2005. USEPA has revised the federal eight-hour ozone standard from 0.84 ppm to 0.075 ppm, effective May 27, 2008. The maximum eight-hour concentration was 175 percent of the new federal standards. The maximum eight-hour concentration was 187 percent of the eight-hour state ozone standard of 0.070 ppm.

The objective of the 2007 AQMP is to attain and maintain ambient air quality standards. Based upon the modeling analysis described in the Program Environmental Impact Report for the 2007 AQMP implementation of all control measures contained in the 2007 AQMP is anticipated to bring the District into compliance with the federal eight-hour ozone standard by 2024 and the state eight-hour ozone standard beyond 2024.

Nitrogen Dioxide

NO₂ is a reddish-brown gas with a bleach-like odor. Nitric oxide (NO) is a colorless gas, formed from the nitrogen (N₂) and oxygen (O₂) in air under conditions of high temperature and pressure which are generally present during combustion of fuels; NO reacts rapidly with the oxygen in air to form NO₂. NO₂ is responsible for the brownish tinge of polluted air. The two gases, NO and NO₂, are referred to collectively as NO_x. In the presence of sunlight, NO₂ reacts to form nitric oxide and an oxygen atom. The oxygen atom can react further to form ozone, via a complex series of chemical reactions involving hydrocarbons. Nitrogen dioxide may also react to form nitric acid (HNO₃) which reacts further to form nitrates, components of PM_{2.5} and PM₁₀.

Population-based studies suggest that an increase in acute respiratory illness, including infections and respiratory symptoms in children (not infants), is associated with long-term exposures to NO₂ at levels found in homes with gas stoves, which are higher than ambient levels found in southern California. Increase in resistance to air flow and airway contraction is observed after short-term exposure to NO₂ in healthy subjects. Larger decreases in lung functions are observed in individuals with asthma and/or chronic obstructive pulmonary disease (e.g., chronic bronchitis, emphysema) than in healthy individuals, indicating a greater susceptibility of these sub-groups. More recent studies have found associations between NO₂ exposures and cardiopulmonary mortality, decreased lung function, respiratory symptoms and emergency room asthma visits.

In animals, exposure to levels of NO₂ considerably higher than ambient concentrations results in increased susceptibility to infections, possibly due to the observed changes in cells involved in maintaining immune functions. The severity of lung tissue damage associated with high levels of ozone exposure increases when animals are exposed to a combination of ozone and NO₂.

In 2008, nitrogen dioxide concentrations were monitored at 25 locations. No area of the Basin or SSAB exceeded the federal or state standards for nitrogen dioxide. The Basin has not exceeded the federal standard for nitrogen dioxide (0.0534 ppm) since 1991, when the Los Angeles County portion of the Basin recorded the last exceedance of the standard in any county within the United

States. In 2008, the maximum annual average concentration was recorded at 0.0302 ppm in the Pomona/Walnut Valley area.

In addition, the nitrogen dioxide state one-hour standard was not exceeded at any SCAQMD monitoring location in 2008. Effective March 20, 2008, CARB has revised the nitrogen dioxide one-hour standard from 0.25 ppm to 0.18 ppm and established a new annual standard of 0.30 ppm. The highest one-hour average concentration recorded (0.13 ppm in South Coastal Los Angeles County) was 72 percent of the new state one-hour standard. NO_x emission reductions continue to be necessary because it is a precursor to both ozone and PM (PM_{2.5} and PM₁₀) concentrations.

Sulfur Dioxide

SO₂ is a colorless gas with a sharp odor. It reacts in the air to form sulfuric acid, which contributes to acid precipitation, and sulfates, which are components of PM₁₀ and PM_{2.5}. Most of the SO₂ emitted into the atmosphere is produced by burning sulfur-containing fuels.

Exposure of a few minutes to low levels of SO₂ can result in airway constriction in some asthmatics. All asthmatics are sensitive to the effects of SO₂. In asthmatics, increase in resistance to air flow, as well as reduction in breathing capacity leading to severe breathing difficulties, is observed after acute higher exposure to SO₂. In contrast, healthy individuals do not exhibit similar acute responses even after exposure to higher concentrations of SO₂.

Animal studies suggest that despite SO₂ being a respiratory irritant, it does not cause substantial lung injury at ambient concentrations. However, very high levels of exposure can cause lung edema (fluid accumulation), lung tissue damage, and sloughing off of cells lining the respiratory tract.

Some population-based studies indicate that the mortality and morbidity effects associated with fine particles show a similar association with ambient SO₂ levels. In these studies, efforts to separate the effects of SO₂ from those of fine particles have not been successful. It is not clear whether the two pollutants act synergistically or one pollutant alone is the predominant factor.

No exceedances of federal or state standards for sulfur dioxide occurred in 2008 at any of the seven SCAQMD locations monitored. The maximum one-hour sulfur dioxide concentration was 0.09 ppm. The maximum 24-hour sulfur dioxide concentration was 0.012 ppm. The maximum annual average was 0.0022 ppm. All maximums were recorded in south Coastal Los Angeles County. The federal sulfur dioxide standards are 0.03 ppm for the annual arithmetic mean, 0.14 for the 24-hour average and 0.50 ppm for the three-hour average. The state standards are 0.25 ppm for the one-hour average and 0.04 ppm for the 24-hour average. Though sulfur dioxide concentrations remain well below the standards, sulfur dioxide is a precursor to sulfate, which is a component of fine particulate matter, PM₁₀, and PM_{2.5}. Standards for PM₁₀ and PM_{2.5} were both exceeded in 2008. Sulfur dioxide was not measured at SSAB sites in 2008. Historical measurements showed concentrations to be well below standards and monitoring has been discontinued.

Particulate Matter (PM₁₀ and PM_{2.5})

Of great concern to public health are the particles small enough to be inhaled into the deepest parts of the lung. Respirable particles (particulate matter less than about 10 micrometers in diameter) can accumulate in the respiratory system and aggravate health problems such as

asthma, bronchitis and other lung diseases. Children, the elderly, exercising adults, and those suffering from asthma are especially vulnerable to adverse health effects of PM10 and PM2.5.

A consistent correlation between elevated ambient fine particulate matter (PM10 and PM2.5) levels and an increase in mortality rates, respiratory infections, number and severity of asthma attacks and the number of hospital admissions has been observed in different parts of the United States and various areas around the world. Studies have reported an association between long term exposure to air pollution dominated by fine particles (PM2.5) and increased mortality, reduction in life-span, and an increased mortality from lung cancer.

Daily fluctuations in fine particulate matter concentration levels have also been related to hospital admissions for acute respiratory conditions, to school and kindergarten absences, to a decrease in respiratory function in normal children and to increased medication use in children and adults with asthma. Studies have also shown lung function growth in children is reduced with long-term exposure to particulate matter.

The elderly, people with pre-existing respiratory and/or cardiovascular disease and children appear to be more susceptible to the effects of PM10 and PM2.5.

The SCAQMD monitored PM10 concentrations at 21 locations in 2008. The federal 24-hour PM10 standard (150 $\mu\text{g}/\text{m}^3$) was not exceeded at any of the locations monitored in 2008. The maximum 24-hour PM10 concentration of 135 $\mu\text{g}/\text{m}^3$ was recorded in Metropolitan Riverside County. The maximum 24-hour PM10 concentration in Metropolitan Riverside County is 90 percent of the federal standards. The much more stringent state 24-hour PM10 standard (50 $\mu\text{g}/\text{m}^3$) was exceeded in all but two of the 21 monitoring stations. The maximum annual average PM10 concentration of 57.4 $\mu\text{g}/\text{m}^3$ was recorded in Metropolitan Riverside County. The maximum annual average PM10 concentration in Metropolitan Riverside County is 478 percent of the state standard. The federal annual PM10 standard has been revoked.

In 2008, PM2.5 concentrations were monitored at 20 locations throughout the District. USEPA revised the federal 24-hour PM2.5 standard from 65 $\mu\text{g}/\text{m}^3$ to 35 $\mu\text{g}/\text{m}^3$, effective December 17, 2006. In 2008, the maximum PM2.5 concentrations in the Basin exceeded the new federal 24-hour PM2.5 standards in all but three locations. The maximum 24-hour PM2.5 concentration of 78.3 $\mu\text{g}/\text{m}^3$ was recorded in Central Los Angeles, which represents 138 percent of the federal standard of 35 $\mu\text{g}/\text{m}^3$. The maximum annual average concentration of 18.2 $\mu\text{g}/\text{m}^3$ was recorded in Mira Loma, which represents 121 percent of the federal standard of 15 $\mu\text{g}/\text{m}^3$ and 151 percent of the state standard of 12 $\mu\text{g}/\text{m}^3$.

Similar to PM10 concentrations, PM2.5 concentrations were higher in the inland valley areas of San Bernardino and Metropolitan Riverside counties. However, PM2.5 concentrations were also high in Central Los Angeles County. The high PM2.5 concentrations in Los Angeles County are mainly due to the secondary formation of smaller particulates resulting from mobile and stationary source activities. In contrast to PM10, PM2.5 concentrations were low in the Coachella Valley area of SSAB. PM10 concentrations are normally higher in the desert areas due to windblown and fugitive dust emissions.

Lead

Lead in the atmosphere is present as a mixture of a number of lead compounds. Leaded gasoline and lead smelters have been the main sources of lead emitted into the air. Due to the phasing out

of leaded gasoline, there was a dramatic reduction in atmospheric lead in the Basin over the past 28 years.

Fetuses, infants, and children are more sensitive than others to the adverse effects of lead exposure. Exposure to low levels of lead can adversely affect the development and function of the central nervous system, leading to learning disorders, distractibility, inability to follow simple commands, and lower intelligence quotient. In adults, increased lead levels are associated with increased blood pressure.

Lead poisoning can cause anemia, lethargy, seizures, and death. It appears that there are no direct effects of lead on the respiratory system. Lead can be stored in the bone from early-age environmental exposure, and elevated blood lead levels can occur due to breakdown of bone tissue during pregnancy, hyperthyroidism (increased secretion of hormones from the thyroid gland), and osteoporosis (breakdown of bony tissue). Fetuses and breast-fed babies can be exposed to higher levels of lead because of previous environmental lead exposure of their mothers.

The federal and state standards for lead were not exceeded in any area of the SCAQMD in 2008. There have been no violations of the standards at the SCAQMD's regular air monitoring stations since 1982, as a result of removal of lead from gasoline. The maximum quarterly average lead concentration ($0.02 \mu\text{g}/\text{m}^3$ at monitoring stations in Central Los Angeles, South San Gabriel Valley, South Central Los Angeles County, and Central San Bernardino Valley No. 2) was 1.3 percent of the federal quarterly average lead standard ($1.5 \mu\text{g}/\text{m}^3$). The maximum monthly average lead concentration ($0.03 \mu\text{g}/\text{m}^3$ in South Central Los Angeles County), measured at special monitoring sites immediately adjacent to stationary sources of lead was two percent of the state monthly average lead standard. No lead data were obtained at SSAB and Orange County stations in 2008, and because historical lead data showed concentrations in SSAB and Orange County areas to be well below the standard, measurements have been discontinued.

On November 12, 2008, USEPA published new national ambient air quality standards for lead, which became effective January 12, 2009. The existing national lead standard, $1.5 \mu\text{g}/\text{m}^3$, was reduced to $0.15 \mu\text{g}/\text{m}^3$, averaged over a rolling three-month period. The new federal standard was not exceeded at any source/receptor location in 2008. Nevertheless, USEPA has proposed to designate the Los Angeles County portion of the Basin as non-attainment for the new lead standard, based on emissions from two battery recycling facilities. The proposed designation is expected to become final in October 2010. However, the SCAQMD is in the process of adopting Proposed Rule 1420.1 to ensure that lead emissions do not exceed the new federal standard.

Sulfates

Sulfates (SO_x) are chemical compounds which contain the sulfate ion and are part of the mixture of solid materials which make up PM₁₀. Most of the sulfates in the atmosphere are produced by oxidation of SO₂. Oxidation of sulfur dioxide yields sulfur trioxide which reacts with water to form sulfuric acid, which contributes to acid deposition. The reaction of sulfuric acid with basic substances such as ammonia yields sulfates, a component of PM₁₀ and PM_{2.5}.

Most of the health effects associated with fine particles and SO₂ at ambient levels are also associated with SO_x. Thus, both mortality and morbidity effects have been observed with an increase in ambient SO_x concentrations. However, efforts to separate the effects of SO_x from the effects of other pollutants have generally not been successful.

Clinical studies of asthmatics exposed to sulfuric acid suggest that adolescent asthmatics are possibly a subgroup susceptible to acid aerosol exposure. Animal studies suggest that acidic particles such as sulfuric acid aerosol and ammonium bisulfate are more toxic than non-acidic particles like ammonium sulfate. Whether the effects are attributable to acidity or to particles remains unresolved.

In 2008, the state 24-hour sulfate standard ($25 \mu\text{g}/\text{m}^3$) was not exceeded in any of the monitoring locations in the Basin. No sulfate data were obtained at SSAB and Orange County stations in 2008. Historical sulfate data showed concentrations in the SSAB and Orange County areas to be well below the standard; thus, measurements in these areas have been discontinued. There are no federal sulfate standards.

Visibility Reducing Particles

Since deterioration of visibility is one of the most obvious manifestations of air pollution and plays a major role in the public's perception of air quality, the state of California has adopted a standard for visibility or visual range. Until 1989, the standard was based on visibility estimates made by human observers. The standard was changed to require measurement of visual range using instruments that measure light scattering and absorption by suspended particles.

The visibility standard is based on the distance that atmospheric conditions allow a person to see at a given time and location. Visibility reduction from air pollution is often due to the presence of sulfur and nitrogen oxides, as well as particulate matter. Visibility degradation occurs when visibility reducing particles are produced in sufficient amounts such that the extinction coefficient is greater than 0.23 inverse kilometers (to reduce the visual range to less than 10 miles) at relative humidity less than 70 percent, 8-hour average (10 am – 6 pm) according to the state standard. Future-year visibility in the Basin is projected empirically using the results derived from a regression analysis of visibility with air quality measurements. The regression data set consisted of aerosol composition data collected during a special monitoring program conducted concurrently with visibility data collection (prevailing visibility observations from airports and visibility measurements from District monitoring stations). A full description of the visibility analysis is given in Technical Report V-C of the 1994 AQMP.

With future year reductions of PM_{2.5} from implementation of all proposed emission controls for 2015, the annual average visibility would improve from 12 miles (calculated for 2005) to over 20 miles at Rubidoux, for example. Visual range in 2021 at all other Basin sites is expected to equal or exceed the Rubidoux visual range. Visual range is expected to double from the 2005 baseline due to reductions of secondary PM_{2.5}, directly emitted PM_{2.5} (including diesel soot) and lower nitrogen dioxide concentrations as a result of 2007 AQMP controls.

Vinyl Chloride

Vinyl chloride is a colorless compound that is highly toxic and a known carcinogen that causes a rare cancer of the liver (USEPA, 2001). At room temperature, vinyl chloride is a gas with a sickly sweet odor that is easily condensed. However, it is stored as a liquid. Due to the hazardous nature of vinyl chloride to human health there are no end products that use vinyl chloride in its monomer form. Vinyl chloride is a chemical intermediate, not a final product. It is an important industrial chemical chiefly used to produce polymer polyvinyl chloride (PVC). The process involves vinyl chloride liquid fed to polymerization reactors where it is converted from a monomer to a polymer PVC. The final product of the polymerization process is PVC in either a flake or pellet form. Billions of pounds of PVC are sold on the global market each year. From its flake or pellet form PVC is sold to companies that heat and mold the PVC into end products such

as PVC pipe and bottles. The SCAQMD does not monitor for vinyl chloride at their air monitoring stations.

Volatile Organic Compounds

It should be noted that there are no state or national ambient air quality standards for VOCs because they are not classified as criteria pollutants. VOCs are regulated, however, because limiting VOC emissions reduces the rate of photochemical reactions that contribute to the formation of ozone. VOCs are also transformed into organic aerosols in the atmosphere, contributing to higher PM10 and lower visibility levels.

Although health-based standards have not been established for VOCs, health effects can occur from exposures to high concentrations of VOCs because of interference with oxygen uptake. In general, ambient VOC concentrations in the atmosphere are suspected to cause coughing, sneezing, headaches, weakness, laryngitis, and bronchitis, even at low concentrations. Some hydrocarbon components classified as VOC emissions are thought or known to be hazardous. Benzene, for example, one hydrocarbon component of VOC emissions, is known to be a human carcinogen.

Non-Criteria Pollutants

Although the SCAQMD's primary mandate is attaining the State and National Ambient Air Quality Standards for criteria pollutants within the District, SCAQMD also has a general responsibility pursuant to Health and Safety Code §41700 to control emissions of air contaminants and prevent endangerment to public health. Additionally, state law requires the SCAQMD to implement airborne toxic control measures (ATCM) adopted by CARB, and to implement the Air Toxics "Hot Spots" Act. As a result, the SCAQMD has regulated pollutants other than criteria pollutants such as TACs, greenhouse gases and stratospheric ozone depleting compounds. The SCAQMD has developed a number of rules to control non-criteria pollutants from both new and existing sources. These rules originated through state directives, CAA requirements, or the SCAQMD rulemaking process.

In addition to promulgating non-criteria pollutant rules, the SCAQMD has been evaluating AQMP control measures as well as existing rules to determine whether or not they would affect, either positively or negatively, emissions of non-criteria pollutants. For example, rules in which VOC components of coating materials are replaced by a non-photochemically reactive chlorinated substance would reduce the impacts resulting from ozone formation, but could increase emissions of toxic compounds or other substances that may have adverse impacts on human health.

The following sections summarize the existing setting for the two major categories of non-criteria pollutants: compounds that contribute to ozone depletion and global warming, and TACs.

Greenhouse Gases

The SCAQMD adopted a "Policy on Global Warming and Stratospheric Ozone Depletion" on April 6, 1990. The policy commits the SCAQMD to consider global impacts in rulemaking and in drafting revisions to the AQMP. In March 1992, the SCAQMD Governing Board reaffirmed this policy and adopted amendments to the policy to include the following directives:

- phase out the use and corresponding emissions of chlorofluorocarbons (CFCs), methyl chloroform (1,1,1-trichloroethane or TCA), carbon tetrachloride, and halons by December 1995;

- phase out the large quantity use and corresponding emissions of hydrochlorofluorocarbons (HCFCs) by the year 2000;
- develop recycling regulations for HCFCs;
- develop an emissions inventory and control strategy for methyl bromide; and,
- support the adoption of a California greenhouse gas emission reduction goal.

Gases that trap heat in the atmosphere are often called greenhouse gases (GHGs), comparable to a greenhouse, which captures and traps radiant energy. GHGs are emitted by natural processes and human activities. The accumulation of greenhouse gases in the atmosphere regulates the earth's temperature. Global warming is the observed increase in average temperature of the earth's surface and atmosphere. The primary cause of global warming is an increase of GHGs in the atmosphere. The six major GHGs are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs). The GHGs absorb longwave radiant energy emitted by the Earth, which warms the atmosphere. The GHGs also emit longwave radiation both upward to space and back down toward the surface of the Earth. The downward part of this longwave radiation emitted by the atmosphere is known as the "greenhouse effect." Emissions from human activities such as electricity production and vehicles have elevated the concentration of these gases in the atmosphere.

CO₂ is an odorless, colorless natural greenhouse gas. Natural sources include the following: decomposition of dead organic matter; respiration of bacteria, plants, animals, and fungus; evaporation from oceans; and volcanic outgassing. Anthropogenic (human caused) sources of CO₂ are from burning coal, oil, natural gas, and wood. CO₂ emissions in the Basin were determined for the year 2002, which was the base year used in determining GHG emissions for the 2007 AQMP. The total CO₂ emissions in the SCAB were estimated to be about 153 million metric tons (SCAQMD, 2007 AQMP) of which:

- 48 percent was contributed by on-road mobile sources;
- 34 percent was contributed by point sources;
- 12 percent was contributed by area sources; and
- 6 percent was contributed off-road mobile sources.

CH₄ is a flammable gas and is the main component of natural gas. N₂O, also known as laughing gas, is a colorless greenhouse gas. Some industrial processes such as fossil fuel-fired power plants, nylon production, nitric acid production, and vehicle emissions also contribute to the atmospheric load of N₂O. HFCs are synthetic man-made chemicals that are used as a substitute for chlorofluorocarbons (whose production was stopped as required by the Montreal Protocol) for automobile air conditioners and refrigerants. The two main sources of PFCs are primary aluminum production and semiconductor manufacture. SF₆ is an inorganic, odorless, colorless, nontoxic, nonflammable gas. SF₆ is used for insulation in electric power transmission and distribution equipment, in the magnesium industry, in semiconductor manufacturing, and as a tracer gas for leak detection.

Scientific consensus, as reflected in recent reports issued by the United Nations Intergovernmental Panel on Climate Change, is that the majority of the observed warming over the last 50 years can be attributable to increased concentration of GHGs in the atmosphere due to human activities. Industrial activities, particularly increased consumption of fossil fuels (e.g., gasoline, diesel, wood, coal, etc.), have heavily contributed to the increase in atmospheric levels of GHGs. As reported by the California Energy Commission (CEC), California contributes 1.4 percent of the global and 6.2 percent of the national GHGs emissions (CEC, 2006). The most

recent GHG inventory for California is presented in Table 3-3 (CARB, 2007). Approximately 80 percent of GHGs in California are from fossil fuel combustion and over 70 percent of GHG-CO₂ equivalent emissions are CO₂ emissions (see Table 3-3).

Table 3-3
California GHG Emissions and Sinks Summary
(Million MTon CO₂eq)

Categories Included in the Inventory	1990	2004
ENERGY	386.41	420.91
<i>Fuel Combustion Activities</i>	381.16	416.29
Energy Industries	157.33	166.43
Manufacturing Industries & Construction	24.24	19.45
Transport	150.02	181.95
Other Sectors	48.19	46.29
Non-Specified	1.38	2.16
<i>Fugitive Emissions from Fuels</i>	5.25	4.62
Oil and Natural Gas	2.94	2.54
Other Emissions from Energy Production	2.31	2.07
INDUSTRIAL PROCESSES & PRODUCT USE	18.34	30.78
Mineral Industry	4.85	5.90
Chemical Industry	2.34	1.32
Non-Energy Products from Fuels & Solvent Use	2.29	1.37
Electronics Industry	0.59	0.88
Product Uses as Substitutes for Ozone Depleting Substances	0.04	13.97
Other Product Manufacture & Use Other	3.18	1.60
Other	5.05	5.74
AGRICULTURE, FORESTRY, & OTHER LAND USE	19.11	23.28
Livestock	11.67	13.92
Land	0.19	0.19
Aggregate Sources & Non-CO ₂ Emissions Sources on Land	7.26	9.17
WASTE	9.42	9.44
Solid Waste Disposal	6.26	5.62
Wastewater Treatment & Discharge	3.17	3.82
EMISSION SUMMARY		
Gross California Emissions	433.29	484.4
Sinks and Sequestrations	-6.69	-4.66
Net California Emissions	426.60	479.74

Source: CARB, 2007

In June 2005, Governor Schwarzenegger signed Executive Order #S-3-05 which established the following greenhouse gas reduction targets:

- By 2010, reduce GHGs to 2000 emission levels,
- By 2020, reduce GHGs to 1990 emission levels, and
- By 2050, reduce GHGs to 80 percent below 1990 emission levels.

On September 27, 2006, Assembly Bill (AB) 32, the California Global Warming Solutions Act, of 2006 was enacted by the State of California and signed by Governor Schwarzenegger. AB 32 expanded on Executive Order #S-3-05. The legislature stated that “global warming poses a serious threat to the economic well-being, public health, natural resources, and the environment of California.” AB 32 represents the first enforceable state-wide program in the United States to cap all GHG emissions from major industries that includes penalties for non-compliance. While acknowledging that national and international actions will be necessary to fully address the issue

of global warming, AB 32 lays out a program to inventory and reduce greenhouse gas emissions in California and from power generation facilities located outside the state that serve California residents and businesses.

AB 32 requires CARB to:

- Establish a statewide GHG emissions cap for 2020, based on 1990 emissions by January 1, 2008;
- Adopt mandatory reporting rules for significant sources of GHG by January 1, 2008;
- Adopt an emissions reduction plan by January 1, 2009, indicating how emissions reductions will be achieved via regulations, market mechanisms, and other actions; and
- Adopt regulations to achieve the maximum technologically feasible and cost-effective reductions of GHG by January 1, 2011.

The combination of Executive Order #S-3-05 and AB 32 will require significant development and implementation of energy efficient technologies and shifting of energy production to renewable sources.

Consistent with the requirement to develop an emission reduction plan, CARB prepared a Scoping Plan indicating how GHG emission reductions will be achieved through regulations, market mechanisms, and other actions. The Scoping Plan was released for public review and comment in October 2008 and approved by CARB on December 11, 2008. The Scoping Plan calls for reducing greenhouse gas emissions to 1990 levels by 2020. This means cutting approximately 30 percent from business-as-usual emission levels projected for 2020, or about 15 percent from today's levels. Key elements of CARB staff's recommendations for reducing California's greenhouse gas emissions to 1990 levels by 2020 contained in the Scoping Plan include the following:

- Expansion and strengthening of existing energy efficiency programs and building and appliance standards;
- Expansion of the Renewables Portfolio Standard to 33 percent;
- Development of a California cap-and-trade program that links with other Western Climate Initiative Partner programs to create a regional market system;
- Establishing targets for transportation-related greenhouse gases and pursuing policies and incentives to achieve those targets;
- Adoption and implementation of existing State laws and policies, including California's clean car standards, goods movement measures, and the Low Carbon Fuel Standard; and
- Targeted fees, including a public good charge on water use, fees on high global warming potential gases and a fee to fund the state's long-term commitment to AB 32 administration.

In response to the comments received on the Draft Scoping Plan and at the November 2008 public hearing, CARB made a few changes to the Draft Scoping Plan, primarily to:

- State that California "will transition to 100 percent auction" of allowances and expects to "auction significantly more [allowances] than the Western Climate Initiative minimum;"
- Make clear that allowance set-asides could be used to provide incentives for voluntary renewable power purchases by businesses and individuals and for increased energy efficiency;
- Make clear that allowance set-asides can be used to ensure that voluntary actions, such as renewable power purchases, can be used to reduce greenhouse gas emissions under the cap;

- Provide allowances are not required from carbon neutral projects; and
- Mandate that commercial recycling be implemented to replace virgin raw materials with recyclables.

On August 24, 2007, Governor Schwarzenegger signed into law Senate Bill (SB) 97 – CEQA: Greenhouse Gas Emissions stating, “This bill advances a coordinated policy for reducing greenhouse gas emissions by directing the Office of Planning and Research (OPR) and the Resources Agency to develop CEQA guidelines on how state and local agencies should analyze, and when necessary, mitigate greenhouse gas emissions.” Specifically, SB 97 requires OPR, by July 1, 2009, to prepare, develop, and transmit guidelines to the Resources Agency for the feasible mitigation of greenhouse gas emissions or the effects of greenhouse gas emissions, as required by CEQA, including, but not limited to, effects associated with transportation or energy consumption. The Resources Agency would be required to certify and adopt those guidelines by January 1, 2010. The OPR would be required to periodically update the guidelines to incorporate new information or criteria established by the CARB pursuant to the California Global Warming Solutions Act of 2006. SB 97 also identifies a limited number of types of projects that would be exempt under CEQA from analyzing GHG emissions. Finally, SB 97 will be repealed on January 1, 2010.

Consistent with SB 97, on June 19, 2008, OPR released its “Technical Advisory on CEQA and Climate Change,” which was developed in cooperation with the Resources Agency, the California Environmental Protection Agency (CalEPA), and the CARB. According to OPR, the “Technical Advisory” offers the informal interim guidance regarding the steps lead agencies should take to address climate change in their CEQA documents, until CEQA guidelines are developed pursuant to SB 97 on how state and local agencies should analyze, and when necessary, mitigate greenhouse gas emissions.

According to OPR, lead agencies should determine whether greenhouse gases may be generated by a proposed project, and if so, quantify or estimate the GHG emissions by type and source. Second, the lead agency must assess whether those emissions are individually or cumulatively significant. When assessing whether a project’s effects on climate change are “cumulatively considerable” even though its GHG contribution may be individually limited, the lead agency must consider the impact of the project when viewed in connection with the effects of past, current, and probable future projects. Finally, if the lead agency determines that the GHG emissions from the project as proposed are potentially significant, it must investigate and implement ways to avoid, reduce, or otherwise mitigate the impacts of those emissions.

On July 30, 2008, USEPA released a draft Advance Notice of Proposed Rulemaking (ANPR) “Regulating Greenhouse Gas Emissions Under the Clean Air Act.” The ANPR solicits public comments, which must be received on or before November 28, 2008, and presents the following relevant information:

- Reviews the various CAA provisions that may be applicable to regulate GHGs;
- Examines the issues that regulating GHGs under those provisions may raise;
- Provides information regarding potential regulatory approaches and technologies for reducing GHG emissions; and
- Raises issues relevant to possible legislation and the potential for overlap between legislation and CAA regulation.

The SCAQMD has established a policy, adopted by the SCAQMD Governing Board at its September 5, 2008 meeting, to actively seek opportunities to reduce emissions of criteria, toxic, and climate change pollutants. The policy includes the intent to assist businesses and local governments implementing climate change measures, decrease the agency's carbon footprint, and provide climate change information to the public. The SCAQMD will take the following actions:

1. Work cooperatively with other agencies/entities to develop quantification protocols, rules, and programs related to greenhouse gases;
2. Share experiences and lessons learned relative to the Regional Clean Air Incentives Market to help inform state, multi-state, and federal development of effective, enforceable cap-and-trade programs. To the extent practicable, staff will actively engage in current and future regulatory development to ensure that early actions taken by local businesses to reduce greenhouse gases will be treated fairly and equitably. SCAQMD staff will seek to streamline administrative procedures to the extent feasible to facilitate the implementation of AB 32 measures;
3. Review and comment on proposed legislation related to climate change and greenhouse gases, pursuant to the 'Guiding Principles for SCAQMD Staff Comments on Legislation Relating to Climate Change' approved at the Board Special Meeting in April 2008;
4. Provide higher priority to funding Technology Advancement Office (TAO) projects or contracts that also reduce greenhouse gas emissions;
5. Develop recommendations through a public process for an interim greenhouse gas CEQA significance threshold, until such time that an applicable and appropriate statewide greenhouse gas significance level is established. Provide guidance on analyzing greenhouse gas emissions and identify mitigation measures. Continue to consider GHG impacts and mitigation in SCAQMD lead agency documents and in comments when SCAQMD is a responsible agency;
6. Revise the SCAQMD's Guidance Document for Addressing Air Quality Issues in General Plans and Local Planning to include information on greenhouse gas strategies as a resource for local governments. The Guidance Document will be consistent with state guidance, including CARB's Scoping Plan;
7. Update the Basin's greenhouse gas inventory in conjunction with each Air Quality Management Plan. Information and data used will be determined in consultation with CARB, to ensure consistency with state programs. Staff will also assist local governments in developing greenhouse gas inventories;
8. Bring recommendations to the Board on how the agency can reduce its own carbon footprint, including drafting a Green Building Policy with recommendations regarding SCAQMD purchases, building maintenance, and other areas of products and services. Assess employee travel as well as other activities that are not part of a GHG inventory and determine what greenhouse gas emissions these activities represent, how they could be reduced, and what it would cost to offset the emissions;
9. Provide educational materials concerning climate change and available actions to reduce greenhouse gas emissions on the SCAQMD website, in brochures, and other venues to help cities and counties, businesses, households, schools, and others learn about ways to reduce their electricity and water use through conservation or other efforts, improve energy efficiency, reduce vehicle miles traveled, access alternative mobility resources, utilize low emission vehicles and implement other climate friendly strategies; and

10. Conduct conferences, or include topics in other conferences, as appropriate, related to various aspects of climate change, including understanding impacts, technology advancement, public education, and other emerging aspects of climate change science.

On December 5, 2008, the SCAQMD Governing Board adopted the staff proposal for an interim GHG significance threshold for projects where the SCAQMD is lead agency. SCAQMD's recommended interim GHG significance threshold proposal uses a tiered approach to determining significance. Tier 1 consists of evaluating whether or not the project qualifies for any applicable exemption under CEQA. Tier 2 consists of determining whether or not the project is consistent with a GHG reduction plan that may be part of a local general plan, for example. Tier 3 establishes a screening significance threshold level to determine significance using a 90 percent emission capture rate approach, which corresponds to 10,000 metric tons of CO₂ equivalent emissions per year. Tier 4, to be based on performance standards, is yet to be developed. Under Tier 5 the project proponent would allow offsets to reduce GHG emission impacts to less than the proposed screening level. If CARB adopts statewide significance thresholds, SCAQMD staff plans to report back to the Governing Board regarding any recommended changes or additions to the SCAQMD's interim threshold.

On April 13, 2009, OPR submitted to the Natural Resources Agency its proposed amendments to the CEQA Guidelines for GHG emissions. The proposed amendments provided guidance to public agencies regarding the analysis and mitigation of the effects of GHG emissions in draft CEQA documents. The Natural Resources Agency conducted a formal rulemaking process and on December 20, 2009, they adopted amendments to the CEQA Guidelines for GHG emissions as directed by SB97. On February 16, 2010, the Office of Administrative Law approved the amendments, and filed them with the Secretary of State for inclusion in the California Code of Regulations. The amendments became effective on March 18, 2010.

Climate Change

Global climate change is a change in the average weather of the earth, which can be measured by wind patterns, storms, precipitation, and temperature. Historical records have shown that temperature changes have occurred in the past, such as during previous ice ages. Some data indicate that the current temperature record differs from previous climate changes in rate and magnitude.

The United Nations Intergovernmental Panel on Climate Change constructed several emission trajectories of greenhouse gases needed to stabilize global temperatures and climate change impacts. It concluded that a stabilization of greenhouse gases at 400 to 450 ppm carbon dioxide-equivalent concentration is required to keep global mean warming below two degrees Celsius, which is assumed to be necessary to avoid dangerous climate change.

The potential health effects from global climate change may arise from temperature increases, climate-sensitive diseases, extreme events, and air quality. There may be direct temperature effects through increases in average temperature leading to more extreme heat waves and less extreme cold spells. Those living in warmer climates are likely to experience more stress and heat-related problems (i.e., heat rash and heat stroke). In addition, climate sensitive diseases may increase, such as those spread by mosquitoes and other disease carrying insects. Those diseases include malaria, dengue fever, yellow fever, and encephalitis. Extreme events such as flooding and hurricanes can displace people and agriculture, which would have negative consequences. Drought in some areas may increase, which would decrease water and food availability. Global

warming may also contribute to air quality problems from increased frequency of smog and particulate air pollution.

The impacts of climate change will also affect projects in various ways. Effects of climate change are specifically mentioned in AB 32 such as rising sea levels and changes in snow pack. The extent of climate change impacts at specific locations remains unclear. However, it is expected that California agencies will more precisely quantify impacts in various regions of the State. As an example, it is expected that the California Department of Water Resources will formalize a list of foreseeable water quality issues associated with various degrees of climate change. Once state government agencies make these lists available, they could be used to more precisely determine to what extent a project creates global climate change impacts.

Toxic Air Contaminants

On March 17, 2000, the SCAQMD Governing Board approved “An Air Toxics Control Plan for the Next Ten Years.” The Air Toxics Control Plan identifies potential strategies to reduce toxic levels in the Basin over the ten years following adoption. To the extent the strategies are implemented by the relevant agencies, the plan will improve public health by reducing health risks associated with both mobile and stationary sources. Exposure to toxic air contaminants (TACs) can increase the risk of contracting cancer or result in other deleterious health effects which target such systems as cardiovascular, reproductive, hematological, or nervous. The health effects may be through short-term, high-level or “acute” exposure or long-term, low-level or “chronic” exposure.

Historically, the SCAQMD has regulated criteria air pollutants using either a technology-based or an emissions limit approach. The technology-based approach defines specific control technologies that may be installed to reduce pollutant emissions. The emission limit approach establishes an emission limit, and allows industry to use any emission control equipment, as long as the emission requirements are met. The regulation of toxic air contaminants (TACs) often uses a health risk-based approach, but may also require a regulatory approach similar to criteria pollutants, as explained in the following subsections.

Control of TACs Under the TAC Identification and Control Program

California's TAC identification and control program, adopted in 1983 as AB1807, is a two-step program in which substances are identified as TACs, and ATCMs are adopted to control emissions from specific sources. CARB has adopted a regulation designating all 188 federal hazardous air pollutants (HAPs) as TACs.

ATCMs are developed by CARB and implemented by the SCAQMD and other air districts through the adoption of regulations of equal or greater stringency. Generally, the ATCMs reduce emissions to achieve exposure levels below a determined health threshold. If no such threshold levels are determined, emissions are reduced to the lowest level achievable through the best available control technology unless it is determined that an alternative level of emission reduction is adequate to protect public health.

Under California law, a federal National Emission Standard for Hazardous Air Pollutants (NESHAP) automatically becomes a state ATCM, unless CARB has already adopted an ATCM for the source category. Once a NESHAP becomes an ATCM, CARB and each air pollution control or air quality management district have certain responsibilities related to adoption or implementation and enforcement of the NESHAP/ATCM.

Control of TACs under the Air Toxics "Hot Spots" Act

The Air Toxics Hot Spots Information and Assessment Act of 1987 (AB2588) establishes a state-wide program to inventory and assess the risks from facilities that emit TACs and to notify the public about significant health risks associated with the emissions. Facilities are phased into the AB2588 program based on their emissions of criteria pollutants or their occurrence on lists of toxic emitters compiled by the SCAQMD. Phase I consists of facilities that emit over 25 tons per year of any criteria pollutant and facilities present on the SCAQMD's toxics list. Phase I facilities entered the program by reporting their air TAC emissions for calendar year 1989. Phase II consists of facilities that emit between 10 and 25 tons per year of any criteria pollutant, and submitted air toxic inventory reports for calendar year 1990 emissions. Phase III consists of certain designated types of facilities which emit less than 10 tons per year of any criteria pollutant, and submitted inventory reports for calendar year 1991 emissions. Inventory reports are required to be updated every four years under the state law.

In October 1992, the SCAQMD Governing Board adopted public notification procedures for Phase I and II facilities. These procedures specify that AB2588 facilities must provide public notice when exceeding the following risk levels:

- Maximum Individual Cancer Risk: greater than 10 in 1 million (10×10^{-6})
- Total Hazard Index: greater than 1.0 for TACs except lead, or > 0.5 for lead

Public notice is to be provided by letters mailed to all addresses and all parents of children attending school in the impacted area. In addition, facilities must hold a public meeting and provide copies of the facility risk assessment in all school libraries and a public library in the impacted area.

The SCAQMD continues to complete its review of the health risk assessments submitted to date and may require revision and resubmission as appropriate before final approval. Notification will be required from facilities with a significant risk under the AB2588 program based on their initial approved health risk assessments and will continue on an ongoing basis as additional and subsequent health risk assessments are reviewed and approved.

Control of TACs with Risk Reduction Audits and Plans

Senate Bill (SB) 1731, enacted in 1992 and codified at Health and Safety Code §44390 et seq., amended AB2588 to include a requirement for facilities with significant risks to prepare and implement a risk reduction plan which will reduce the risk below a defined significant risk level within specified time limits. SCAQMD Rule 1402 - Control of Toxic Air Contaminants From Existing Sources, was adopted on April 8, 1994, to implement the requirements of SB1731.

In addition to the TAC rules adopted by SCAQMD under authority of AB1807 and SB1731, the SCAQMD has adopted source-specific TAC rules, based on the specific level of TAC emitted and the needs of the area. These rules are similar to the state's ATCMs because they are source-specific and only address emissions and risk from specific compounds and operations.

Cancer Risks from Toxic Air Contaminants

New and modified sources of toxic air contaminants in the District are subject to Rule 1401 - New Source Review of Toxic Air Contaminants and Rule 212 - Standards for Approving Permits. Rule 212 requires notification of the SCAQMD's intent to grant a permit to construct a significant project, defined as a new or modified permit unit located within 1,000 feet of a school (a state law requirement under AB 3205), a new or modified permit unit posing an maximum

individual cancer risk of one in one million (1×10^{-6}) or greater, or a new or modified facility with criteria pollutant emissions exceeding specified daily maximums. Distribution of notice is required to all addresses within a 1/4-mile radius, or other area deemed appropriate by the SCAQMD. Rule 1401 currently controls emissions of carcinogenic and non-carcinogenic (health effects other than cancer) air contaminants from new, modified and relocated sources by specifying limits on cancer risk and hazard index (explained further in the following discussion), respectively.

Health Effects

One of the primary health risks of concern due to exposure to TACs is the risk of contracting cancer. The carcinogenic potential of TACs is a particular public health concern because it is currently believed by many scientists that there is no "safe" level of exposure to carcinogens. Any exposure to a carcinogen poses some risk of causing cancer. It is currently estimated that about one in four deaths in the United States is attributable to cancer. About two percent of cancer deaths in the United States may be attributable to environmental pollution (Doll and Peto 1981). The proportion of cancer deaths attributable to air pollution has not been estimated using epidemiological methods.

Non-Cancer Health Risks from Toxic Air Contaminants

Unlike carcinogens, for most TAC non-carcinogens it is believed that there is a threshold level of exposure to the compound below which it will not pose a health risk. CalEPA's Office of Environmental Health Hazard Assessment develops Reference Exposure Levels (RELs) for TACs which are health-conservative estimates of the levels of exposure at or below which health effects are not expected. The non-cancer health risk due to exposure to a TAC is assessed by comparing the estimated level of exposure to the REL. The comparison is expressed as the ratio of the estimated exposure level to the REL, called the hazard index (HI).

Baseline Emission Inventory

Criteria Pollutants

CARB staff estimates the statewide VOC contribution from artist solvent and thinners to be about 252.7 pounds per day. Based on statewide population, SCAQMD staff estimates that 45 percent of the total statewide emissions occur within SCAQMD's jurisdiction.

$$2527 \text{ pounds per day} * 045 = 1137 \text{ pounds per day, and} \\ 1137 \text{ pounds per day} * 1 \text{ ton}/2000 \text{ pounds} = 0057 \text{ ton per day}$$

Toxic Air Contaminants

Artist solvents and thinners may contain toxic air contaminants (TACs). The February 2009 Final EA for PR 1143 stated that previous CEQA analyses of the potential toxic impacts from the rules anticipated to use reformulated solvents (acetone, methyl acetate, and parachlorobenzotrifluoride (PCBTF)) have determined that the toxicity of conventional (acetone, denatured alcohol, isopropyl alcohol, lacquer thinner, methyl ethyl ketone (MEK), mineral spirits, paint thinner, toluene, turpentine, varnish makers & printers naphtha, and xylene) solvent replacements were generally offset by the toxicity of the solvents that they would replace. Acetone, which was expected to be the most common replacement, was considered the least toxic of all of the potential replacement solvents. Similarly, conventional solvents tended to have cancer and non-cancer health effects associated with them, unlike the replacement solvents. Therefore, toxic air contaminant impacts were not expected to change significantly from existing conditions at that time. With regard to cancer and noncancer health risks, none of the

replacement solvents identified in the February 2009 Final EA for PR 1143 were found on any cancer lists at the time (acetone, methyl acetate, and PCBTF). Considering the toxicity of conventional solvents used at the time, no substantive evidence was identified that showed the use of the solvents identified as possible replacements would result in significant adverse toxic air contaminant impacts.

CHAPTER 4

ENVIRONMENTAL IMPACTS

Introduction

Potential Environmental Impacts and Mitigation Measures

Air Quality

Potential Environmental Impacts Found Not to Be Significant

Significant Irreversible Environmental Changes

Potential Growth-Inducing Impacts

Consistency

INTRODUCTION

The CEQA Guidelines require environmental documents to identify significant environmental effects that may result from a proposed project [CEQA Guidelines §15126.2(a)]. Direct and indirect significant effects of a project on the environment should be identified and described, with consideration given to both short- and long-term impacts. The discussion of environmental impacts may include, but is not limited to: the resources involved; physical changes; alterations of ecological systems; health and safety problems caused by physical changes; and other aspects of the resource base, including water, scenic quality, and public services. If significant adverse environmental impacts are identified, the CEQA Guidelines require a discussion of measures that could either avoid or substantially reduce any adverse environmental impacts to the greatest extent feasible [CEQA Guidelines §15126.4].

CEQA Guidelines indicate that the degree of specificity required in a CEQA document depends on the type of project being proposed [CEQA Guidelines §15146]. The detail of the environmental analysis for certain types of projects cannot be as great as for others. For example, the environmental document for projects, such as the adoption or amendment of a comprehensive zoning ordinance or a local general plan, should focus on the secondary effects that can be expected to follow from the adoption or amendment, but the analysis need not be as detailed as the analysis of the specific construction projects that might follow. As a result, this ~~Draft~~ Final EA analyzes impacts on a regional level and impacts on the level of individual industries or individual facilities only where feasible.

The categories of environmental impacts to be studied in a CEQA document are established by CEQA [Public Resources Code, §21000 et seq.], and the CEQA Guidelines, as promulgated by the State of California Secretary of Resources. Under the CEQA Guidelines, there are approximately 17 environmental categories in which potential adverse impacts from a project are evaluated. Projects are evaluated against the environmental categories in an Environmental Checklist and those environmental categories that may be adversely affected by the proposed project are further analyzed in the appropriate CEQA document.

POTENTIAL ENVIRONMENTAL IMPACTS AND MITIGATION MEASURES

Pursuant to CEQA, an Initial Study, including an environmental checklist, was prepared for this project (see Appendix C). Of the 17 potential environmental impact categories, air quality was the only environmental topic identified as being potentially adversely affected by the proposed project. One comment letter was received on the Initial Study. This comment letter and responses to the comments can be found in Appendix D of this document.

The environmental impact area (i.e., air quality) that was identified as potentially significant in the Initial Study is further evaluated in detail in this ~~Draft~~ Final EA. The environmental impact analysis for the environmental topic incorporates a “worst-case” approach. This approach entails the premise that whenever the analysis requires that assumptions be made, those assumptions that result in the greatest adverse impacts are typically chosen. This method ensures that all potential effects of the proposed project are documented for the decision-makers and the public. Accordingly, the following analyses use a conservative “worst-case” approach for analyzing the potentially significant adverse environmental impacts associated with the implementation of the proposed project.

Subsequent to the release of the NOP/IS for public review, modifications were made to two existing exemptions. The exemptions for solvents labeled and designed exclusively for clean-up

of polyaspartic and poly urea coatings and for thinners labeled and designated exclusively for the thinning of Industrial Maintenance (IM) coatings, Zinc-Rich IM Primers and High Temperature IM Coatings were clarified to exempt these solvents and thinners only from the VOC content limits of Rule 1143. These clarifications would subject these solvents and thinners to administrative and recordkeeping requirements. Minor clarifications were also made to the sell-through provision and annual emissions reporting requirement. These modifications to the original proposal were included as part of the proposed project evaluated in this ~~Draft~~ Final EA.

The only provision of the proposed project that could generate environmental (i.e., air quality) impacts is the artist solvent and thinner exemption, which are analyzed below. Other amendments such as the clarification to the existing exemptions are not expected to generate adverse impacts to any environmental topic.

AIR QUALITY

Significance Criteria

To determine whether air quality impacts from adopting and implementing the proposed project are significant, impacts will be evaluated and compared to the following criteria. If impacts exceed any of the significance thresholds in Table 4-1, they will be considered significant. All feasible mitigation measures will be identified and implemented to reduce significant impacts to the maximum extent feasible. The proposed project will be considered to have significant adverse air quality impacts if any one of the thresholds in Table 4-1 are equaled or exceeded.

The SCAQMD makes significance determinations for construction impacts based on the maximum or peak daily emissions during the construction period, which provides a “worst-case” analysis of the construction emissions. Similarly, significance determinations for operational emissions are based on the maximum or peak daily allowable emissions during the operational phase.

Air Quality Impacts

Construction Emissions

As noted in the NOP/IS for the proposed project, no construction is expected from PAR 1143; therefore, construction was determined to be less than significant and is not further evaluated in this ~~Draft~~ Final EA.

Operational Emissions

Criteria Pollutant Emissions

Rule 1143 was developed to require two different VOC content limit reductions over time, an interim and a final VOC content limit reduction. The interim VOC content limit, which is currently in effect, as of January 1, 2010, limits the VOC content of any consumer paint thinner and multi-purpose solvent to 300 grams per liter, but offers a sell-through provision up to December 31, 2010 for high-VOC content traditional solvents provided they were manufactured prior to January 1, 2010. When fully implemented, the interim VOC emission reduction is expected to be 5.94 tons per day.

Table 4-1
SCAQMD Air Quality Significance Thresholds⁴

Mass Daily Thresholds		
Pollutant	Construction	Operation
NOx	100 lbs/day	55 lbs/day
VOC	75 lbs/day	55 lbs/day
PM10	150 lbs/day	150 lbs/day
PM2.5	55 lbs/day	55 lbs/day
SOx	150 lbs/day	150 lbs/day
CO	550 lbs/day	550 lbs/day
Lead	3 lbs/day	3 lbs/day
Toxic Air Contaminants and Odor Thresholds		
Toxic Air Contaminants (TACs) Accidental Release of Acutely Hazardous Materials (AHMs)	MICR \geq 10 in 1 million ; HI \geq 1.0 (project increment) CAA §112(r) threshold quantities	
Odor	Project creates an odor nuisance pursuant to SCAQMD Rule 402	
Ambient Air Quality for Criteria Pollutants^(a)		
NO2 1-hour average annual average	SCAQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 0.25 ppm (state) 0.053 ppm (federal)	
PM10 24-hour average annual geometric average annual arithmetic mean	10.4 $\mu\text{g}/\text{m}^3$ (construction) ^(b) & 2.5 $\mu\text{g}/\text{m}^3$ (operation) 1.0 $\mu\text{g}/\text{m}^3$ 20 $\mu\text{g}/\text{m}^3$	
PM2.5 24-hour average	10.4 $\mu\text{g}/\text{m}^3$ (construction) ^(b) & 2.5 $\mu\text{g}/\text{m}^3$ (operation)	
Sulfate 24-hour average	1 $\mu\text{g}/\text{m}^3$	
CO 1-hour average 8-hour average	SCAQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 20 ppm (state) 9.0 ppm (state/federal)	

(a) Ambient air quality thresholds for criteria pollutants based on SCAQMD Rule 1303, Table A-2 unless otherwise stated.

(b) Ambient air quality threshold based on SCAQMD Rule 403.

KEY: MICR = maximum individual cancer risk HI = Hazard Index
 $\mu\text{g}/\text{m}^3$ = microgram per cubic meter ppm = parts per million
 AHM = acutely hazardous material; TAC = toxic air contaminant

⁴ CEQA Air Quality Handbook, SCAQMD, November 1993.

The final VOC content limit of 25 grams of per liter will become effective on January 1, 2011. Any consumer paint thinner and multi-purpose solvent manufactured prior to January 1, 2011, will have a sell-through allowance for products containing up to 300 grams per liter VOC content, provided that the products were manufactured prior to January 1, 2011. In addition, any consumer paint thinner and multi-purpose solvent that displays on the container label multi-purpose uses including industrial maintenance thinning and was manufactured prior to July 9, 2010 will be allowed a sell-through allowance until April 1, 2011 for products that contain in excess of 300 grams per liter VOC content. When Rule 1143 is fully implemented, the VOC content limit of 25 grams per liter is expected to reduce VOC emissions by another 3.81 tons per day thus resulting in a combined VOC emission reduction of 9.75 tons per day.

No artist solvent and thinner manufacturers within SCAQMD's jurisdiction were identified by SCAQMD staff (i.e., all artist solvents and thinners are imported into the district). Since there is no manufacturing of artist solvents or thinners, all artist solvent and thinner emissions are related only to use of affected products by consumers or institutions.

CARB staff estimates the statewide VOC contribution from artist solvent and thinners to be approximately 252.7 pounds per day. Based on statewide population, SCAQMD staff estimates that 45 percent of the total statewide emissions occur within SCAQMD jurisdiction.

$$2527 \text{ pounds per day} * 0.45 = 1137 \text{ pounds per day, and} \\ 1137 \text{ pounds per day} * 1 \text{ ton}/2000 \text{ pounds} = 0.5685 \text{ ton per day}$$

Therefore, the VOC emissions forgone to the SCAQMD jurisdiction would be approximately 113.7 pounds per day, which exceeds the SCAQMD operational VOC significant threshold of 55 pounds per day. Since the operational VOC emissions would exceed the significance threshold, VOCs are an ozone precursor, and the district is not in attainment for ozone; PAR 1143 may contribute to an existing or projected air quality violation. Since the proposed project would result in VOC emissions reductions foregone from the existing Rule 1143 that exceed the operational VOC significant threshold of 55 pounds per day, it may diminish an existing air quality rule or future compliance requirement resulting in a significant increase in an air pollutant.

Toxic Air Contaminants

Artist solvents and thinners may contain toxic air contaminants (TACs). As summarized in Chapter 3, the February 2009 Final EA for PR 1143 determined toxic air contaminant impacts would not be expected to change significantly from existing conditions with the use of non- or low-VOC replacement solvents (acetone, methyl acetate, and PCBTF) in lieu of conventional solvents (acetone, denatured alcohol, isopropyl alcohol, lacquer thinner, MEK, mineral spirits, paint thinner, toluene, turpentine, varnish makers and printers naphtha, and xylene). This conclusion was based on a sample of consumer paint thinners and multi-purpose solvents, which is broader than the artist solvents and thinners sub-category affected by PAR 1143.

The average VOC content for artist solvents and thinners is estimated to be 800 grams per liter, which is equivalent to 6.7 pounds per gallon. Based on 114 pounds per day of VOC emissions foregone, and the average VOC content for artist solvents and thinners, approximately 17 gallons of artist solvents and thinners are used in the Basin per day. SCAQMD staff identified 34 affected institutional facilities within the district. If the total amount of artist solvents and thinners used in the Basin is divided by 34 affected institutional facilities, approximately 0.5

gallon of artist solvents and thinners would be used at a single institutional facility. This is a conservative estimate since there may be more artist solvents and thinners used in more than the 34 affected institutional facilities identified by SCAQMD staff.

Based on an MSDS review of artist solvents and thinners, SCAQMD staff identified the following conventional solvent TACs: isopropyl alcohol, xylene, ethyl benzene, toluene, methyl ethyl ketone, and hexane. Artist solvents and thinners included other compounds such as turpentine and mineral spirits, but since these compounds do not have health risk values (cancer potency factors or reference exposure levels), these compounds could not be evaluated quantitatively. The maximum density and TAC weight fraction from the MSDSs were used to estimate TAC emissions. Detailed TAC emission calculations are presented in Appendix B.

None of the TACs identified above have been assigned cancer potency factors by EPA or OEHHA; therefore, no carcinogenic health risk could be quantitatively estimated. Isopropyl alcohol, xylene, ethyl benzene, toluene, and hexane have chronic non-carcinogenic RELs, so chronic non-carcinogenic health risk was estimated from these TACs using the SCAQMD Rules 1401/212 Tier 2 Health Risk Assessment Procedure (<http://www.aqmd.gov/prdas/Risk%20Assessment/RiskAssessment.html>). Assuming the most conservative parameters (sensitive receptors within 25 meters of the affected facilities and worst-case meteorological factors), the chronic non-carcinogenic hazard index would be 0.09. This is less than the SCAQMD significance threshold of 1.0 presented in Table 4-1; therefore, PAR 1143 is not considered significant for chronic non-carcinogenic health risk.

Isopropyl alcohol, xylene, toluene, and methyl ethyl ketone have acute non-carcinogenic RELs, so acute non-carcinogenic health risk was estimated from these TACs using the SCAQMD Rules 1401/212 Tier 2 Health Risk Assessment Procedure. Assuming the most conservative parameters (sensitive receptors within 25 meters of the affected facilities and worst-case meteorological factors), the acute non-carcinogenic hazard index would be 0.3. The acute non-carcinogenic hazard index is less than the SCAQMD significance threshold of 1.0 presented in Table 4-1; therefore, PAR 1143 is not considered significant for chronic non-carcinogenic health risk.

Greenhouse Gas Emissions

Greenhouse gas emissions impacts were evaluated in the IS. Since none of the traditional artist related materials or non- or low-VOC solvents have been identified to be GHGs, PAR 1143 was determined to be less than significant for adverse GHG impacts.

Odor

Odors from PAR 1143 were evaluated in the IS. Since the odor impacts from conventional and lower VOC-containing materials were deemed to be similar, exempting artist solvents and thinners was determined to be less than significant for adverse odor impacts.

PROJECT-SPECIFIC OPERATIONAL IMPACTS:

PAR 1143 would result in 113.7 pounds of VOC emissions forgone per day, which exceeds the SCAQMD operational VOC significant threshold of 55 pounds per day. Since the operational VOC emissions would exceed the significance threshold, VOCs are an ozone precursor, and the district is not in attainment for ozone; PAR 1143 may contribute to an existing or projected air quality violation. Since the proposed project would result in VOC emissions reductions foregone from the existing Rule 1143 that exceed the operational VOC significant threshold of 55 pounds

per day, it may diminish an existing air quality rule or future compliance requirement resulting in a significant increase in an air pollutant.

PROJECT-SPECIFIC OPERATIONAL MITIGATION:

Low- or No-VOC Reformulations

Artist solvents and thinners are expected to be used in quantities less than 0.5 gallons per day from containers that have a total capacity equal to or less than one liter. As stated in Chapter 2, non- and low-VOC solvents and thinners have not met the performance requirements needed by artists, such as no residue build-up, desired viscosity, desired paint sheen, desired paint blending and limited damage to brushes. Therefore, low- or no-VOC reformulations cannot be used to mitigate VOC emissions foregone from PAR 1143.

VOC Emission Control Technologies

VOC emission control systems consist of two parts: capture of VOC emissions and control of the VOC emissions. Devices such as fume hoods or paint spray booths capture VOC emissions, which are then vented to devices that either destroy or adsorb the VOC emissions.

Fume hoods are typically enclosures around five sides of a work area, the bottom of which is most commonly located at waist height. Fume hoods are designed to remove vapors from the breathing space of users. Fume hoods are available ducted or ductless (recirculating). Fume hoods are suited for artist clean-up operations such as the clean-up of paint brushes and other related paint application tools that can be cleaned under the hood due to its design to control fumes.

Bench top paint spray booths are intended to be set up on a table, desk or bench. Paint booths are designed to capture overspray and particulate from paint operations using spray equipment such as an air brush or paint aerosol cans (i.e., emissions propelled toward a direction). Since artist solvents and thinners are not typically sprayed, but instead result in emissions from evaporation, fume hoods are a better technology for artist solvents and thinners.

VOC emissions can either be destroyed by combustion or adsorbed to activated carbon. VOC emissions are typically destroyed by boilers, internal combustion engines or thermal oxidizers. If the vapor concentration fluctuates substantially from the process controlled, an auxiliary fuel, such as natural gas, is required to ensure that enough fuel is available to maintain combustion at all times. Since the emissions from artist solvents and thinners are expected to be used in small quantities (i.e., only containers equal to or less than one liter would be exempt from the VOC content limits of Rule 1143) and only the cleaning operations would be captured by fume hoods; the combustion devices would be almost completely fueled by the auxiliary fuel. It is likely that the emissions from operating the combustion devices would exceed the emissions from the artist solvents and thinners. Therefore, combustion technology is not practical to control VOC emissions from artist solvents and thinners.

Carbon absorption could be used to control VOC emissions from artist solvents and thinners captured by fume hoods. Activated carbon filters could be used to adsorb VOC emission vented from the fume hood. Since activated carbon can adsorb VOC emissions in small concentrations, it is a more applicable technology than combustion for controlling VOC emissions from artist solvents and thinners vented from a fume hood.

Artist Solvents and Thinner Use Categories

Artist solvents and thinner use can be placed into two categories close proximity and clean-up use. Close proximity of the work would involve the application of artist solvent and thinner to works of art either in the creation of art or the restoration of artwork. It would be difficult to apply thinner or media to surfaces or to restore work within fume hoods, so close proximity tasks are not expected to be controlled.

Clean-up solvents could potentially be used with a collection device such as fume hoods since clean-up tasks typically involve cleaning paint brushes and related paint application tools that are easily moved to the fume hoods for clean-up operations. Therefore, 56.9 pounds of VOC emissions from clean-up operations (50 percent of 113.7 pounds of total VOC emissions foregone) could be controlled by fume hoods and carbon adsorption. The other 56.9 pounds of VOC emissions from close proximity work would not be controlled.

Application of Control Technology

Consumer products regulations only apply to residential and institutional (museum and educational) sources. Based on conversations with artist trade associations, SCAQMD staff estimated that 20 percent of artist solvent and thinner clean up occurs at institutions and 80 percent occurs at local studios, which include home studios and other location studios.

Restoration at museums is considered close proximity work, so it is unlikely that such restoration tasks could be completed within a fume hood with carbon filters. Since new art is not generated at museums, no clean-up is expected. Therefore, control of VOC emission is not expected to be practical at museums.

Collection and control technologies for clean up use are not considered to be feasible at home or other local studios for the following reasons: home studios would typically be located in residential areas and would typically consist of converting one room into a studio. It would be impractical to install fume hoods and carbon filters because of size limitations; difficulty in installing equipment if the studio is located in an apartment or condominium for example; and local residential zoning ordinances may prohibit installation of some types of control technologies, especially those that involve combustion.

Control technologies for clean-up VOC emissions are expected to be technically feasible for use at educational institutions. Staff estimates that there are 34 artist related education institutions in the district and each institution would require a single unit; therefore, a total of 34 units are would be needed.

As stated above, approximately 56.9 pounds per day of VOC emissions are from clean-up solvents. However, only 20 percent of all artist solvent and thinners would be used at institutions. Therefore, 11.4 pounds per day (20 percent of 57 pounds per day of VOC emissions) would be captured by collection devices at institutions. Staff estimates that approximately 50 percent of the used clean-up solvents would remain in liquid form and would be disposed of as hazardous waste, thus, 5.7 pounds per day of VOC emissions would be captured using fume hoods. Activities that could not be performed within a fume hood (such as art restoration, solvent and thinner mixed into artistic media) would not be captured.

Manufacturers of carbon filters estimate the carbon adsorption efficiency of a new flat filter to be 95 percent. Carbon filter performance decays over time; therefore, SCAQMD staff estimates

that there would be a performance loss of 15 percent over the life of the filter. Therefore, the “in use” control efficiency was assumed to be 81 percent. Therefore, approximately 4.59 pounds of VOC emissions (5.69 pounds of VOC per day x 0.81) would be controlled by fume hoods and carbon adsorption.

Based on a cost analysis of fume hoods and carbon filters (see Appendix B) the cost effectiveness of the VOC emissions control system would be approximately \$98,300 per ton. The SCAQMD has set a cost effective threshold of \$16,500 per ton. Since the \$98,300 per ton that would be required to install and operate a VOC emissions control system at affected institutions exceeds \$16,500 per ton, VOC emissions control systems are not considered feasible based on cost.

SCAQMD staff did not identify any other mitigation measures that would reduce VOC emissions foregone from PAR 1143.

REMAINING AIR QUALITY IMPACTS: No construction emissions were identified from PAR 1143. Therefore, construction would not have significant adverse impacts and no construction mitigation measures are required.

The air quality analysis concluded that significant adverse operational air quality impacts could be generated by the proposed project because the operational activities would produce VOC emissions foregone that would exceed the SCAQMD’s significance threshold of 55 pounds per day of VOC.

As stated above no mitigation measures were identified by SCAQMD staff (VOC content limit and VOC control device) that could avoid the significant impact or reduce the impact to less than significant.

It is concluded that the proposed project overall has the potential to generate significant adverse air quality impacts for operation. As a result, a Findings and a Statement of Overriding Considerations will be prepared for the Governing Board's consideration and approval prior to the public hearing for the proposed project.

CUMULATIVE AIR QUALITY IMPACTS: The analysis indicates that the proposed project will result in less than significant construction impacts, since no construction is expected. Because construction adverse impacts are not significant, they are not considered to be cumulatively considerable (CEQA Guidelines §15064 (h)(1)).

In general, the preceding analysis concluded that air quality impacts from operational activities would be significant from implementing the proposed project because the SCAQMD’s significance thresholds for operations would be exceeded for VOC emissions foregone. Thus, the air quality impacts due to operational VOC emission foregone are considered to be cumulatively considerable pursuant to CEQA Guidelines §15064 (h)(1) and therefore, generate significant adverse cumulative air quality impacts.

Even though the proposed project would cause significant adverse increase in VOC emissions foregone during operations, the operational VOC emission reductions foregone combined with the total permanent emission reductions achieved by Rule 1143 are expected to result in net VOC emission reductions and, therefore, would not interfere with the air quality progress and

attainment demonstration projected in the AQMP. Further, based on regional modeling analyses performed for the 2007 AQMP, implementing control measures contained in the 2007 AQMP, in addition to the air quality benefits of the existing rules, is anticipated to bring the district into attainment with all national and most state ambient air quality standards by the year 2023. Therefore, cumulative operational air quality impacts from the proposed project, previous amendments and all other AQMP control measures considered together, are not expected to be significant because implementation of all AQMP control measures is expected to result in net emission reductions and overall air quality improvement. This determination is consistent with the conclusion in the 2007 AQMP Final Program EIR that cumulative air quality impacts from all AQMP control measures are not expected to be significant (SCAQMD, 2007). Therefore, there will be no significant cumulative adverse operational air quality impacts from implementing the proposed project.

CUMULATIVE MITIGATION MEASURES: Since there are no significant adverse cumulative air quality impacts from construction, no cumulative mitigation measures for construction are required.

Similarly, operational air quality impacts from the proposed project were determined not to be cumulatively significant so no mitigation measures are required.

POTENTIAL ENVIRONMENTAL IMPACTS FOUND NOT TO BE SIGNIFICANT

While all the environmental topics required to be analyzed under CEQA were reviewed to determine if the proposed project would create significant impacts, the screening analysis concluded that the following environmental areas would not be significantly adversely affected by the proposed project: aesthetics, agriculture and forest resources, biological resources, cultural resources, energy, geology/soils, hazards and hazardous material, hydrology and water quality, land use and planning, mineral resources, noise, population and housing, public services, recreation, solid/hazardous waste and transportation and traffic. One comment was received on the NOP/IS that asked SCAQMD staff to consider avoidance, when significant cultural resources are discovered during the course of project planning and implementation. Since PAR 1143 would only exempt artist solvents and thinners from the requirements of Rule 1143, no construction is required, and usage is expected to occur within existing structures in small quantities; no cultural resource impacts are expected. Therefore, the comment does not apply to PAR 1143.

The following is a brief discussion of each topic found not to be significant in the NOP/IS.

Aesthetics

PAR 1143 would not result in any new construction of buildings or other structures that would obstruct scenic resources or degrade the existing visual character of a site, including but not limited to, trees, rock outcroppings, or historic buildings. Similarly, additional light or glare would not be created which would adversely affect day or nighttime views in the area since no light generating equipment would be required to comply with PAR 1143. Further, the use of artist solvents and thinners would not appreciably change the visual profile of the building(s) where the exempted artist solvents and thinners are used.

Therefore, for these aforementioned reasons, the proposed project is not expected to create significant adverse aesthetic impacts.

Agriculture and Forest Resources

The proposed project would not result in any new construction of buildings or other structures that would convert farmland to non-agricultural use or conflict with zoning for agricultural use or a Williamson Act contract. Use of artist solvents and thinners would not require converting farmland to non-agricultural uses because the use of artist solvents and thinners is expected to occur completely within the confines of affected industrial facilities, commercial facilities, residences or institutions boundaries. For the same reasons, PAR 1143 would not result in the loss of forest land or conversion of forest land to non-forest use.

Therefore, for these aforementioned reasons, the proposed project is not expected to create significant adverse agriculture and forest resource impacts.

Biological Resources

Use of artist solvents and thinners is expected to occur within existing structures. Further, PAR 1143 is not expected to require construction activities to install control equipment because use of artist solvents and thinners would be exempt from PAR 1143. For the same reason, PAR 1143 would not require the construction of any new buildings or other structures. As a result, implementing PAR 1143 is not expected to adversely affect in any way habitats that support riparian habitat, are federally protected wetlands, or are migratory corridors. Similarly, since implementing PAR 1143 would not require construction of any structures, special status plants, animals, or natural communities are not expected to be adversely affected.

It is not envisioned that PAR 1143 would conflict with local policies or ordinances protecting biological resources or local, regional, or state conservation plans because the proposed project does not require construction of any structures or new development in undeveloped areas. Additionally, PAR 1143 would not conflict with any adopted Habitat Conservation Plan, Natural Community Conservation Plan, or any other relevant habitat conservation plan for the same reason.

Therefore, the proposed project is not expected to create significant adverse biological resource impacts.

Cultural Resources

Since no construction-related activities would be associated with the implementation of PAR 1143, no impacts to historical or cultural resources are anticipated to occur as a result of implementing the proposed project. Further, PAR 1143 is not expected to require physical changes to the environment, such as construction, which may disturb paleontological or archaeological resources or disturb human remains interred outside of formal cemeteries. The proposed project is, therefore, not anticipated to result in any activities that could have a significant adverse impact on cultural resources in the District.

Energy

The use of artist solvents and thinners is expected to create little or no additional demand for energy at affected institutional facilities because activities and practice that involve the use artist solvents and thinners are not expected to change as a result of exempting artist solvents and thinners from the requirements of the existing rule and, as such, would require little or no additional energy to use. As a result, PAR 1143 would not conflict with energy conservation plans, use non-renewable resources in a wasteful manner, or result in the need for new or substantially altered power or natural gas systems. Since PAR 1143 would not require the

installation of control equipment or the construction of any structures, the proposed project would not conflict with adopted energy conservation plans. Additionally, facility operators who use artist solvents and thinners are expected to comply with any relevant existing energy conservation plans and standards to minimize operating costs. In light of the aforementioned discussion and since PAR 1143 would only affect artist solvents and thinners, PAR 1143 would not create any significant adverse effects on peak and base period demands for electricity, natural gas, or other forms of energy, or adversely affect energy producers or energy distribution infrastructure. The proposed project is, therefore, not anticipated to result in any activities that could have a significant adverse impact on energy resources in the District.

Geology and Soils

There are no provisions in PAR 1143 that would require the construction of new or modified structures or the construction of air pollution control equipment that would call for the disruption or overcovering of soil, changes in topography or surface relief features, the erosion of beach sand, or a change in existing siltation rates. It is expected that consumers who use artist solvents and thinners, would use these products within affected residences' or institutions' boundaries. For these reasons, PAR 1143 would not expose persons or property to geological hazards such as earthquakes, landslides, mudslides, ground failure, or other natural hazards. Since artist solvents and thinners would be exempt from PAR 1143, installation of control equipment or the construction of any structures is not expected. Since PAR 1143 would not involve construction activities, no soil disruption from excavation, grading, or filling activities; changes in topography or surface relief features; erosion of beach sand; or changes in existing siltation rates are anticipated from the implementation of the proposed project. Since no construction activities would be required, no excavation, grading, or filling activities will be required to comply with the proposed project. For these reasons, subsidence is not anticipated to be a problem. Further, the proposed project would not require the drilling or removal of underground products (e.g., water, crude oil, etc.) that could produce subsidence effects. Since no groundwork or earth moving activities would be required as part of implementing PAR 1143, no new landslides effects or changes to unique geologic features would occur. For the same reasons, no persons or property would be exposed to new impacts from expansive soils or soils incapable of supporting water disposal. Further, PAR 1143 does not involve installation of septic tanks or other alternative waste water disposal systems. The main effect of the proposed project would allow the use of artist solvents and thinners exempt from PAR 1143.

Based upon the aforementioned considerations, significant geology and soils impacts are not expected from the implementation of the proposed project.

Hazards and Hazardous Materials

Exempting artist solvents and thinners from PAR 1143 would result in no provisions that would directly or indirectly dictate the use of any specific solvent or thinner formulations. Persons who currently use artist solvents and thinners would continue to have the flexibility of choosing the product formulation best suited for their needs. It is likely that persons who utilize these materials would choose an artist solvent thinner product that does not pose a substantial safety hazard.

The purpose for the exemption for artist solvents and thinners is that Rule 1143 compliant solvents do not have the desired characteristics needed by artist for their solvents and thinners. If PAR 1143 is adopted, it is unlikely that there would be an increase in affected solvents reformulated with acetone. Instead, it is likely that artist solvents and thinners would be

formulated with traditional solvents. According to the analysis of hazard impacts from Rule 1143 in the June 2010 Final Supplemental EA for PAR 1143, it was concluded that formulating compliant products with acetone could generate significant adverse hazard impacts; however, the July amendments to Rule 1143 included labeling and public outreach requirements, which were concluded to reduce significant hazard impacts to insignificant. This potential hazard impact from formulating artist solvents and thinners with acetone would be eliminated under PAR 1143.

Therefore, PAR 1143 is not expected to create a new significant hazard to the public or the environment through the routine transport, use and disposal of hazardous material; create a new significant hazard to the public or the environment through reasonably foreseeable upset conditions involving the release of hazardous materials into the environment; emit new hazardous emissions, or handle hazardous or acutely hazardous materials, substances or waste within one-quarter mile of an existing or proposed school; or significantly increase fire hazard in areas with flammable materials.

Since PAR 1143 would exempt artist solvents and thinners, it would not impact facilities affected by Government Code §65962.5 (i.e., under the proposed exemption from Rule 1143, affected manufacturers or users of artist solvents and thinners would not have any restrictions related to Rule 1143, but would still need to comply with any regulations relating to Government Code §65962.5).

Since the use of artist solvents and thinners exempt from PAR 1143 would occur at existing residential, institutional, industrial, or commercial facilities, implementation of PAR 1143 is not expected to increase or create any new hazardous emissions which could adversely affect public/private airports located in close proximity to the affected sites. As stated above, the potential flammability impacts from artist solvents and thinners is likely to be less, because reformulation would not be necessary as a result of the proposed exemption (i.e., any acetone use would not be an effect of PAR 1143). In addition, PAR 1134 artist solvents and thinners would exempt containers having a total capacity equal to or less than one liter.

With respect to suppliers and sellers of affected artist solvents/thinners, Health and Safety Code §25506 specifically requires all businesses handling hazardous materials to submit a business emergency response plan to assist local administering agencies in the emergency release or threatened release of a hazardous material. Because the proposed project would eliminate potential hazard impacts from acetone-based products, it is not anticipated that PAR 1143 would impair implementation of or physically interfere with an adopted or modified emergency response plan or emergency evacuation plan, and will not be evaluate further in the ~~Draft~~-Final EA.

Since the exemption in PAR 1143 is likely to result in the use of less flammable artist solvents and thinners than acetone at existing residential, industrial, or commercial sites in urban areas where wildlands are typically not prevalent, risk of loss or injury associated with wildland fires is not expected as a result of implementing PAR 1143. Therefore, PAR 1143 is not expected to be significant for exposing people or structures to risk of loss, injury or death involving wildland fires.

Based upon these considerations, significant land use planning impacts are not expected from the implementation of the proposed project.

Hydrology and Water Quality

The exemption for artist solvents and thinners is not expected to affect water use, since artist solvents and thinners that do not meet the 300 gram of VOC per liter limit in the existing Rule 1143 are not expected to be water- or acetone-based (i.e., not water soluble).

Since there would be no VOC content limit, manufacturers would not need to reformulate using water-based formulations. Therefore, decreased water demand is expected. Therefore, PAR 1143 is not expected to adversely affect existing water demand, affect groundwater supplies or interfere with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level. In addition, implementation of PAR 1143 would not increase demand for water from existing entitlements and resources, and would not require new or expanded entitlements. Therefore, no water demand impacts are expected as the result of implementing PAR 1143.

The use of traditional and low-VOC solvents were found to be similar; therefore, substantial changes in wastewater volume and composition is not expected from exempting artist solvents and thinners in PAR 1143. Further, PAR 1143 is not expected to cause facility operators that utilize these products to violate any water quality standard or wastewater discharge requirements since wastewater volumes associated with PAR 1143 will remain unchanged. PAR 1143 is not expected to have significant adverse water demand and water quality impacts for the following reasons:

- The proposed project does not increase demand for potable water by more than 262,820 gallons of per day.
- The proposed project does not increase total demand potable water by more than 5,000,000 gallons per day.
- The proposed project does not create a substantial increase in mass inflow of effluents to public wastewater treatment facilities.
- The proposed project does not result in a substantial degradation of surface water or groundwater quality.
- The proposed project does not result in substantial increases in the area of impervious surfaces, such that interference with groundwater recharge efforts occurs.
- The proposed project does not result in alterations to the course or flow of floodwaters.

Since the proposed project does not involve construction activities, no new increases to storm water runoff, drainage patterns, groundwater characteristics, or flow are expected. Therefore, these impact areas are not expected to be affected by PAR 1143.

PAR 1143 is not expected to generate the construction of new housing or contribute to the construction of new building structures because no facility modifications or changes are expected to occur at existing facilities or sites where artist solvents and thinners are distributed, sold or used. Further, PAR 1143 is not expected to require additional workers at affected facilities or sites where these products are used because PAR 1143 primarily affects consumers. To the extent that affected products are used at institutional facilities, no additional workers would be required because PAR 1143 would only exempt artist solvents and thinners, not existing operations. Therefore, PAR 1143 is not expected to generate construction of any new structures in 100-year flood areas as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood delineation map. Further, PAR 1143 is not expected to expose persons or structures to significant new flooding risks, or make worse any existing flooding risks than

currently exists because no new structure would be necessary to implement PAR 1143. Finally, PAR 1143 will not affect in any way any potential flood hazards inundation by seiche, tsunami, or mud flow that may already exist relative to existing facilities or other sites where artist solvents and thinners are used.

Since PAR 1143 is not expected to result in significant water or wastewater volumes and compositions, PAR 1143 is not expected to result in the construction of new water or wastewater treatment facilities.

PAR 1143 would not cause an increase in storm water discharge, since no construction activities are required or expected in order to use exempt artist solvents and thinners. Further, no new areas at existing affected facilities are expected to be paved, so the proposed project would not increase storm water runoff during operation. Therefore, no new storm water discharge treatment facilities or modifications to existing facilities would be required as a result of implementing PAR 1143. Accordingly, PAR 1143 is not expected to generate significant adverse impacts relative to construction of new storm water drainage facilities.

Based upon these considerations, significant hydrology and water quality impacts are not expected from the implementation of the proposed project.

Land Use and Planning

PAR 1143 would exempt any artist solvents and thinners provided that it is sold or used for reducing the viscosity of, or removing, art coating compositions or components and would not involve the construction of any air pollution control equipment or structures; therefore, it would not result in physically dividing an established community. Land use and other planning considerations are determined by local governments and no land use or planning requirements would be altered by exempt any artist solvents and thinners from PAR 1143 requirements.

Since PAR 1143 would exempt any artist solvents and thinners provided that it is sold or used for reducing the viscosity of, or removing, art coating compositions or components and would not involve construction of any air pollution control equipment or structures, it would not affect in any way habitat conservation or natural community conservation plans, agricultural resources or operations, and would not create divisions in any existing communities. Therefore, present or planned land uses in the region would not be significantly adversely affected as a result of implementing PAR 1143.

Based upon these considerations, significant land use planning impacts are not expected from the implementation of the proposed project.

Mineral Resources

There are no provisions of the proposed project that would result in the loss of availability of a known mineral resource of value to the region and the residents of the state such as aggregate, coal, clay, shale, et cetera, or of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan.

Noise

It is expected that any noise from exempting any artist solvents and thinners provided that it is sold or used for reducing the viscosity of, or removing, art coating compositions or components PAR 1143 would occur at the manufacturer level. However, the manufacture of exempt artist

solvents and thinners is not expected to cause physical modifications that would require construction activities at the point of manufacture, distribution or use. For these reasons, PAR 1143 is not expected to expose persons to the generation of excessive noise levels above current facility levels, because it would only affect the composition of artist solvents and thinners. Further, the use of these materials at the consumer level is typically not a noise intensive activity. Therefore, the existing noise levels are unlikely to change and raise ambient noise levels in the vicinities of the existing facilities or other sites where these products are distributed, sold or used to above a level of significance in response to implementing PAR 1143.

PAR 1143 is not anticipated to expose persons to or generate excessive groundborne vibration or groundborne noise levels since no construction activities are expected to occur by exempting artist solvents and thinners and the exemption does not involve, in any way, the installation of control equipment that would generate vibrations and noise.

No increase in periodic or temporary ambient noise levels in the vicinity of affected facilities above levels existing prior to PAR 1143 is anticipated because the proposed project would not require construction-related activities nor would it change the existing activities currently performed by persons who utilize artist solvents and thinners.

Even if affected sites where these products are used are located near public/private airports, no new noise impacts would be expected since the use of artist solvents and thinners is not typically a noise intensive activity. Thus, PAR 1143 is not expected to expose persons residing or working in the vicinity of public or private airports to excessive noise levels.

Based upon the aforementioned considerations, significant noise impacts are not expected from the implementation of the proposed project.

Population and Housing

The proposed project is not anticipated to generate any significant effects, either direct or indirect, on the district's population or population distribution as no additional workers are anticipated to be required to comply with PAR 1143. Human population within the jurisdiction of the SCAQMD is anticipated to grow regardless of implementing PAR 1143. As such, PAR 1143 will not result in changes in population densities or induce significant growth in population.

As such, PAR 1143 is not expected to substantially alter existing operations where artist solvents and thinners may be used. Consequently, PAR 1143 is not expected to result in the creation of any industry that would affect population growth, directly or indirectly induce the construction of single- or multiple-family units, or require the displacement of persons or housing elsewhere in the district.

Based upon these considerations, significant population and housing impacts are not expected from the implementation of the proposed project.

Public Services

Potential adverse impacts to fire departments could occur in two ways: 1) if there is an increase in accidental release of hazardous materials used in artist solvents and thinners, fire departments would have to respond more frequently to accidental release incidences; and, 2) if there is an increase in the amount of hazardous materials stored at affected facilities, fire departments may have to conduct additional inspections. Based on the analysis in Section VIII. Hazards and

Hazardous Materials, PAR 1143 is expected to reduce the hazards and hazardous material in artist solvents and thinners. It should be again acknowledged, however, that PAR 1143 does not require the use of any particular product. In addition, both traditional solvents and exempt solvents, aqueous, and bio-based technology are commercially available. Consumers who utilize artist solvents and thinners would determine which artist solvents and thinners to use based on a number of factors including, but not limited to, safety considerations.

Communications with fire department personnel revealed that there would be equal concerns with the use of any conventional or replacement solvent which has a flash point below 65 degrees Fahrenheit. Even though there are several conventional solvents that have flash points below 65 degrees Fahrenheit, the use of artist solvents and thinners formulated with these both traditional and low-VOC solvents are currently being safely used. Thus, there is no reason to believe that an exemption for artist solvents and thinners from the existing requirements of PAR 1143 would substantial change the safety and handling practices currently in place.

Based upon these considerations, the overall risk associated with the use of artist solvents and thinners is not expected to appreciably change when PAR 1143 is adopted. Further, implementation of PAR 1143 would not generate significant adverse impacts to local fire departments requiring new or additional fire fighting resources. As a result, the need for inspections and the net number of accidental releases would be expected to remain relatively constant.

Local police departments are often the first responders to emergency situations such as fires to cordon off the area and provide crowd control. Since exempting artist solvents and thinners from the requirements of PAR 1143 is expected to decrease the flammability relative to the flammability of low-VOC solvents (specifically acetone), implementing PAR 1143 is not expected to increase the number of fires compared to the existing setting. As a result, no significant adverse impacts to local police departments are expected because no increases in fire emergencies are anticipated.

The local labor pool (e.g., workforce) of people and consumers that use artist solvents and thinners in their day-to-day activities is expected to remain the same since PAR 1143 would not trigger substantial changes to current usage practices. Therefore, with no increase in local population anticipated (see discussion “XIII. Population and Housing”), construction of new or additional demands on existing schools and parks are not anticipated. Therefore, no significant adverse impacts are expected to local schools or parks.

By exempting PAR 1143 from the existing rule, there is no other need for government services. Further, PAR 1143 would not result in the need for new or physically altered government facilities, such as police or fire departments, in order to maintain acceptable service ratios, response times, or other performance objectives. There will be no increase in population and, therefore, no need for physically altered government facilities.

Based upon these considerations, significant public services impacts are not expected from the implementation of the proposed project.

Recreation

As discussed previously under “Land Use,” there are no provisions to the proposed project that would affect land use plans, policies, or regulations. Land use and other planning considerations

are determined by local governments; no land use or planning requirements are expected to be altered by the proposed project. Further, the proposed project would not increase the use of existing neighborhood and regional parks or other recreational facilities or include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment because the proposed project is not expected to induce population growth. Based upon these considerations, significant recreation impacts are not expected from the implementation of the proposed project.

Solid/Hazardous Waste

The type of waste associated with artist solvents and thinners depends on the manner in which these products are used. In handwipe operations, solvent-laden rags are the predominant waste product (liquid cleanup solvent wastes are addressed in the “Hydrology and Water Quality” section). These wastes are a byproduct of hand wipe cleaning and not because of air quality regulations (i.e., PAR 1143). Additionally, PAR 1143 would not be the cause of waste generation, but exempts artist solvents and thinners from the requirements of Rule 1143. Thus, PAR 1143 may result in the alteration of the composition of a waste stream because of the artist solvents and thinners would not need to use low-VOC solvents, but would not be expected to result in an increased generation of waste.

It is important to note that PAR 1143 does not change the current requirements specific to cleanup solvent storage and disposal. Since future reformulations of artist solvents and thinners are expected to be formulated with solvents that are equally or less hazardous than currently used solvents (see “Hazards and Hazardous Materials” section), implementing PAR 1143 is not expected to generate significant new adverse hazardous waste impacts.

Therefore, there are no significant adverse solid and hazardous waste impacts associated with PAR 1143. As a result, no net increase in the amount or character of solid or hazardous waste streams is expected to occur. Further, PAR 1143 is not expected to increase the volume of solid or hazardous wastes from persons who utilize artist solvents and thinners, require additional waste disposal capacity, or generate waste that does not meet applicable local, state, or federal regulations.

Based upon these considerations, significant solid/hazardous waste impacts are not expected from the implementation of the proposed project.

Transportation/Traffic

The use of artist solvents and thinners is not expected to adversely affect transportation. The volumes of artist solvents and thinners are not expected to deviate substantially from the volumes of materials currently used. Thus, the current level of transportation demands related to transporting new formulations of materials is expected to remain equivalent. PAR 1143 is not expected to affect existing uses and applications of artist solvents and thinners that would change or cause additional worker trips to distribution or retail facilities or increase transportation demands or services. Therefore, since no substantial increase in operational-related trips are anticipated, implementing PAR 1143 is not expected to significantly adversely affect circulation patterns on local roadways or the level of service at intersections near affected facilities or other sites that use these products.

The height and appearance of the existing structures where artist solvents and thinners would be used is not expected to be affected by complying with PAR 1143. Therefore, implementation of

PAR 1143 is not expected to adversely affect air traffic patterns. Further, PAR 1143 would not affect in any way air traffic in the region because, artist solvents and thinners are typically shipped via ground transportation and not by air.

Use of artist solvents and thinners does not require construction of structures or roadways. Further, implementing PAR 1143 will not involve modifications to existing roadways. Consequently, implementing the proposed project will not create roadway hazards or incompatible roadway uses.

Use of artist solvents and thinners exempt from PAR 1143 is not expected affect or require changes to emergency access at or in the vicinity of the affected facilities or other sites where artist solvents and thinners is used since PAR 1143 will not require construction or physical modifications of any kind. Therefore, PAR 1143 is not expected to adversely affect emergency access.

No modifications at facilities or other sites where artist solvents and thinners is used is expected that would conflict with alternative transportation, such as bus turnouts, bicycle racks, et cetera. Consequently, implementing PAR 1143 would not create any conflicts with these modes of transportation.

Based upon these considerations, significant transportation/traffic impacts are not expected from the implementation of the proposed project.

SIGNIFICANT IRREVERSIBLE ENVIRONMENTAL CHANGES

CEQA Guidelines §15126(c) requires an environmental analysis to consider "any significant irreversible environmental changes which would be involved if the proposed action should be implemented." The NOP/IS and this EA identified the topic of air quality as the environmental area potentially adversely affected by the proposed project. PAR 1143 would result in 113.7 pounds of VOC emissions forgone per day, which exceeds the SCAQMD operational VOC significant threshold of 55 pounds per day, and therefore, is considered significant. VOCs are an ozone precursor, and the district is not in attainment for ozone; however, the net increase in operational VOC emissions foregone combined with the total permanent emission reductions achieved by Rule 1143 are not expected to interfere with the air quality progress and attainment demonstration projected in the AQMP. Since, the AQMP will ensure the progress and attainment demonstration of the ozone standard, the operational VOC emissions foregone are not considered significant irreversible.

POTENTIAL GROWTH-INDUCING IMPACTS

CEQA Guidelines §15126(d) requires an environmental analysis to consider the "growth-inducing impact of the proposed action." Implementing the proposed project will not, by itself, have any direct or indirect growth-inducing impacts on businesses in the SCAQMD's jurisdiction because it is not expected to foster economic or population growth or the construction of additional housing and primarily affects existing facilities.

CONSISTENCY

CEQA Guidelines §15125(d) requires an EIR to discuss any inconsistencies between a proposed project and any applicable general plans or regional plans. SCAG and the SCAQMD have developed, with input from representatives of local government, the industry community, public health agencies, the USEPA - Region IX and CARB, guidance on how to assess consistency

within the existing general development planning process in the Basin. Pursuant to the development and adoption of its Regional Comprehensive Plan Guide (RCPG), SCAG has developed an Intergovernmental Review Procedures Handbook (June 1, 1995). The SCAQMD also adopted criteria for assessing consistency with regional plans and the AQMP in its CEQA Air Quality Handbook. The following sections address the consistency between the proposed project and relevant regional plans pursuant to the SCAG Handbook and SCAQMD Handbook.

Consistency with Regional Comprehensive Plan and Guide (RCPG) Policies

The RCPG provides the primary reference for SCAG's project review activity. The RCPG serves as a regional framework for decision making for the growth and change that is anticipated during the next 20 years and beyond. The Growth Management Chapter (GMC) of the RCPG contains population, housing, and jobs forecasts, which are adopted by SCAG's Regional Council and that reflect local plans and policies, shall be used by SCAG in all phases of implementation and review. It states that the overall goals for the region are to: 1) re-invigorate the region's economy; 2) avoid social and economic inequities and the geographical isolation of communities; and, 3) maintain the region's quality of life.

Consistency with Growth Management Chapter (GMC) to Improve the Regional Standard of Living

The Growth Management goals are to develop urban forms that enable individuals to spend less income on housing cost, that minimize public and private development costs, and that enable firms to be more competitive, strengthen the regional strategic goal to stimulate the regional economy. The proposed project in relation to the GMC would not interfere with the achievement of such goals, nor would it interfere with any powers exercised by local land use agencies. Further, the proposed project will not interfere with efforts to minimize red tape and expedite the permitting process to maintain economic vitality and competitiveness.

Consistency with Growth Management Chapter (GMC) to Provide Social, Political and Cultural Equity

The Growth Management goals to develop urban forms that avoid economic and social polarization promotes the regional strategic goals of minimizing social and geographic disparities and of reaching equity among all segments of society. Consistent with the Growth Management goals, local jurisdictions, employers and service agencies should provide adequate training and retraining of workers, and prepare the labor force to meet the challenges of the regional economy. Growth Management goals also include encouraging employment development in job-poor localities through support of labor force retraining programs and other economic development measures. Local jurisdictions and other service providers are responsible to develop sustainable communities and provide, equally to all members of society, accessible and effective services such as: public education, housing, health care, social services, recreational facilities, law enforcement, and fire protection. Implementing the proposed project has no effect on and, therefore, is not expected to interfere with the goals of providing social, political and cultural equity.

Consistency with Growth Management Chapter (GMC) to Improve the Regional Quality of Life

The Growth Management goals also include attaining mobility and clean air goals and developing urban forms that enhance quality of life, accommodate a diversity of life styles, preserve open space and natural resources, are aesthetically pleasing, preserve the character of communities, and enhance the regional strategic goal of maintaining the regional quality of life.

The RCPG encourages planned development in locations least likely to cause environmental impacts, as well as supports the protection of vital resources such as wetlands, groundwater recharge areas, woodlands, production lands, and land containing unique and endangered plants and animals. While encouraging the implementation of measures aimed at the preservation and protection of recorded and unrecorded cultural resources and archaeological sites, the plan discourages development in areas with steep slopes, high fire, flood and seismic hazards, unless complying with special design requirements. Finally, the plan encourages mitigation measures that reduce noise in certain locations, measures aimed at preservation of biological and ecological resources, measures that would reduce exposure to seismic hazards, minimize earthquake damage, and develop emergency response and recovery plans. The proposed project implements an AQMP control measure, which results in improving air quality in the region. Therefore, in relation to the GMC, the proposed project is not expected to interfere, but rather help with attaining and maintaining the air quality portion of these goals.

Consistency with Regional Mobility Element (RMP) and Congestion Management Plan (CMP)

The proposed project is consistent with the RMP and CMP since less than significant adverse impacts to transportation/circulation would from PAR 1143.

CHAPTER 5

ALTERNATIVES

Introduction

Alternatives Rejected as Infeasible

Description of Alternatives

Comparison of Alternatives

Lowest Toxic Alternative

Environmentally Superior Alternative

Conclusion

INTRODUCTION

This ~~Draft~~ Final EA provides a discussion of alternatives to the proposed project as required by CEQA. Alternatives include measures for attaining objectives of the proposed project and provide a means for evaluating the comparative merits of each alternative. A ‘no project’ alternative must also be evaluated. The range of alternatives must be sufficient to permit a reasoned choice, but need not include every conceivable project alternative. CEQA Guidelines §15126.6(f) specifically notes that the range of alternatives required in a CEQA document is governed by a ‘rule of reason’ and only necessitates that the CEQA document set forth those alternatives necessary to permit a reasoned choice. The key issue is whether the selection and discussion of alternatives fosters informed decision making and meaningful public participation. A CEQA document need not consider an alternative whose effect cannot be reasonably ascertained and whose implementation is remote and speculative. SCAQMD Rule 110 (the rule which implements the SCAQMD’s certified regulatory program) does not impose any greater requirements for a discussion of project alternatives in an environmental assessment than is required for an EIR under CEQA.

Because of the limited scope of the proposed project, two alternatives to the proposed project are summarized in Table 5-1: Alternative A (No Project) and Alternative B (VOC Content Limit). Pursuant to the requirements in CEQA Guidelines §15126.6(b) to mitigate or avoid the significant effects that a project may have on the environment, a comparison of the potential air quality impacts from each of the project alternatives for the individual rule components that comprise the proposed project is provided in Table 5-2. No other significant adverse impacts were identified for the proposed project or any of the project alternatives. The proposed project is considered to provide the best balance between emission reductions and the adverse environmental impacts due to construction and operation activities while meeting the objectives of the project. Therefore, the proposed project is preferred over the project alternatives.

ALTERNATIVES REJECTED AS INFEASIBLE

A CEQA document should identify any alternatives that were considered by the lead agency, but were rejected as infeasible during the scoping process and explain the reasons underlying the lead agency’s determination [CEQA Guidelines §15126.6(c)]. Non- and low-VOC solvents and thinners have not met the performance requirements needed by artists, such as no residue build-up, desired viscosity, desired paint sheen, desired paint blending and limited damage to brushes. Therefore, alternatives that would require non- or low-VOC solvents or thinners would not be feasible and were rejected.

SCAQMD staff evaluated VOC control technology (fume hoods and carbon filters) in Chapter 4 of this EA. VOC control technology would be limited to educational use, since requiring VOC control technology at residences or museums is not considered feasible as discussed in Chapter 4. Based on a cost analysis of fume hoods and carbon filters at educational facilities (see Appendix B) the cost effectiveness of the VOC emissions control system would be approximately \$98,300 per ton. The SCAQMD has set a cost effective threshold of \$16,500 per ton. Since the \$98,300 per ton that would be required to install and operate a VOC emissions control system at affected educational facilities exceeds \$16,500 per ton, VOC emissions control systems are not considered feasible based on cost.

**Table 5-1
Proposed Project and Alternatives**

Proposed Project	Alternative A: No Project	Alternative B: VOC Content Limit
<p>The proposed project would exempt any artist solvent or thinner labeled and designed exclusively to reduce the viscosity of, remove, art coating compositions or components and are individually packaged in containers having a total capacity equal to or less than one liter. Artist solvents and thinners would be defined as any liquid labeled to meet ASTM D4236-94 (Reapproved 2005) Standard Practice for Labeling Art Materials for Chronic Health Hazards, and refined to remove impurities for artistic use to reduce the viscosity of, or remove, art coating compositions or components. This proposal would align the existing Rule 1143 with CARB’s artist solvent and thinner exemption in their Consumer Products Regulation.</p>	<p>The proposed project is not adopted and existing Rule 1143 would remain in effect, which requires any artist solvents and thinners manufactured after the compliance dates would need to meet the 300 gram per liter VOC content limit on or after January 1, 2010 and the 25 gram per liter VOC content limit on or after January 1, 2011. Existing Rule 1143 allows the artist solvents and thinners manufactured prior to the implementation dates to meet the 300 gram per liter VOC content limit by January 1, 2011 and the 25 gram per liter VOC content limit by January 1, 2012. The one-year sell through provision is provided for both the interim and final VOC content limits.</p>	<p>Establish a VOC content limit of 880 grams per liter by January 1, 2013 for artist solvents and thinners.</p>

Table 5-2
Comparison of Adverse Environmental Impacts of the Proposed Project and Alternatives

Category	Proposed Project	Alternative A: No Project	Alternative B: VOC Content Limit
Air Quality	113.7 pounds of VOC emission reductions foregone per day.	Decrease in VOC emissions January 1, 2011 and January 1, 2012 when sell through provisions expire.	Qualitative reduction in VOC emissions foregone per day, since highest VOC content for artist solvents and thinners would be prohibited. However, since VOC emission reductions foregone are estimated based on a high VOC content limit, the 113.7 pounds of VOC emission reductions foregone per day are still expected.
Air Quality Impacts Significant?	<ul style="list-style-type: none"> • No construction impacts. • Significant, minimum of 113.7 pounds of VOC emissions foregone per day exceeds the SCAQMD operational significance threshold of 55 pounds of VOC per day. 	<ul style="list-style-type: none"> • Existing setting. • Achieves 2007 AQMP and Rule 1143 VOC emission reductions. 	<ul style="list-style-type: none"> • No construction impacts. • Significant, a maximum of 113.7 pounds of VOC emissions foregone per day exceeds the SCAQMD operational significance threshold of 55 pounds of VOC per day.

DESCRIPTION OF ALTERNATIVES

The following proposed alternatives were developed based on CEQA's requirement to present "realistic" alternatives; that is, alternatives that can actually be implemented.

The initial analysis of the proposed project in the NOP/IS determined that air quality would be the only environmental topic with potential adverse significant impacts. As such, the following two alternatives were developed by identifying and modifying major components of the proposed project. Specifically, the primary components of the proposed alternatives that have been modified relate to the amount of VOC emission reductions foregone. The alternatives, summarized in Table 5-1 and described in the following subsections, include the following: Alternative A (No Project) and Alternative B (VOC Content Limit). Unless otherwise specifically noted, all other components Alternative B are identical to the components of the proposed project. The following subsections provide a brief description of each alternative.

Alternative A - No Project

Alternative A or 'no project' means that the proposed project would not be adopted and artist solvents and thinners would need to meet VOC content limits proposed by the Rule. Existing Rule 1143 requires any artist solvents and thinners manufactured after the compliance dates would be required to meet the 300 gram per liter VOC content limit on or after January 1, 2010 and the 25 gram per liter VOC content limit on or after January 1, 2011. Further, the artist solvents and thinners manufactured prior to the implementation dates to meet the 300 gram per liter VOC content limit by January 1, 2010 and the 25 gram per liter VOC content limit by January 1, 2011. The one-year sell through provision is provided for both the interim and final VOC content limits. The current version of Rule 1143 would implement CM#2007CTS-04 – Emission Reductions from the Reduction of VOC Content of Consumer Products Not Regulated by the State Board.

In summary, Alternative A, the 'no project' alternative, does not achieve the goals of the proposed project because the existing Rule 1143 compliant consumer paint thinners and multi-purpose solvents do not meet the performance standards required by the artists (i.e., no residue build-up, desired viscosity, desired paint sheen, desired paint blending and limited damage to brushes).

Alternative B – VOC Content Limit

This alternative would set a VOC content limit based on the existing artist solvents and thinners. The VOC content limit would be set at 880 grams per liter. The VOC content limit was set at 880 grams per liter based on SCAQMD staff's study of multiple VOC contents in artist solvent and thinners (see Table 5-3). Based on conversations with vendors, the only artist solvents and thinners affected would be niche products with minor usage. SCAQMD staff also identified one open acrylic paint thinner with a VOC content of 980 grams per liter. This product is used in small quantities to generate specific effects with acrylic paints. The manufacturer stated that the product could be reformulated to meet the 880 gram per liter limit, but may require more of the reformulated product would be used to achieve same the desired effects. The increase in use may generate VOC emissions equivalent to the VOC emissions reduced by lowering VOC content. An additional two years are included in this alternative to allow the affected manufacturer to develop a product that would meet the VOC content limit of 880 grams per liter and desired performance.

Table 5-3
VOC Content of Paint Solvents and Thinners

Paint Thinner/Solvent	Highest VOC Content, gram/liter	Average VOC Content, gram/liter
Mineral Spirits	790	780.8
Paint Thinner	882	838.1
Polyethylene Glycol	980	980
Turpentine	863	862.5

COMPARISON OF ALTERNATIVES

The Environmental Checklist (see Chapter 2 of the Initial Study in Appendix C) identified air quality as the only environmental areas that could be significantly adversely affected by the proposed project, specifically criteria and toxic emission impacts were assumed to be adversely affected (GHG and odor adverse impacts were determined to be less than significant). Further evaluation of potential impacts in Chapter 4 of this Environmental Assessment concluded that the criteria pollutant adverse impacts from VOC emissions foregone were the only significant impact to air quality (i.e., toxic emission impacts were also determined to be less than significant).

The following sections describe the potential adverse impacts that may be generated by each project alternative. Potential adverse impacts for the environmental topics are quantified where sufficient data is available. A comparison of the environmental impacts for each project alternative is provided in Table 5-2. No other environmental topics other than air quality were determined to be significantly adversely affected by implementing any project alternative.

AIR QUALITY

Alternative A - No Project

The current version of Rule 1143 would implement CM#2007CTS-04 – Emission Reductions from the Reduction of VOC Content of Consumer Products Not Regulated by the State Board. Under Alternative A, the air quality impacts would remain unchanged from the existing setting and therefore, would be less than significant.

Alternative B – VOC Limit

The VOC emission reductions estimated for the proposed project are based on a sales weighted average. Therefore, while a VOC content limit of 880 grams per liter would eliminate artist solvents and thinners with greater VOC content, it would not likely affect the sales weighted average appreciably (i.e., quantitatively). Therefore, the VOC emissions reductions foregone from Alternative B would be similar to the proposed project, which is 113.7 pounds per day. The VOC emissions reductions foregone would be greater than the SCAQMD operational significant threshold; therefore, would be significant for criteria pollutant impacts.

Alternative B, may only partially achieves the project objectives, since it is not known if lower VOC containing material ~~clear that~~ alternatives can be found for the artist solvents and thinners to replace materials currently used with VOC content greater than 880 grams per liter (see discussion under Alternative B – VOC Content Limit in the Description of Alternatives above);

however, ~~the~~ this alternative allows two years for manufacturers to meet the ~~800-880~~ grams per liter VOC content limit.

Even though two years are allowed for manufactures to meet the 880 grams per liter VOC content limit, because artist solvents and thinners are a small part of the solvent and thinner market and only one product was identified with a VOC content above the 880 grams per liter, there is little financial incentive for manufactures to develop replacements for this one product. Based on discussions with the manufacture of the one product with a VOC content above 880 grams per liter, in order to meet the 880 grams per liter VOC content limit the product would be diluted. The diluted product would not produce the desired artistic effect. Therefore, Alternative B does not meet the project objectives.

Toxic emissions and odors would be similar to the proposed project, which would not be significant. Like the proposed project no GHG emissions would be generated; therefore, Alternative B would not be significant for adverse GHG impacts.

LOWEST TOXIC ALTERNATIVE

In accordance with SCAQMD’s policy document Environmental Justice Program Enhancements for FY 2002-03, Enhancement II-1 recommends that all SCAQMD CEQA assessments include a feasible project alternative with the lowest air toxics emissions.

Chapter 4 includes a health risk analysis on the use of conventional solvents. None of the conventional solvents identified are carcinogenic. Acute and chronic non-carcinogenic emissions are expected to be less than significant. The proposed project and Alternative B – VOC Content Limit Alternative would have similar effects that would be less than significant.

Alternative A – No Project Alternative would likely result in the elimination of artist solvents and thinners in the district, since no non- or low-VOC content solvents or thinners were identified that can meet the performance standards required by artists (i.e., no residue build-up, desired viscosity, desired paint sheen, desired paint blending and limited damage to brushes), as well as desired artistic effects. PAR 1143 may result in the elimination of artist solvents and thinners in the district, Alternative A is considered to be the lowest toxic alternative.

However, the elimination of artist solvents and thinners is not an acceptable option, because alternatives have not be found that meet the performance requirements needed by artists, such as no residue build-up, desired viscosity, desired paint sheen, desired paint blending and limited damage to brushes.

ENVIRONMENTALLY SUPERIOR ALTERNATIVE

CEQA Guidelines §15126.6(e)(2) requires identifying the environmentally superior alternative. Alternative A would likely result in the elimination of artist solvents and thinners, since no reformulated non-or low-VOC content solvents and thinners were identified with the artist required performance standards. Therefore, the ‘no project’ alternative would be the environmentally superior alternative in accordance with CEQA Guidelines §15126.6(e)(2), because it would eliminate the new significant adverse air quality impacts that would be generated by the proposed project. If the environmentally superior alternative is the No Project Alternative, the CEQA document must identify an environmentally superior alternative among the other alternatives. Because of the limited scope of the proposed project, the only remaining alternative is Alternative B – VOC Content Limit. Although for the purposes of the analysis

VOC emissions reductions foregone are approximately the same as for the proposed project, 113.7 pounds per day. However, because the proposed project does not include a VOC content limit emission reductions foregone could be higher, whereas, the VOC emissions reductions foregone in Alternative B represent the maximum VOC emission reductions foregone. Based on the foregoing, Alternative B is concluded to be the environmentally superior alternative.

However, there is currently no lower VOC-containing material available to replace the currently used product with a VOC content greater than 880 grams per liter and reformulated products would likely rely on dilution. Diluted products would not produce the desired artistic effects. Therefore, Alternative B does not meet the project objectives.

CONCLUSION

Alternative A does not achieve the objectives of the proposed project that are identified in Chapter 2. Alternative A would not be expected to generate any adverse environmental impacts, but may also eliminate the use of artist solvents and thinners in the district.

Alternative B ~~would generally~~ may only partially achieve the objectives of the proposed project. Only one product was identified that had a VOC content limit greater than 880 grams per liter. Because such small quantities are used and currently the manufacturer does not know how to reduce the VOC content limit to achieve the same effects of the existing product, it is unclear if Alternative B would generate quantifiable VOC emission reductions. However, because the alternative would potentially eliminate at least one product with a VOC content limit greater than 880 grams per liter and prohibit any future products with a VOC content limit greater than 880 grams per liter and secondary toxics and GHG emissions would be similar to the proposed project; Alternative B would be the environmentally superior alternative; however, there is currently no lower VOC-containing material available to replace the product currently used with a VOC content limit greater than 880 grams per liter and reformulated products would likely rely on dilution. Diluted products would not achieve the desired artistic effect. Therefore, Alternative B does not meet the project objectives.

The proposed project is considered to provide the best balance between emission reductions foregone, while meeting the objectives of the project, which is to allow the continued use of artist solvent to achieve specific performance standards and artistic effects. Alternative A – No Project would likely eliminate the use of artist solvents and thinners in the district because no alternatives have been identified that meet the VOC content limits of the existing rule and meet the artist performance requirements, such as no residue build-up, desired viscosity, desired paint sheen, desired paint blending and limited damage to brushes, as well as desired artistic effects. Alternative B would place a VOC content limit of 880 grams per liter on artist solvents and thinners; however, this would only place limits on niche products that do not have replacements that have been identified at this time, and no quantifiable VOC emissions reductions over the proposed project were identified. Moreover, Alternative B would eliminate certain artistic solvents that are needed to achieve a certain artistic effect.

APPENDIX A OF THE FINAL EA

PROPOSED AMENDED RULE 1143

In order to save space and avoid repetition, please refer to the latest version of the PAR 1143 located elsewhere in the final rule package. The PAR 1143 version dated September 9, 2010 of the proposed rule was circulated with the Draft EA released on September 30 for a 30-day public review and comment period ending November 16, 2010.

Original hard copies of the Draft EA, which include version PAR 1143 (dated September 9, 2010) of the proposed amended rule circulated with the Draft EA, can be obtained through the SCAQMD Public Information Center at the Diamond Bar headquarters or by calling (909) 396-2039.

APPENDIX B OF THE FINAL EA

CALCULATIONS AND ASSUMPTIONS

Table B-1
Maximum Density and TAC Content Based on MSDS Review

Type	Specific Gravity	Density lb/gal	Isopropyl Alcohol 67-63-0 Wt Fraction	Xylene 1330-20-7 Wt Fraction	Ethyl Benzene 100-41-4 Wt Fraction	Toluene 108-88-3 Wt Fraction	Methyl Ethyl Ketone 78-93-3 Wt Fraction	Hexane 110-54-3 Wt Fraction
Medium	0.86	7.18						
Medium	0.86	7.18	0.05					
Medium	0.84	7.01						
Cleaner	0.9	7.51						
Cleaner	0.82	6.84	1					
Thinner	0.1	0.83		0.025				
Cleaner	0.78	6.51		0.1	0.05			
Cleaner	0.801	6.68	0.45			0.1		
Thinner	0.831	6.93				0.2		
Thinner	0.788	6.58						
Thinner		7.08	0.15			0.8	0.1	
Thinner	N/A					0.6	0.15	0.39
Maximum		7.51	1.0	0.1	0.05	0.8	0.15	0.39

Table B-2
TAC Emissions at a Single Location

Description	Usage gal/yr	Density lb/gal	Isopropyl Alcohol 67-63-0	Xylene 1330-20-7	Ethyl Benzene 100-41-4	Toluene 108-88-3	Methyl Ethyl Ketone 78-93-3	Hexane 110-54-3
Annual (ton/yr)	182.5	7.51	0.69	0.07	0.03	0.55	0.10	0.27
Daily (lb/yr)	0.50	7.51	3.76	0.38	0.19	3.00	0.56	1.46
Hour (lb/hr)	0.063	0.94	0.47	0.05	0.02	0.38	0.07	0.18

Assumed half gallon usage was maximum used at a single facility.

Table B-3
Maximum Non-Carcinogenic Chronic Hazard Index at a Single Location

Toxic Air Contaminant	CAS	Usage ton/yr	REL (ug/m3)	(X/Q) (µg/m3)/(ton/yr)	MET	MP	Chronic Hazard Index
Isopropyl Alcohol	67-63-0	0.69	7.00E+03	41.45	1	1	4.06E-03
Xylene	1330-20-7	0.07	7.00E+02	41.45	1	1	4.06E-03
Ethyl Benzene	100-41-4	0.03	2.00E+03	41.45	1	1	7.10E-04
Toluene	108-88-3	0.55	3.00E+02	41.45	1	1	7.58E-02
Hexane	110-54-3	0.27	7.00E+03	41.45	1	1	1.58E-03

Total**8.62E-02**

Chronic non-carcinogenic health risk was estimated from these TACs using the SCAQMD Rules 1401/212 Tier 2 Health Risk Assessment Procedure (<http://www.aqmd.gov/prdas/Risk%20Assessment/RiskAssessment.html>)

Table B-4
Maximum Non-Carcinogenic Acute Hazard Index at a Single Location

Toxic Air Contaminant	CAS	Usage lb/hr	REL (ug/m3)	(X/Q) (µg/m3)/(lb/hr)	Acute Hazard Index
Isopropyl Alcohol	67-63-0	0.47	3.20E+03	1,532	2.25E-01
Xylene	1330-20-7	0.05	2.20E+04	1,532	3.27E-03
Toluene	108-88-3	0.38	3.70E+04	1,532	1.55E-02
Methyl Ethyl Ketone	78-93-3	0.07	1.30E+04	1,532	8.30E-03

Total**2.52E-01**

VOC Control Technology Cost

Staff researched several fume hoods and found two bench top units manufactured by Cole-Parmer and one unit manufactured by the Cynmar Corporation to represent what is currently being offered for sale. Staff determined that the EW-33730-10 fume hood would be the preferred choice for an institution because of its low cost, size and ability to control VOC emissions. Table B-5 shows the three units and their specifications.

**Tables - B-5
Fume Hoods Evaluated**

MANUFACTURER NAME ⁵	MODEL NUMBER	MODEL NAME	SIZE (inch) (WxHxD)	VOLUME FLOW RATE (cubic feet per minute)
Cole-Parmer	EW-33730-00	Bench Top Fume Hood	24x24x15	121
Cole-Parmer	EW-33730-10	Bench Top Fume Hood	24x24x15	121
Cynmar Corporation	180-10964	Bench Top Fume Hood	36x31.5x22.75	290

Cole-Parmer, 625 East Bunker Court, Vernon Hills, IL 60061, <http://www.coleparmer.com>

Cynmar Corporation, 21709 Route 4 North, P.O. Box 530, Carlinville, IL 62626, <http://www.cynmar.com>

The ducted or ductless fume hoods are available. Fume hoods would collect organic vapors and vent them to carbon filters which would adsorb the vapors. Fume hoods are suited to artist clean-up operations such as clean-up of paint brushed and other related paint application tools that can be cleaned under the hood due to its design to control fumes.

The costs associated with any one of these units is based on the initial cost of the unit, replacement filters for the unit, shipping charges, power usage charges, etc., and are presented in Table B-6.

**Table – B-6
Fume Hood Costs**

MANUFACTURER NAME, MODEL	INITIAL EQUIPMENT COST	REPLACEMENT FILTER COST	SHIPPING CHARGES ⁶	ADDITIONAL SHIPPING CHARGES
Cole-Parmer EW-33730-00	\$1,210.00	\$395.00	\$175.86	\$0.00
Cole-Parmer EW-33730-10	\$1,540.00	\$395.00	\$175.86	\$0.00
Cynmar Corporation 180-10964	\$3,800.00	\$545.00	\$175.86	\$0.00

Based on estimate of 100 pounds and a 36x36x24 non-standard shipping container and Fed Ex rates

Table B-7 includes the annual costs, annum, for power usage, based on Southern California Edison's rates, hazardous materials recovery costs and the subtotal of the costs shown in Tables B-6 and Table B-7.

The hazardous materials recovery costs are based on two Los Angeles based providers and include pick-up twice yearly per facility.

**Table – B-7
Hazardous Material Cost**

MANUFACTURER NAME, MODEL	TOTAL FROM TABLE 7	POWER USAGE COSTS (kWh)	HAZ MAT RECOVERY COSTS	SUBTOTAL COSTS
Cole-Parmer EW-33730-00	\$1,780.86	\$41.36	\$135.00 per 55 gallon drum (2 times /year)	\$2,092.22
Cole-Parmer EW-33730-10	\$2,110.86	\$41.36	\$135.00 per 55 gallon drum (2 times /year)	\$2,422.22
Cynmar Corporation 180-10964	\$4,520.86	\$41.36	\$135.00 per 55 gallon drum (2 times/year)	\$4,832.22

Table B-8 shows the carbon filter efficiency for one flat carbon filter and is based on SCAQMD staff's estimate that the filters performance will decay over time thus the manufacturer's claim of 95 percent VOC adsorption efficiency, subject to a loss factor of 15 percent, is given as 81 percent. Table B-14 also shows the VOCs that will be subject to control, from the calculations shown in the introduction, the VOC control rate, based on the carbon efficiency multiplied by the VOCs to control (0.81 x 5.69 lb/day). The last column shows the VOC control rate of 0.84 ton per year.

**TABLE – B-8
VOC Control Rate**

MANUFACTURER NAME, MODEL	CARBON FILTER EFFICIENCY ⁷	VOC SUBJECT TO CONTROL (lb/day)	VOC CONTROL RATE(lb/day)	VOC CONTROL RATE (ton/year)
Cole-Parmer EW-33730-00	0.81	5.69	4.59	0.84
Cole-Parmer EW-33730-10	0.81	5.69	4.59	0.84
Cynmar Corporation 180-10964	0.81	5.69	4.59	0.84

Efficiency calculated by using industry standard of 95 percent, less 15percent for filter efficiency loss

Table B-9 shows the institution costs based on 34 institutions, and the total costs are shown in dollars per ton units (cost effectiveness). Therefore, based on these assumptions, the cost effectiveness for a fume hood would be \$98,300 per ton.

Table – B-9
VOC Control Technology Total Costs

MANUFACTURER NAME, MODEL	VOC CONTROL RATE (ton/day)	SUBTOTAL COSTS	INSTITUTION COSTS (for 34 units)	TOTAL COSTS (dollar/ton)
Cole-Parmer EW-33730-00	0.84	\$2,092.22	\$71,135.48	\$84,908.35
Cole-Parmer EW-33730-10	0.84	\$2,422.22	\$82,355.48	\$98,300.71
Cynmar Corporation 180-10964	0.84	\$4,832.22	\$164,295.48	\$196,105.49

APPENDIX C OF THE DRAFT EA

**NOTICE OF PREPARATION/INITIAL STUDY
(ENVIRONMENTAL CHECKLIST)**



South Coast
 Air Quality Management District
 21865 Copley Drive, Diamond Bar, CA 91765-4182
 (909) 396-2000 • <http://www.aqmd.gov>

SUBJECT: NOTICE OF PREPARATION OF DRAFT ENVIRONMENTAL ASSESSMENT

PROJECT TITLE: PROPOSED AMENDED RULE (PAR) 1143 – CONSUMER PAINT THINNERS AND MULTI-PURPOSE SOLVENTS

In accordance with the California Environmental Quality Act (CEQA), the South Coast Air Quality Management District (SCAQMD), as the Lead Agency, has prepared this Notice of Preparation (NOP) and Initial Study (IS). This NOP serves two purposes: 1) to solicit information on the scope of the environmental analysis for the proposed project, and 2) to notify the public that the SCAQMD will prepare a Draft Environmental Assessment (EA) to further assess potential environmental impacts that may result from implementing the proposed project.

This letter, NOP and the attached IS are not SCAQMD applications or forms requiring a response from you. Their purpose is simply to provide information to you on the above project. If the proposed project has no bearing on you or your organization, no action on your part is necessary.

Comments focusing on your area of expertise, your agency’s area of jurisdiction, or issues relative to the environmental analysis should be addressed to Mr. James Koizumi (c/o CEQA) at the address shown above, or sent by FAX to (909) 396-3324 or by e-mail to jkoizumi@aqmd.gov. Comments must be received no later than 5:00 PM on Tuesday, September 22, 2010. Please include the name and phone number of the contact person for your agency. Questions relative to the proposed amended regulation should be directed to Mr. Don Hopps at (909) 396- 2334.

A CEQA Scoping Meeting to solicit public input on the scope of the analysis to be included in the EA is scheduled for September 15, 2010 at 9:00 a.m at SCAQMD Headquarters. The Public Hearing for the proposed amended regulation is scheduled for December 3, 2010 at SCAQMD Headquarters. (Note: Public meeting dates are subject to change).

Date: August 20, 2010

Signature: *Steve Smith*

Title: Steve Smith, Ph.D.
Program Supervisor

Telephone: (909) 396-3054

Reference: California Code of Regulations, Title 14, §§15282(a), 15123, and 15375

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
21865 Copley Drive, Diamond Bar, CA 91765-4178

NOTICE OF PREPARATION OF A DRAFT ENVIRONMENTAL ASSESSMENT

Project Title:

Proposed Amended Rule (PAR) 1143 – Consumer Paint Thinners and Multi-Purpose Solvents

Project Location:

South Coast Air Quality Management District (SCAQMD) area of jurisdiction consisting of the four-county South Coast Air Basin (Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties), and the Riverside County portions of the Salton Sea Air Basin and the Mojave Desert Air Basin

Description of Nature, Purpose, and Beneficiaries of Project:

The proposed project would add a definition of and exempt artist solvents and thinners from the requirements of Rule 1143. Artist solvents and thinners would be defined as any liquid product; labeled to meet ASTM D4236-95; packaged in containers of 32 fluid ounces or less; and labeled to reduce the viscosity of, or remove, art coating compositions or components. The proposed project would also align the existing Rule 1143 with CARB's Consumer Products Regulations, which provides an exemption for artist paint thinners and solvents. The Initial Study identifies only the topic of air quality that may be adversely affected by the proposed project. Impacts to this environmental area will be further analyzed in the Draft EA.

Lead Agency:

South Coast Air Quality Management District

Division:

Planning, Rule Development and Area Sources

Initial Study and all supporting documentation are available at:

SCAQMD Headquarters
21865 Copley Drive
Diamond Bar, CA 91765

or by calling:

(909) 396-2039

or by accessing the SCAQMD's website at:

<http://www.aqmd.gov/ceqa/aqmd.html>

The Public Notice of Preparation is provided through the following:

Los Angeles Times (August 24, 2010) AQMD Website AQMD Mailing List

Initial Study 32-day Review Period:

August 24, 2010 through September 22, 2010

Scheduled Public Meeting Dates (subject to change):

Public Workshop/CEQA Scoping Meeting: September 15, 2010, 9:00 a.m.; SCAQMD Headquarters
SCAQMD Governing Board Hearing: December 3, 2010, 9:00 a.m.; SCAQMD Headquarters

The proposed project may have statewide, regional or areawide significance; therefore, a CEQA scoping meeting is required (pursuant to Public Resources Code §21083.9(a)(2)).

Send CEQA Comments to:

Mr. James Koizumi

Phone:

(909) 396-3234

Email:

jkoizumi@aqmd.gov

Fax:

(909) 396-3324

Direct Questions on Proposed Amendments:

Mr. Don Hopps

Phone:

(909) 396-2334

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dhopps@aqmd.gov

Fax:

(909) 396-3324

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Initial Study for:

Proposed Amended Rule 1143 – Consumer Paint Thinners and Multi-Purpose Solvents

SCAQMD No. 122822JK

August 2212

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Barry R. Wallerstein, D. Env.

Deputy Executive Officer

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**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD**

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EXECUTIVE OFFICER:
BARRY R. WALLERSTEIN, D.Env.

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CHAPTER 1

PROJECT DESCRIPTION

Introduction

California Environmental Quality Act

Project Location

Project Objective

Project Background

Technology for Artist Paint Solvents and Thinners

Project Description

Alternatives

INTRODUCTION

Consumer products are the largest source of VOC emissions in the South Coast Air Basin (Basin). The California Air Resources Board (CARB) estimates that consumer products in the state of California account for approximately 245 tons per day of VOC emissions. Approximately 45 percent of the state-wide emissions (110.3 tons per day) of VOC emissions can be attributed to the Basin.

The 2007 Air Quality Management Plan (AQMP) highlights the growing impact of VOC emissions from consumer products, which include cleaning products and solvents. Taking into account population growth and planned VOC reductions by CARB, the AQMP estimates that the annual average VOC emissions for the consumer product category will be 107 tons per day by the year 2014, and will likely increase to 112.1 tons per day by the year 2020.

One subcategory of the overall category of consumer products includes artist paint solvents and thinners. Artist paint solvents and thinners have been formulated and refined to eliminate impurities general found in commercial grade paint solvents and thinners. CARB staff surveyed artist solvents and thinners during their 2006 Consumer and Commercial Products Survey.¹ CARB staff found VOC emissions from the artist solvents and thinners category contributed very little to the overall VOC emissions from the consumer products category. CARB staff also found that artist's paint solvents and thinners are required to meet the Labeling of Hazardous Art Materials Act (LHAMA) within the Federal Hazardous Substances Act, which requires that any art material, including solvents, must meet the requirements in ASTM D-4236, the standard Practice for Labeling Art Materials for Chronic Health Hazards, to protect consumers of any age from potential health hazards of these products. CARB staff was unable to identify technology that would allow artist solvent/thinner to be reformulated to meet lower VOC content limits and meet performance requirements. As a result, CARB staff exempted artist paint solvents and thinners, which they call artist's solvents/thinners,² from the requirements of their Consumer Products Regulations, provided that they are labeled to meet ASTM D4236 and packaged in containers with a capacity less than or equal to 32 fluid ounces.

Proposed amended Rule (PAR 1143) would adopt the CARB exemption for artist solvent/thinner. An artist solvent/thinner would be defined: as any liquid product labeled to meet ASTM D4236 – 95 (March 1, 2005) Standard Practice for Labeling Art Materials for Chronic Health Hazards; and packaged in a container equal to or less than 32 fluid ounces; and also labeled to exclusively reduce the viscosity of, or remove, art coating compositions or components.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

The proposed amendments Rule 1143 are considered a "project" as defined by CEQA. CEQA requires that the potential adverse environmental impacts of proposed projects be evaluated and that methods to reduce or avoid identified significant adverse environmental impacts of these projects be implemented if feasible. The purpose of CEQA is to inform SCAQMD's decision makers for a project, public agencies, and interested parties of potential adverse environmental impacts that could result from implementing a proposed project and to identify feasible mitigation measures or alternatives, when an impact is concluded to be significant.

¹ CARB, 2006 Consumer and Commercial Products Survey, 2009, <http://www.arb.ca.gov/regact/2009/cpmthd310/cpmthdisor.pdf>.

² CARB, Consumer Products Regulation, September 2009, <http://www.arb.ca.gov/consprod/regs/regs.htm>.

California Public Resources Code §21080.5 allows public agencies with regulatory programs to prepare a plan or other written documents in lieu of an environmental impact report once the Secretary of the Resources Agency has certified the regulatory program. The SCAQMD's regulatory program was certified by the Secretary of Resources Agency on March 1, 1989, and is codified as SCAQMD Rule 110. Pursuant to Rule 110 (the rule which implements the SCAQMD's certified regulatory program), SCAQMD is preparing a Draft Environmental Assessment (EA) to evaluate potential adverse impacts from the proposed project.

The SCAQMD, as Lead Agency for the proposed project, has prepared this Initial Study (which includes an Environmental Checklist and project description). The Environmental Checklist provides a standard evaluation tool to identify a project's adverse environmental impacts. The Initial Study is also intended to provide information about the proposed project to other public agencies and interested parties prior to the release of the Draft Environmental Assessment (EA). Written comments on the scope of the environmental analysis will be considered (if received by the SCAQMD during the 30-day review period) when preparing the Draft EA.

PROJECT LOCATION

Proposed Amended Rule (PAR) 1143 would apply to manufacturers, distributors and sellers of consumer paint thinners and multi-purpose solvents located throughout the SCAQMD's jurisdiction. The SCAQMD has jurisdiction over an area of 10,473 square miles, consisting of the four-county South Coast Air Basin (Basin) and the Riverside County portions of the Salton Sea Air Basin (SSAB) and the Mojave Desert Air Basin (MDAB) as shown in Figure 1. The Basin, which is a subarea of the district, is bounded by the Pacific Ocean to the west and the San Gabriel, San Bernardino, and San Jacinto Mountains to the north and east. The 6,745 square-mile Basin includes all of Orange County and the non-desert portions of Los Angeles, Riverside, and San Bernardino counties. The Riverside County portion of the SSAB and MDAB is bounded by the San Jacinto Mountains in the west and spans eastward up to the Palo Verde Valley. The federal non-attainment area (known as the Coachella Valley Planning Area) is a subregion of both Riverside County and the SSAB and is bounded by the San Jacinto Mountains to the west and the eastern boundary of the Coachella Valley to the east.

PROJECT OBJECTIVE

The objects of the proposed project include the following:

- Add a new definition to Rule 1143 for artist paint thinners and solvents as any liquid product labeled to meet ASTM D4236 – 95 (March 1, 2005) Standard Practice for Labeling Art Materials for Chronic Health Hazards; and packaged in a container equal to or less than 32 fluid ounces; and also labeled to exclusively reduce the viscosity of, or remove, art coating compositions or components;
- Align Rule 1143 with CARB's Consumer Products Regulations relative to artist paint solvents and thinners; and
- Exempt artist paint solvents and thinners from the requirements of Rule 1143.

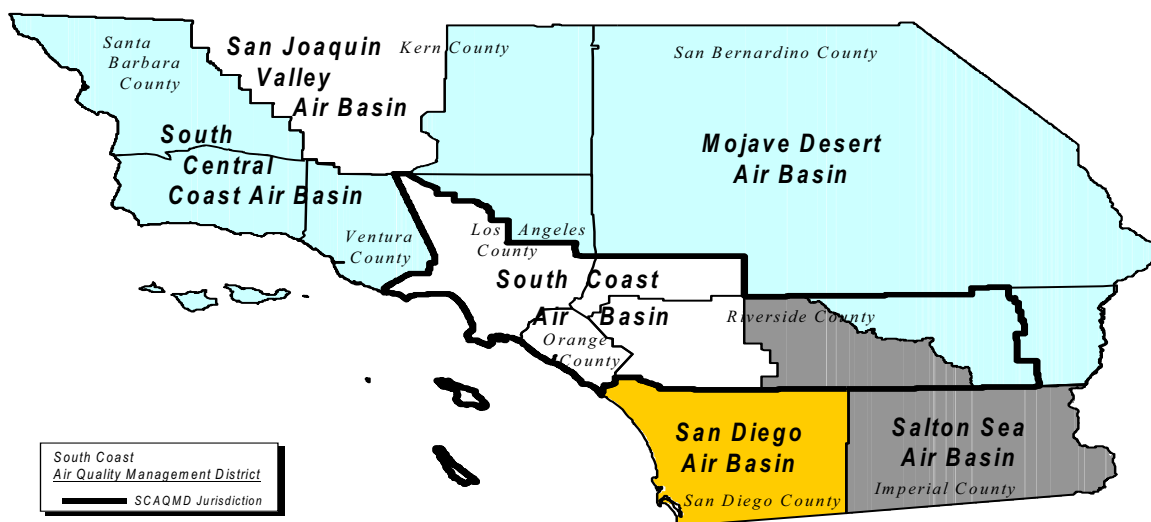


Figure 1-1
Boundaries of the South Coast Air Quality Management District

PROJECT BACKGROUND

Rule 1143– Consumer Paint Thinners and Multi-Purpose Solvents

Rule 1143 – Consumer Paint Thinners and Multi-Purpose Solvents, adopted by the SCAQMD Governing Board on March 6, 2009, implements AQMP Control Measure 2007CTS-04 by reducing the VOC contents of these consumer products sold by suppliers, distributors, and retailers to consumers. As part of the rule adoption, the SCAQMD Governing Board also certified the environmental analysis prepared pursuant to the California Environmental Quality Act (CEQA), Final EA for Proposed Rule 1143 – Consumer Paint Thinners and Multi-Purpose Solvents, February 2009, SCAQMD No. 11112008BAR, State Clearinghouse No. 2008111052.

On April 1, 2009, W.M. Barr initiated a lawsuit challenging the SCAQMD’s environmental analysis in the CEQA document prepared supporting its original March 6, 2009 adoption of Rule 1143. The case, W.M. Barr v. South Coast Air Quality Management District, Los Angeles Superior Court Case No. BS 119869, was heard by the court on December 7, 2009. The court upheld the SCAQMD’s Final Environmental Assessment (EA) against all challenges except one. The court found that the SCAQMD’s Final EA failed to address the issue of “whether acetone-based thinner is a significantly higher fire risk than mineral-based paint thinner.”

In constructing the appropriate remedy, the court ultimately allowed the SCAQMD to maintain Rule 1143’s interim VOC limit of 300 grams per liter but ordered the SCAQMD to vacate the final VOC limit of 25 grams per liter for paint thinners and multi-purpose solvents. The court expressly found that the SCAQMD “presents uncontradicted evidence that no one, including Barr, was concerned about the fire hazard associated with the 300 grams per liter [interim

limit].” The court also reiterated its earlier ruling that “the Environmental Assessment was adequate except with respect to the fire hazard issue.”

On June 4, 2010, the SCAQMD Governing Board approved amendments to Rule 1143 that rescinded the 25 grams per liter VOC limit. Because the SCAQMD had no discretion with regard to the rescission of this portion of Rule 1143, the action was considered to be ministerially exempt from CEQA pursuant to CEQA Guidelines §15268 – Ministerial Projects. Thus, a Notice of Exemption was prepared pursuant to CEQA Guidelines §15062 - Notice of Exemption. The Notice of Exemption was filed with the county clerks of Los Angeles, Orange, Riverside and San Bernardino counties.

On July 9, 2010, the SCAQMD Governing Board adopted proposed amendments to Rule 1143, which: 1) re-establish the 25 grams per liter VOC limit; 2) added consumer warning requirements for all flammable and extremely flammable products; 3) added requirements for conducting public education and outreach with local fire departments to consumers regarding the reformulation of potentially more flammable paint thinners; 4) clarified the intent of the exemption for thinners for industrial maintenance (IM) coatings, zinc-rich IM primers, and high-temperature IM coatings as well as clean-up solvents for polyaspartic and polyurea coatings; and, 5) made other minor clarifications. Of these proposed changes, only the re-establishment of the 25 grams per liter VOC limit resulted in physical changes that required an additional CEQA analysis relative to fire hazards in the Final Supplemental EA for Proposed Amended Rule 1143 – Consumer Paint Thinners and Multi-Purpose Solvents, June 2010, SCAQMD No. 11112008BAR, State Clearinghouse No: 2008111052.

CARB Artist’s Solvent/Thinner Category

CARB staff surveyed artist solvents and thinners during their 2006 Consumer and Commercial Products Survey. CARB staff found VOC emissions from the artist solvents and thinners category contributed very little to the overall VOC emissions from the consumer products category. CARB staff also found that artist’s paint solvents and thinners are required to meet the Labeling of Hazardous Art Materials Act (LHAMA) within the Federal Hazardous Substances Act, which requires that any art material, including solvents, must meet the requirements in ASTM D-4236, the standard Practice for Labeling Art Materials for Chronic Health Hazards, to protect consumers of any age from potential health hazards of these products. CARB staff was unable to identify technology that would allow artist solvent/thinner to be reformulated to meet lower VOC content limits and meet performance requirements. As a result, CARB staff exempted artist paint solvents and thinners, which they call artist’s solvents/thinners, from the requirements of their Consumer Products Regulations, provided that they are labeled to meet ASTM D4236 and packaged in containers with a capacity less than or equal to 32 fluid ounces.

Artist Paint Solvent and Thinner Products in District

There are approximately 19 paint thinner and solvent manufacturers that manufacture products exclusively for the artist industry in the District. Artist paint thinners and solvents are typically sold through hobby shops, craft and air material store outlets, and through internet sites. SCAQMD staff worked with CARB staff to evaluate the impact the artist paint thinners and solvents would have on the CARB Consumer Products Regulations. CARB has provided an exemption for artist thinner and solvent sold in capacities of 32 fluid ounces or less. SCAQMD staff has also consulted with two artist support organizations: the Artist Creative Materials Institute (ACMI) and the National Art Materials and Trade Association (NAMTA), these organizations requested an exemption for artist solvents and thinners.

TECHNOLOGY FOR ARTIST PAINT SOLVENTS AND THINNERS

Artist paint solvents and thinners are manufactured for a variety of art-related uses and are specially formulated to remove the impurities normally found in commercial-grade solvents and thinners. Specially formulated artist solvents and thinners are needed, because the commercially available solvents and thinners may cause damage to artwork and art equipment being cleaned.

Originally, SCAQMD staff estimated that artist products could be reformulated using low and zero-VOC formulations. These formulations include: 1) Aqueous technology which includes formulations made from water, detergents, chelating agents, alkaline builders and various blends of surfactants and is typically used for multi-purpose cleaning agents, 2) Exempt solvents including acetone, PCBTF, and methyl acetate, as well as blends of the three, and, 3) Bio-based technology including methyl esters is currently available for a variety of uses, including lowering the volatility of exempt solvents. Non- and low-VOC solvents and thinners have not met performance requirements need by artist, such as no residue build-up, desired viscosity, desired paint sheen, desired paint blending and limited damage to brushes. Therefore, the proposed exemption would allow artist to continue using solvents and thinners using existing formulations described below:

Turpentine

Turpentine is the traditional solvent that is manufactured from tree resins and has been used for oil on canvas painting for many years. Turpentine has a fast evaporation rate, but releases harmful vapors thus posing a health risk to the artist. Artist quality turpentines are manufactured with additional processing to remove impurities that are typically present in hardware store general consumer use turpentines that can create deposits in paint. This is important for restoration and conservation of antique oil paintings. Turpentine is also known as spirit of turpentine, oil of turpentine, genuine turpentine, english turpentine, distilled turpentine, double rectified turpentine, and simply “turps.”

Mineral Spirits

Mineral spirits is a commonly used solvent that are manufactured from petroleum products and has a moderate evaporation rate that releases harmful vapors thus posing a health risk to the artist. Mineral spirits are generally less expensive than turpentine and are a stronger solvent than odorless mineral spirits. Mineral spirits are also known as white spirits.

Odorless Mineral Spirits

Odorless mineral spirits are also a commonly used solvent that are manufactured from petroleum products and have a moderate evaporation rate that release harmful vapors thus posing a health risk to the artist. Odorless mineral spirits are marginally more expensive than mineral spirits but have been manufactured with less of the harmful aromatic solvents found in mineral spirits.

Citrus Based Thinners

Citrus based thinners are manufactured from food-grade citrus oils combined with nontoxic, nonflammable solvents.

Artist Mediums

Artist mediums are used to modify artist oil paint straight from the tube. The mediums can be used to lengthen the drying time of the paint, make the paint thinner or alter the character of the paint from what comes out of the tube. Mediums can also be used to make the paint transparent

or opaque and can also be used to alter gloss or matte sheen of the paint. Mediums are used for oil on canvas paintings to influence the color of a pigment.

Artist Brush Cleaners

Artist brush cleaners are used to clean artist paint brushes that were used to apply the oil-based paint. Artist paint brush bristles are made from animal hair such as hog's bristles, mongoose hair, red sable (weasel hair) and Siberian mink. The hair possesses several important properties for the artist such as maintaining a superfine point, smooth handling, and good memory (where the bristles return to their original point between brush strokes). There are also synthetic brushes available which can offer durability and cost effectiveness. Cleaning a brush by mechanical means causes the hairs to break changing brush performance. Soap and water will also dry out the hairs of brushes used for oil-based paints. For brush storage, artists will clean the brush in turpentine and then use oil to preserve the brush while it's not in use.

PROJECT DESCRIPTION

PAR 1143 would provide an exemption for artist solvent/thinner labeled that: meet ASTM D4236 – 95 (March 1, 2005) Standard Practice for Labeling Art Materials for Chronic Health Hazards; are packaged in a container equal to or less than 32 fluid ounces; and are also labeled to exclusively reduce the viscosity of, or remove, art coating compositions or components. The following summarizes these requirements. A copy of PAR 1143 is included in Appendix A.

Purpose

No change.

Applicability

No change.

Definitions

A definition for artist solvent/thinner would be added. Artist solvent/thinner would be defined as any liquid product, labeled to meet ASTM D4236 – 95 (March 1, 2005) Standard Practice for Labeling Art Materials for Chronic Health Hazards, which is incorporated by reference here in and packaged in a container equal to or less than 32 fluid ounces, labeled to reduce the viscosity of, or remove, art coating compositions or components.

Requirements

No change.

Administrative Requirements

No change.

Recordkeeping

No change.

Compliance Dates

No change.

Information Exempt from Disclosure

No change.

Test Methods

No change.

Exemptions

PAR 1143 would exempt any artist solvent/thinner provided that it is sold or used exclusively for reducing the viscosity of, or removing, art coating compositions or components and meets the criteria in the proposed rule definition for artist solvent/thinner.

ALTERNATIVES

The Draft EA will discuss and compare alternatives to the proposed project as required by CEQA and by SCAQMD Rule 110. Alternatives must include realistic measures for attaining the basic objectives of the proposed project and provide a means for evaluating the comparative merits of each alternative. In addition, the range of alternatives must be sufficient to permit a reasoned choice and it need not include every conceivable project alternative. The key issue is whether the selection and discussion of alternatives fosters informed decision making and public participation. A CEQA document need not consider an alternative whose effect cannot be reasonably ascertained and whose implementation is remote and speculative.

SCAQMD Rule 110 does not impose any greater requirements for a discussion of project alternatives in an environmental assessment than are required for an Environmental Impact Report under CEQA. Alternatives will be developed based in part on the major components of the proposed rule. The rationale for selecting alternatives rests on CEQA's requirement to present "realistic" alternatives; that is alternatives that can actually be implemented. CEQA also requires an evaluation of a "No Project Alternative."

SCAQMD's policy document Environmental Justice Program Enhancements for fiscal year (FY) 2002-03, Enhancement II-1 recommends that all SCAQMD CEQA assessments include a feasible project alternative with the lowest air toxics emissions. In other words, for any major equipment or process type under the scope of the proposed project that creates a significant environmental impact, at least one alternative, where feasible, shall be considered from a "least harmful" perspective with regard to hazardous air emissions.

The Governing Board may choose to adopt any portion or entirety of any alternative presented in the EA. The Governing Board is able to adopt any portion or entirety of any of the alternatives presented because the impacts of each alternative will be fully disclosed to the public and the public will have the opportunity to comment on the alternatives and impacts generated by each alternative.

CHAPTER 2 - ENVIRONMENTAL CHECKLIST

Introduction

General Information

Environmental Factors Potentially Affected

Determination

Environmental Checklist and Discussion

INTRODUCTION

The environmental checklist provides a standard evaluation tool to identify a project's adverse environmental impacts. This checklist identifies and evaluates potential adverse environmental impacts that may be created by the proposed project.

GENERAL INFORMATION

Project Title:	Proposed Amended Rule (PAR) 1143 – Consumer Paint Thinners and Multi-Purpose Solvents
Lead Agency Name:	South Coast Air Quality Management District
Lead Agency Address:	21865 Copley Drive Diamond Bar, CA 91765
CEQA Contact Person:	James Koizumi, (909) 396-3234
PAR 1143 Contact Person:	Don Hopps, (909) 396-2334
Project Sponsor's Name:	South Coast Air Quality Management District
Project Sponsor's Address:	21865 Copley Drive Diamond Bar, CA 91765
General Plan Designation:	Not applicable
Zoning:	Not applicable
Description of Project:	The proposed project would add a definition of and exempt artist solvents and thinners from the requirements of Rule 1143. Artist solvents and thinners would be defined as any liquid product labeled to meet ASTM D4236-95; packaged in containers of 32 fluid ounces or less; and labeled to reduce the viscosity of, or remove, art coating compositions or components. The proposed project would also align the existing Rule 1143 with CARB's Consumer Products Regulations, which provides an exemption for artist paint thinners and solvents.
Surrounding Land Uses and Setting:	Industrial, commercial for manufacture, distribution and sale; primarily residential and/or institutional for use
Other Public Agencies Whose Approval is Required:	Not applicable

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The following environmental impact areas have been assessed to determine their potential to be affected by the proposed project. As indicated by the checklist on the following pages, environmental topics marked with a "✓" may be adversely affected by the proposed project. An explanation relative to the determination of impacts can be found following the checklist for each area.

- | | | |
|--|--|--|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Geology and Soils | <input type="checkbox"/> Population and Housing |
| <input type="checkbox"/> Agriculture and Forestry Resources | <input type="checkbox"/> Hazards and Hazardous Materials | <input type="checkbox"/> Public Services |
| <input checked="" type="checkbox"/> Air Quality and Greenhouse Gas Emissions | <input type="checkbox"/> Hydrology and Water Quality | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Land Use and Planning | <input type="checkbox"/> Solid/Hazardous Waste |
| <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Transportation/Traffic |
| <input type="checkbox"/> Energy | <input type="checkbox"/> Noise | <input checked="" type="checkbox"/> Mandatory Findings |

DETERMINATION

On the basis of this initial evaluation:

- I find the proposed project, in accordance with those findings made pursuant to CEQA Guideline §15252, COULD NOT have a significant effect on the environment, and that an ENVIRONMENTAL ASSESSMENT with no significant impacts has been prepared.
- I find that although the proposed project could have a significant effect on the environment, there will NOT be significant effects in this case because revisions in the project have been made by or agreed to by the project proponent. An ENVIRONMENTAL ASSESSMENT with no significant impacts will be prepared.
- I find that the proposed project MAY have a significant effect(s) on the environment, and an ENVIRONMENTAL ASSESSMENT will be prepared.
- I find that the proposed project MAY have a "potentially significant impact" on the environment, but at least one effect 1)has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL ASSESSMENT is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier ENVIRONMENTAL ASSESSMENT pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier ENVIRONMENTAL ASSESSMENT, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Date: August 20, 2010

Signature: Steve Smith
Steve Smith, Ph.D.
Program Supervisor

ENVIRONMENTAL CHECKLIST AND DISCUSSION

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
I. AESTHETICS. Would the project:				
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

The proposed project impacts on aesthetics will be considered significant if:

- The project will block views from a scenic highway or corridor.
- The project will adversely affect the visual continuity of the surrounding area.
- The impacts on light and glare will be considered significant if the project adds lighting which would add glare to residential areas or sensitive receptors.

Discussion

I.a), b), c) & d) PAR 1143 would exempt any artist solvent/thinner provided that it is sold or used exclusively for reducing the viscosity of, or removing, art coating compositions or components. Thus, implementation of PAR 1143 would not result in any new construction of buildings or other structures that would obstruct scenic resources or degrade the existing visual character of a site, including but not limited to, trees, rock outcroppings, or historic buildings. Similarly, additional light or glare would not be created which would adversely affect day or nighttime views in the area since no light generating equipment would be required to comply with PAR 1143. Further, the use of artist solvent/thinner would not appreciably change the visual profile of the building(s) where the exempted artist solvent/thinner is used.

Based upon these considerations, significant adverse aesthetics impacts are not anticipated and will not be further analyzed in the Draft EA. Since no significant aesthetics impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
II. AGRICULTURE AND FOREST RESOURCES. Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland mapping and Monitoring Program of the California Resources Agency, to non- agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code §12220(g)), timberland (as defined by Public Resources Code §4526), or timberland zoned Timberland Production (as defined by Government Code §51104 (g))?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Project-related impacts on agriculture and forest resources will be considered significant if any of the following conditions are met:

- The proposed project conflicts with existing zoning or agricultural use or Williamson Act contracts.
- The proposed project will convert prime farmland, unique farmland or farmland of statewide importance as shown on the maps prepared pursuant to the farmland mapping and monitoring program of the California Resources Agency, to non-agricultural use.
- The proposed project conflicts with existing zoning for, or causes rezoning of, forest land (as defined in Public Resources Code §12220(g)), timberland (as defined in Public Resources Code §4526), or timberland zoned Timberland Production (as defined by Government Code § 51104 (g)).
- The proposed project would involve changes in the existing environment, which due to their location or nature, could result in conversion of farmland to non-agricultural use or conversion of forest land to non-forest use.

Discussion

II.a), b), c) & d) PAR 1143 would exempt any artist solvent/thinner provided that it is sold or used exclusively for reducing the viscosity of, or removing, art coating compositions or components. The proposed project would not result in any new construction of buildings or other structures that would convert farmland to non-agricultural use or conflict with zoning for agricultural use or a Williamson Act contract. Use of artist solvent/thinner would not require converting farmland to non-agricultural uses because the manufacture and use of artist solvent/thinner is expected to occur completely within the confines of affected industrial facilities, commercial facilities, residences or institutions boundaries. For the same reasons, PAR 1143 would not result in the loss of forest land or conversion of forest land to non-forest use.

Based upon these considerations, significant agricultural resource impacts are not anticipated and will not be further analyzed in the Draft EA. Since no significant agriculture resources impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
III. AIR QUALITY AND GREENHOUSE GAS EMISSIONS.				
Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Violate any air quality standard or contribute to an existing or projected air quality violation?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions that exceed quantitative thresholds for ozone precursors)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Diminish an existing air quality rule or future compliance requirement resulting in a significant increase in air pollutant(s)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
g) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
h) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

III.a) For the purposes of the proposed project, PAR 1143 would result in 113.7 pounds of VOC emissions reductions foregone per day during operations. Overall, however, Rule 1143 is expected to reduce VOC emissions in the district approximately 9.75 tons per day. Therefore, the proposed project is not expected to conflict with or obstruct implementation of the applicable air quality control plan because the 2007 AQMP demonstrates that the effects of all existing rules, in combination with implementing all AQMP control measures would bring the district into attainment with all national and state ambient air quality standards. Therefore, PAR 1143 is not expected to significantly conflict or obstruct implementation of the applicable air quality plan and will not be evaluated further in the Draft EA.

III.b) & f) For a discussion of these items, refer to the following analysis:

Air Quality Significance Criteria

To determine whether or not air quality impacts from adopting and implementing PAR 1143 are significant, impacts will be evaluated and compared to the criteria in Table 2-1. The project will be considered to have significant adverse air quality impacts if any one of the thresholds in Table 2-1 are equaled or exceeded.

Construction Impacts

The manufacture of artist solvent/thinner exempt from PAR 1143 is expected to utilize similar equipment to that utilized to manufacture low-VOC artist solvent/thinner. Exempt artist solvent/thinner is expected to be used in a similar fashion to low-VOC artist solvent/thinner. Therefore, the manufacture or use of artist solvents/thinners exempt from PAR 1143 is not expected to require physical changes or modifications that would involve construction activities. As a result, there would be no construction air quality impacts resulting from the proposed project. Therefore, potential construction air quality impacts will not be considered further in the Draft EA.

**Table 2-1
SCAQMD Air Quality Significance Thresholds**

Mass Daily Thresholds ^a		
Pollutant	Construction ^b	Operation ^c
NOx	100 lbs/day	55 lbs/day
VOC	75 lbs/day	55 lbs/day
PM10	150 lbs/day	150 lbs/day
PM2.5	55 lbs/day	55 lbs/day
SOx	150 lbs/day	150 lbs/day
CO	550 lbs/day	550 lbs/day
Lead	3 lbs/day	3 lbs/day
Toxic Air Contaminants (TACs), Odor and GHG Thresholds		
TACs (including carcinogens and non-carcinogens)	Maximum Incremental Cancer Risk \geq 10 in 1 million Hazard Index \geq 1.0 (project increment)	
Odor	Project creates an odor nuisance pursuant to SCAQMD Rule 402	
GHG	10,000 metric tons per year	
Ambient Air Quality for Criteria Pollutants ^d		
NO2 1-hour average annual average	SCAQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 0.25 ppm (state – peak hour); 0.10 ppm (federal – 98 th percentile) 0.053 ppm (federal)	
PM10 24-hour average annual geometric average annual arithmetic mean	10.4 $\mu\text{g}/\text{m}^3$ (construction) ^e & 2.5 $\mu\text{g}/\text{m}^3$ (operation) 1.0 $\mu\text{g}/\text{m}^3$ 20 $\mu\text{g}/\text{m}^3$	
PM2.5 24-hour average	10.4 $\mu\text{g}/\text{m}^3$ (construction) ^e & 2.5 $\mu\text{g}/\text{m}^3$ (operation)	
Sulfate 24-hour average	25 $\mu\text{g}/\text{m}^3$	
CO 1-hour average 8-hour average	SCAQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 20 ppm (state) 9.0 ppm (state/federal)	

^a Source: SCAQMD CEQA Handbook (SCAQMD, 1993)

^b Construction thresholds apply to both the South Coast Air Basin and Coachella Valley (Salton Sea and Mojave Desert Air Basins).

^c For Coachella Valley, the mass daily thresholds for operation are the same as the construction thresholds.

^d Ambient air quality thresholds for criteria pollutants based on SCAQMD Rule 1303, Table A-2 unless otherwise stated.

^e Ambient air quality threshold based on SCAQMD Rule 403.

KEY: lbs/day = pounds per day ppm = parts per million $\mu\text{g}/\text{m}^3$ = microgram per cubic meter \geq greater than or equal to

Operational Impacts

Rule 1143 was developed to allow two different VOC content limit reductions over time, an interim and a final VOC content limit reduction. The interim VOC content limit, which is currently in effect, as of January 1, 2010, limits the VOC content of any consumer paint thinner and consumer multi-purpose solvent to 300 grams per liter, but offers a sell-through provision up to December 31, 2010 for high-VOC content traditional solvents provided they were manufactured prior to January 1, 2010. When fully implemented, the interim VOC emission reduction is expected to be 5.94 tons per day.

The final VOC content limit of 25 grams of per liter will become effective on January 1, 2011. Any consumer paint thinner and multi-purpose solvent manufactured prior to January 1, 2011, will have a sell-through allowance for products containing up to 300 grams per liter VOC content, provided that the products were manufactured prior to January 1, 2011. In addition, any consumer paint thinner and multi-purpose solvent that displays on the containers label uses that also include industrial maintenance thinning and was manufactured prior to July 9, 2010 will be allowed a sell-through allowance until April 1, 2011 for products that contain in excess of 300 grams per liter VOC content. When Rule 1143 is fully implemented, the VOC content limit of 25 grams per liter is expected to reduce VOC emissions by another 3.81 tons per day thus resulting in a combined VOC emission reduction of 9.75 tons per day.

CARB staff estimates the statewide VOC contribution of artist paint thinners and solvent to be about 252.7 pounds per day. Based on statewide population, SCAQMD staff estimates that 45 percent of the total statewide emissions occur within SCAQMD jurisdiction.

$$252.7 \text{ pounds per day} * 0.45 = 113.7 \text{ pounds per day, and} \\ 113.7 \text{ pounds per day} * 1 \text{ ton}/2000 \text{ pounds} = 0.057 \text{ tons per day}$$

Therefore, the VOC emissions forgone to the SCAQMD jurisdiction would be approximately 113.7 pounds per day, which exceeds the SCAQMD operational VOC significant threshold of 55 pounds per day. Since the operational VOC emissions would exceed the significance threshold, VOCs are an ozone precursor, and the district is not in attainment for ozone; PAR 1143 may contribute to an existing or projected air quality violation. Since the proposed project would result in VOC emissions reductions foregone from the existing Rule 1143 that exceed the operational VOC significant threshold of 55 pounds per day, it may diminish an existing air quality rule or future compliance requirement resulting in a significant increase in an air pollutant. These potential impacts will be evaluated further in the Draft EA.

III.c) The preceding analysis concluded that the operational VOC emission reductions foregone of 113.7 pounds per day would exceed the SCAQMD operational VOC significant threshold of 55 pounds per day. Therefore, PAR 1143 is cumulatively considerable and will be evaluated in the Draft EA.

III.d) Since the VOC emissions reductions foregone of 113.7 pounds per day are greater than the SCAQMD operational VOC significant threshold of 55 pounds per day, PAR 1143 may expose sensitive receptors to substantial pollutant concentrations. Therefore, PAR 1143 is considered to be potentially significant for exposure of sensitive receptors to substantial VOC pollutant concentrations and will be evaluated further in the Draft EA.

The February 2009 Final EA for Proposed Rule (PR) 1143 states that compliant products are expected to be formulated with less toxic replacement solvents than what are currently used in consumer paint thinners and multi-purpose solvents. Since the exemption would allow the use of conventional solvents that were deemed to be more toxic than the low- VOC replacement solvents, PAR 1143 may adversely affect health risk. Adverse health risk impacts from PAR 1143 will be evaluated in the Draft EA.

III.e) Odor problems depend on individual circumstances. For example, individuals can differ quite markedly from the population average in their sensitivity to odor due to any variety of innate, chronic or acute physiological conditions. This includes olfactory adaptation or smell fatigue (i.e., continuing exposure to an odor usually results in a gradual diminution or even disappearance of the smell sensation).

The February 2009 Final EA for PR 1143 states that lower VOC-containing materials would generally be used at sites that already use odorous compounds. While some solvents (e.g., PCBTF) have a distinct aromatic odor, it is anticipated that lower VOC-containing materials would not have appreciably different odor impacts than currently used materials. Since the odor impacts from conventional and lower VOC-containing materials were deemed to be similar, exempting artist solvent/thinner is not expected to create new objectionable odors that would affect a significant number of people.

III.g) & h) Global warming is the observed increase in average temperature of the earth's surface and atmosphere. The primary cause of global warming is an increase of greenhouse gas (GHG) emissions in the atmosphere. The six major types of GHG emissions identified in the Kyoto Protocol are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), haloalkanes (HFCs), and perfluorocarbons (PFCs). The GHG emissions absorb longwave radiant energy emitted by the earth, which warms the atmosphere. The GHGs also emit longwave radiation both upward to space and back down toward the surface of the earth. The downward part of this longwave radiation emitted by the atmosphere is known as the "greenhouse effect."

The current scientific consensus is that the majority of the observed warming over the last 50 years can be attributable to increased concentration of GHG emissions in the atmosphere due to human activities. Events and activities, such as the industrial revolution and the increased consumption of fossil fuels (e.g., combustion of gasoline, diesel, coal, et cetera), have heavily contributed to the increase in atmospheric levels of GHG emissions. As reported by the California Energy Commission (CEC), California contributes 1.4 percent of the global and 6.2 percent of the national GHG emissions (CEC, 2004). Further, approximately 80 percent of GHG emissions in California are from fossil fuel combustion (e.g., gasoline, diesel, coal, et cetera).

PAR 1143 is not expected to generate additional GHG emissions as explained in the following paragraphs. Of the elements in PAR 1143 that were previously discussed in the "Construction Air Quality Impacts" section, there are no construction activities and thus no construction emissions associated with the proposed project. Therefore, there will be no GHG emissions associated with construction activities and combustion equipment since these are not necessary to comply with PAR 1143.

The exemption from the requirements of Rule 1143 would be added because no- or low-VOC replacement solvents may not be sufficient to replace the currently available traditional artist related material, which includes turpentine, mineral spirits and artist mediums. None of the traditional artist related materials or non- or low-VOC solvents have been identified to be GHGs. The use of traditional artist related materials or non- or low-VOC solvents are not expected to alter operations; therefore, no change in GHG emissions is expected from implementing PAR 1143. Therefore, PAR 1143 is not expected to generate GHG emissions either directly or indirectly, that may have a significant impact on the environment or conflict with and applicable plan, policy or regulation adopted for the purpose of reducing the emissions of GHGs. Therefore, GHG impacts are not considered significant and will not be evaluated further in the Draft EA.

Conclusion

Based on the preceding evaluate of air quality impacts from PAR 1143, SCAQMD staff has concluded that PAR 1143 has the potential to generate significant adverse impacts that may: contribute to violations of an air quality standard, result in cumulatively considerable air quality impacts, expose sensitive receptors to substantial pollutant contributions, and diminish an existing air quality rule or future compliance requirement resulting in a significant increase in an air pollutant. Therefore, these topics will be further evaluated in the Draft EA.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
IV. BIOLOGICAL RESOURCES.				
Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
c) Have a substantial adverse effect on federally protected wetlands as defined by §404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Conflicting with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts on biological resources will be considered significant if any of the following criteria apply:

- The project results in a loss of plant communities or animal habitat considered to be rare, threatened or endangered by federal, state or local agencies.
- The project interferes substantially with the movement of any resident or migratory wildlife species.
- The project adversely affects aquatic communities through construction or operation of the project.

Discussion

IV.a), b), c), & d) PAR 1143 would exempt any artist solvent/thinner provided that it is sold or used exclusively for reducing the viscosity of, or removing, art coating compositions or components. Use of artist solvent/thinner is expected to occur within existing structures. Further, PAR 1143 is not expected to require construction activities to install control equipment because use of artist solvent/thinner would be exempt from PAR 1143. For the same reason, PAR 1143 would not require the construction of any new buildings or other structures. As a

result, implementing PAR 1143 is not expected to adversely affect in any way habitats that support riparian habitat, are federally protected wetlands, or are migratory corridors. Similarly, since implementing PAR 1143 would not require construction of any structures, special status plants, animals, or natural communities are not expected to be adversely affected.

IV.e) & f) It is not envisioned that PAR 1143 would conflict with local policies or ordinances protecting biological resources or local, regional, or state conservation plans because the proposed project does not require construction of any structures or new development in undeveloped areas. Additionally, PAR 1143 would not conflict with any adopted Habitat Conservation Plan, Natural Community Conservation Plan, or any other relevant habitat conservation plan for the same reason.

The SCAQMD, as the Lead Agency for the proposed project, has found that, when considering the record as a whole, there is no evidence that PAR 1143 would have potential for any new adverse effects on wildlife resources or the habitat upon which wildlife depends. Accordingly, based upon the preceding information, the SCAQMD has, on the basis of substantial evidence, rebutted the presumption of adverse effect contained in §753.5 (d), Title 14 of the California Code of Regulations.

Based upon these considerations, significant adverse biological resources impacts are not anticipated and will not be further analyzed in the Draft EA. Since no significant adverse biological resources impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
V. CULTURAL RESOURCES. Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource as defined in §15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource, site, or feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Disturb any human remains, including those interred outside formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts to cultural resources will be considered significant if:

- The project results in the disturbance of a significant prehistoric or historic archaeological site or a property of historic or cultural significance to a community or ethnic or social group.
- Unique paleontological resources are present that could be disturbed by construction of the proposed project.
- The project would disturb human remains.

Discussion

V.a), b), c), & d) Since no construction-related activities would be associated with the implementation of PAR 1143, no impacts to historical or cultural resources are anticipated to occur as a result of implementing the proposed project. Further, PAR 1143 is not expected to require physical changes to the environment, which may disturb paleontological or archaeological resources or disturb human remains interred outside of formal cemeteries.

Based upon these considerations, significant adverse cultural resources impacts are not expected from implementing PAR 1143 and will not be further assessed in the Draft EA. Since no significant cultural resources impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
VI. ENERGY. Would the project:				
a) Conflict with adopted energy conservation plans?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the need for new or substantially altered power or natural gas utility systems?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Create any significant effects on local or regional energy supplies and on requirements for additional energy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Create any significant effects on peak and base period demands for electricity and other forms of energy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Comply with existing energy standards?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts to energy and mineral resources will be considered significant if any of the following criteria are met:

- The project conflicts with adopted energy conservation plans or standards.
- The project results in substantial depletion of existing energy resource supplies.
- An increase in demand for utilities impacts the current capacities of the electric and natural gas utilities.

- The project uses non-renewable resources in a wasteful and/or inefficient manner.

Discussion

VI.a) & e) PAR 1143 would exempt any artist solvent/thinner provided that it is sold or used exclusively for reducing the viscosity of, or removing, art coating compositions or components. The use of artist solvent/thinner is expected to create little or no additional demand for energy at affected facilities because activities and practice that involve the use artist solvent/thinner are not expected to change as a result of exempting artist solvent/thinner from the requirements of the existing rule and, as such, would require little or no additional energy to use. As a result, PAR 1143 would not conflict with energy conservation plans, use non-renewable resources in a wasteful manner, or result in the need for new or substantially altered power or natural gas systems. Since PAR 1143 would not require the installation of control equipment or the construction of any structures, the proposed project would not conflict with adopted energy conservation plans. Additionally, facility operators who use artist solvent/thinner are expected to comply with any relevant existing energy conservation plans and standards to minimize operating costs. Accordingly these impact issues will not be further analyzed in the EA.

VI.b), c), & d) In light of the aforementioned discussion and since PAR 1143 would only affect artist solvent/thinner, PAR 1143 would not create any significant adverse effects on peak and base period demands for electricity, natural gas, or other forms of energy, or adversely affect energy producers or energy distribution infrastructure.

Based on the preceding discussion, PAR 1143 would not create any significant effects on peak and base period demands for electricity and other forms of energy and it is expected to comply with existing energy standards. Therefore, PAR 1143 is not expected to generate significant adverse energy resources impacts and will not be discussed further in the Draft EA. Since no significant energy impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
VII. GEOLOGY AND SOILS. Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts on the geological environment will be considered significant if any of the following criteria apply:

- Topographic alterations would result in significant changes, disruptions, displacement, excavation, compaction or over covering of large amounts of soil.

- Unique geological resources (paleontological resources or unique outcrops) are present that could be disturbed by the construction of the proposed project.
- Exposure of people or structures to major geologic hazards such as earthquake surface rupture, ground shaking, liquefaction or landslides.
- Secondary seismic effects could occur which could damage facility structures, e.g., liquefaction.
- Other geological hazards exist which could adversely affect the facility, e.g., landslides, mudslides.

Discussion

VII.a) There are no provisions in PAR 1143 that would require the construction of new or modified structures or the construction of air pollution control equipment that would call for the disruption or overcovering of soil, changes in topography or surface relief features, the erosion of beach sand, or a change in existing siltation rates. It is expected that consumers who use artist solvent/thinner, would use these products within affected residences' or institutions' boundaries. For these reasons, PAR 1143 would not expose persons or property to geological hazards such as earthquakes, landslides, mudslides, ground failure, or other natural hazards. Thus, this topic will not be analyzed further in the EA.

VII.b) PAR 1143 would exempt any artist solvent/thinner provided that it is sold or used exclusively for reducing the viscosity of, or removing, art coating compositions or components. Since artist solvent/thinner would be exempt from PAR 1143, installation of control equipment or the construction of any structures is not expected. Since PAR 1143 would not involve construction activities, no soil disruption from excavation, grading, or filling activities; changes in topography or surface relief features; erosion of beach sand; or changes in existing siltation rates are anticipated from the implementation of the proposed project.

VII.c) Since no construction activities would be required, no excavation, grading, or filling activities will be required to comply with the proposed project. For these reasons, subsidence is not anticipated to be a problem. Further, the proposed project would not require the drilling or removal of underground products (e.g., water, crude oil, etc.) that could produce subsidence effects. Since no groundwork or earth moving activities would be required as part of implementing PAR 1143, no new landslides effects or changes to unique geologic features would occur.

VII.d) & e) Because PAR 1143 exempts artist solvent/thinner, it is not expected to require the installation of control equipment or the construction of any structures that would involve earth-moving activities. Therefore, no persons or property would be exposed to new impacts from expansive soils or soils incapable of supporting water disposal. Further, PAR 1143 does not involve installation of septic tanks or other alternative waste water disposal systems. The main effect of the proposed project would allow the use of artist solvent/thinner exempt from PAR 1143.

Based upon these considerations, significant geology and soils impacts are not expected from the implementation of PAR 1143 and will not be further analyzed in the Draft EA. Since no significant geology and soils impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
VIII. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, and disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions, or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code §65962.5 and, as a result, would create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public use airport or a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
h) Significantly increased fire hazard in areas with flammable materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Significance Criteria

Impacts associated with hazards will be considered significant if any of the following occur:

- Non-compliance with any applicable design code or regulation.
- Non-conformance to National Fire Protection Association standards.
- Non-conformance to regulations or generally accepted industry practices related to operating policy and procedures concerning the design, construction, security, leak detection, spill containment or fire protection.
- Exposure to hazardous chemicals in concentrations equal to or greater than the Emergency Response Planning Guideline (ERPG) 2 levels.

Discussion

VIII.a), b), c), & h) Exempting artist solvent/thinner from PAR 1143, would result in no provisions that would directly or indirectly dictate the use of any specific solvent or thinner formulations. Persons who currently use artist solvents and thinners would continue to have the flexibility of choosing the product formulation best suited for their needs. It is likely that persons who utilize these materials would choose an artist solvent thinner that does not pose a substantial safety hazard.

FIRE HAZARD IMPACTS

Background

Fire hazards from conventional and low-VOC replacement solvents were evaluated in the July 9, 2010 Final EA for PAR 1143 (<http://www.aqmd.gov/ceqa/documents/2010/aqmd/finalEA/1143FSEA.PDF>). Impacts associated with fire hazards were considered significant if the project would create a significant fire hazard to the public through the substitution use of more flammable materials by consumers.

One potential replacement solvent, acetone, was concluded to be more flammable than conventional solvents. Therefore, Rule 1143 includes rule requirements designed to alert the consumer that new formulations may be more flammable than their conventional solvent counterpart. Further, the Rule 1143 labeling requirement is identical to the labeling language recommended in CARB's consumer products regulation, which was supported as an acceptable remedy to address the safety concerns initially expressed by fire authorities. Rule 1143 also includes additional language that goes beyond CARB's requirements and commits the SCAQMD to continue conducting ongoing public education and outreach activities in conjunction with the local fire departments to alert the public of the dangers of reformulated solvents with flammable or extremely flammable chemicals. SCAQMD staff met with local fire departments and related fire agencies and developed educational brochures and public service

announcements to further alert the public of a potential change in formulations of paint thinners and multi-purpose solvents. This outreach effort was designed to further alert the public about the need to review labels for products that may contain flammable or extremely flammable solvents. Based upon these considerations, the existing rule was found to have less than significant fire hazard impacts in the June 2010 Final EA for PAR 1143.

Analysis from the June 2012 Final Supplemental EA for PAR 1143

The following subsections summarize the hazards analysis from the 2010 Final Supplemental EA for the previous amendments to Rule 1143.

Hazard Safety Regulations

A number of physical or chemical properties may cause a substance to be a fire hazard. With respect to determining whether any conventional or replacement solvent is a fire hazard, Material Safety Data Sheet (MSDS) lists the National Fire Protection Association 704 flammability hazard ratings (i.e. NFPA 704). NFPA 704 is a “standard (that) provides a readily recognized, easily understood system for identifying flammability hazards and their severity using spatial, visual, and numerical methods to describe in simple terms the relative flammability hazards of a material³. However, there are limitations to the NFPA 704 rating system.

Because several substances can have the same NFPA 704 Flammability Ratings Code, other factors can make each substance’s fire hazard very different from each other. For example, all but one of the conventional solvents and all but one of the replacement solvents are designated as “highly flammable with an NFPA Flammability Ratings Code of “3” and yet all of these solvents have varying fire hazard risks. For this reason, additional chemical characteristics, such as auto-ignition temperature, boiling point, evaporation rate, flash point, lower explosive limit (LEL), upper explosive limit (UEL), and vapor pressure, are also considered when determining whether a substance is fire hazard. The following is a brief description of each these chemical characteristics.

Auto-ignition Temperature: The auto-ignition temperature of a substance is the lowest temperature at which it will spontaneously ignite in a normal atmosphere without an external source of ignition, such as a flame or spark.

Boiling Point: The boiling point of a substance is the temperature at which the vapor pressure of the liquid equals the environmental pressure surrounding the liquid. Boiling is a process in which molecules anywhere in the liquid escape, resulting in the formation of vapor bubbles within the liquid.

Evaporation Rate: Evaporation rate is the rate at which a material will vaporize (evaporate, change from liquid to a vapor) compared to the rate of vaporization of a specific known material. This quantity is represented as a unitless ratio. For example, a substance with a high evaporation rate will readily form a vapor which can be inhaled or explode, and thus have a higher hazard risk. Evaporation rates generally have an inverse relationship to boiling points, (i.e., the higher the boiling point, the lower the rate of evaporation).

³ National Fire Protection Association, FAQ for Standard 704.
<http://www.nfpa.org/faq.asp?categoryID=928&cookie%5Ftest=1#23057>

Flash Point: Flash point is the lowest temperature at which a volatile liquid can vaporize to form an ignitable mixture in air. Measuring a liquid's flash point requires an ignition source. At the flash point, the vapor may cease to burn when the source of ignition is removed. There are different methods that can be used to determine the flashpoint of a solvent but the most frequently used method is the Tagliabue Closed Cup standard (ASTM D56), also known as the TCC. The flashpoint is determined by a TCC laboratory device which is used to determine the flash point of mobile petroleum liquids with flash point temperatures below 175 °F (79.4 °C).

Lower Explosive Limit (LEL): The lower explosive limit of a gas or a vapor is the limiting concentration (in air) that is needed for the gas to ignite and explode or the lowest concentration (percentage) of a gas or a vapor in air capable of producing a flash of fire in presence of an ignition source (e.g., arc, flame, or heat). If the concentration of a substance in air is below the LEL, there is not enough fuel to continue an explosion. In other words, concentrations lower than the LEL are "too lean" to burn. For example, methane gas has a LEL of 4.4 percent (at 138 degrees Centigrade) by volume, meaning 4.4 percent of the total volume of the air consists of methane. At 20 degrees Centigrade, the LEL for methane is 5.1 percent by volume. If the atmosphere has less than 5.1% methane, an explosion cannot occur even if a source of ignition is present. When the concentration of methane reaches 5.1 percent, an explosion can occur if there is an ignition source.

Upper Explosive Limit (UEL): The upper explosive limit of a gas or a vapor is the highest concentration (percentage) of a gas or a vapor in air capable of producing a flash of fire in presence of an ignition source (e.g., arc, flame, or heat). Concentrations of a substance in air above the UEL are "too rich" to burn.

Vapor Pressure: Vapor pressure is an indicator of a chemical's tendency to evaporate into gaseous form.

Flash point is a particularly important measure of the fire hazard of a substance. For example, the Consumer Products Safety Commission (CPSC) promulgated Labeling and Banning Requirements for Chemicals and Other Hazardous Substances in 15 U.S.C. §1261 and 16 CFR Part 1500. Per the CPSC, the flammability of a product is defined in 16 CFR Part 1500.3 (c)(6) and is based on flash point. For example, a liquid needs to be labeled as: 1) "Extremely Flammable" if the flash point is below 20 °F; 2) "Flammable" if the flash point is above 20 °F but less than 100 °F; or, 3) "Combustible" if the flash point is above 100 °F up to and including 150 °F.

Fire Hazards of Cleaners and Solvents

Although Rule 1143 does not dictate the creation or use of any particular product formulation, the VOC content limits of PAR 1143 was expected to result in the manufacture and use of affected products with non- or low-VOC solvents. Since there are many different product manufacturers and formulations of artist solvent/thinners solvents, as well as many different applications or uses, the specific chemical composition of all artist solvent/thinners products is not known.

Overall, Rule 1143 was expected to result in the use of formulations that contain non- or low-VOC solvents to meet VOC content limit requirements. In addition, there are replacement solvents such as aqueous or water-based cleaning solvents, bio-based solvents, and methyl esters that were developed to comply, not only with Rule 1143, but with other rules that regulate VOC emissions through solvent reformulations. These do not have flammability concerns. Analysis in the June 2010 Final Supplemental EA for Rule 1143 focused on the fire hazard risks of the products with flammable or extremely flammable substances.

Commonly used traditional solvents include, for example, denatured alcohol (ethanol), methyl ethyl ketone (MEK), mineral spirits (Stoddard solvent), toluene, xylene, and varnish maker's and painter's (VMP) naphtha. These materials are all flammable, with mineral spirits being the least flammable of the group.

The June 2010 Final Supplemental EA for PAR 1143 examined the non- or low-VOC solvents that were expected to be used in compliant formulations, such as, acetone, methyl acetate or PCBTF. All three of these solvents are listed as Group I exempt solvents in SCAQMD Rule 102. Acetone and methyl acetate are extremely flammable, while PCBTF is combustible with a flash point similar to mineral spirits. For the purpose of conducting the worst-case analysis in the June 2010 Final Supplemental EA for PAR 1143, it was assumed that products compliant with PAR 1143 were reformulated by using these Group I exempt compounds⁴.

Flammability Characteristics of Conventional Solvents and Potential Replacement Solvents

Table 2-2 contains a summary of traditional solvents and replacement solvents that were already in use along with each solvent's chemical characteristics as they pertain to flammability. Of the solvents listed in Table 2-2, acetone and PCBTF were the only solvents used as traditional solvents as well as expected to be used as replacement solvents. Acetone, because of its low cost and its exemption as a VOC, and also because it is currently used in multipurpose cleaning solvents in a variety of settings including industrial, institutional, and commercial applications, was expected to be the most widely used component of replacement products used to comply with the existing Rule 1143.

Like the traditional solvents listed, the three solvents identified as compliant replacement solvents, have increased fire hazard risks. This is especially true for acetone and methyl acetate which are both extremely flammable and both have very low flash points when compared to the other solvents. When compared to acetone and methyl acetate, PCBTF, which is classified as combustible, poses a lesser degree of fire hazard because it has similar flash point as mineral spirits. The following is a description of each solvent's flammability information. This information was extracted from material safety data sheets (MSDS).

⁴ Note that PAR 1143 contains a general prohibition against the sale, manufacture, blend or repackage of any consumer paint thinner or multi-purpose solvent that contains in excess of 0.1 percent by weight of most Group II exempt compounds (e.g., toxic or ozone-depleting substances) listed in SCAQMD Rule 102.

Table 2-2
Chemical Characteristics of Conventional and Potential Replacement Solvents

Conventional Solvents								
Chemical Compound	Auto-ignition Temperature (°C)	Boiling Point (@762 mmHg, °F)	Evaporation Rate @25 °C (Butyl Acetate = 1)	Flash Point (°F)	LEL/UEL ^a (% by Vol.)	Vapor Pressure (mmHg @ 22 °C)	NFPA Flammability Rating ^b	Labeling Requirement per CPSC ^c
Acetone	538	56	6.1	-4	2.6/12.8	180	3	Extremely Flammable
Denatured Alcohol (Ethanol)	435	78	2.3	56	3.3/19	44	3	Flammable
Isopropyl Alcohol	399	180	2.3	53	2/12.7	33	3	Flammable
Lacquer Thinner ^d	238	212.6	2.7	7.4	2/18.4	97.7	3	1. Extremely Flammable 2. Special Hazards Labeling per 16 CFR Part 1500.14 (a)(3), (a)(4), (b)(3) & (b)(4)
MEK	474	80	4.0	16	1.8/11.5	8.7	3	Extremely Flammable
Mineral Spirits (Stoddard)	232	154-188	0.1	109-113	1.0 / 7	1.1	2	1. Combustible 2. Special Hazards Labeling per 16 CFR Part 1500.14 (a)(3) & (b)(3)
Paint Thinner ^e	229	299.6	1.4	81 - 117	1.0 / 7.3	2	3	1. Flammable if Flash Point < 100 °F or Combustible if Flash Point > 100°F 2. Special Hazards Labeling per 16 CFR Part 1500.14 (a)(3) & (b)(3)
PCBTF ^f	>500	282	0.9	109	0.9/10.5	5.3	1	Combustible
Toluene	538	111	2.0	41	1.3 / 7	22	3	1. Flammable 2. Special Hazards Labeling per 16 CFR Part 1500.14 (a)(3) & (b)(3)
Turpentine	253	323.7	0.7	94.3	0.8/ n/a	5	3	1. Flammable 2. Special Hazards Labeling per 16 CFR Part 1500.14 (a)(5) & (b)(5)
VM&P Naphtha	288	266.9	1.2	53.1	1.2/6	20	3	1. Flammable 2. Special Hazards Labeling per 16 CFR Part 1500.14 (a)(3) & (b)(3)
Xylene	499	139	0.8	81	1.0/6.6	6	3	1. Flammable 2. Special Hazards Labeling per 16 CFR Part 1500.14 (a)(3) & (b)(3)

Table 2-2 (concluded)
Chemical Characteristics of Conventional and Potential Replacement Solvents

Potential Replacement Solvents								
Chemical Compound	Auto-ignition Temperature (°C)	Boiling Point (@762 mmHg, °F)	Evaporation Rate @25 °C (Butyl Acetate = 1)	Flash Point (°F)	LEL/UEL ^a (% by Vol.)	Vapor Pressure (mmHg @ 22 °C)	NFPA Flammability Rating ^b	Labeling Requirement per CPSC ^c
Acetone	538	56	6.1	-4	2.6/12.8	180	3	Extremely Flammable
Methyl Acetate	501	56	5.3	15	3/16	171	3	Extremely Flammable
PCBTF ^f	> 500	282	0.9	109	0.9/10.5	5.3	1	Combustible

^a Lower Explosive Limit / Upper Explosive Limit

^b NFPA Flammability Rating: 0 = Not Combustible; 1 = Combustible if heated; 2 = Caution: Combustible liquid flash point of 100° to 200°F; 3 = Warning: Flammable liquid flash point below 100°F; 4 = Danger: Flammable gas or extremely flammable liquid

^c The Consumer Products Safety Commission (CPSC) has Labeling and Banning Requirements for Chemicals and Other Hazardous Substances which are located in 15 U.S.C.§1261 and 16 CFR Part 1500. Specifically, the flammability of a product is defined in 16 CFR Part 1500.3 (c)(6) and is based on flash point. For example, a flammable liquid needs to be labeled as: 1) “Extremely Flammable” if the flash point is below 20 °F; 2) “Flammable” if the flash point is above 20 °F but less than 100°F; or, 3) “Combustible” if the flash point is above 100 °F up to and including 150 °F.

^d Lacquer thinner is manufactured from petroleum distillates and blended with other solvents, such as xylene, toluene, isopropyl alcohol, acetone, methanol, and light aliphatic solvent naphtha. Exact blending ratios vary widely.

^e While paint thinner is predominantly referred to as “mineral spirits” or “stoddard solvent” (listed elsewhere in this table, paint| thinner is broadly described as being manufactured from petroleum distillates and can be a blend of multiple solvents, including but not limited to, mineral spirits, naphtha, nonanes (mixture), 1,2,4-trimethyl benzene, ethyl benzene, diacetone alcohol, n-butyl acetate, methyl isobutyl ketone, cumene and xylene.

^f Source: OxyChem Specialty Business Group

Conventional Solvents

The raw materials needed to formulate the artist solvent/thinners generally come from chemical plants and petroleum refineries. Artist solvent/thinners are available at a variety of retail outlets, including nationwide chain retail stores, as well as smaller art stores. Approximately 1.2 million gallons of high-VOC containing multi-purpose solvents⁵ are currently sold within SCAQMD's jurisdiction per year.

The following subsections provide brief summaries of the physical and chemical properties of commonly used solvents currently used for cleaning and thinners available.

Acetone

Acetone is a colorless, highly volatile liquid that has a fragrant, mint-like odor. It is a manufactured chemical that is also found naturally in the environment. It occurs naturally in plants, trees, volcanic gases, forest fires, and as a product of the breakdown of body fat. It is present in vehicle exhaust, tobacco smoke, and landfill sites. Acetone is used to make plastic, fibers, drugs, and other chemicals. It is also used to dissolve other substances. Industrial processes contribute more acetone to the environment than natural processes. Common uses for acetone are nail polish removers and for thinning paint. It has a high solvent strength greater than the other types of solvents, except for xylene, which has a similar solvent strength. Acetone is widely available at retail stores that sell solvents.

1. As a VOC: Acetone is currently listed as a Group I exempt VOC pursuant to SCAQMD Rule 102 – Definition of Terms, because it does not contribute appreciably to ozone formation. Acetone was originally “delisted” as a VOC by the EPA in 1995.
2. Flammability: Acetone has the lowest flash point, -4 °F (below freezing), and is the most flammable of all the solvents considered in PAR 1143. Acetone, along with the majority of the other solvents except for mineral spirits and PCBTF, is rated “three” for flammability by the NFPA which means that it is considered to be highly flammable. However, because of the ultra-low flash point, labeling requirements pursuant to the CPSC classifies acetone as “extremely flammable.”

Denatured Alcohol

Denatured alcohol, also referred to as ethanol or ethyl alcohol, is used as a solvent and in making many commercial products. Denatured alcohol is a colorless liquid and has a strong odor of ethanol. The term “denatured” means that an additive has been mixed into the alcohol to make the taste unpleasant and toxic to human health so that it will not be consumed as a beverage. Typical additives are methanol, isopropyl alcohol, acetone, methyl ethyl ketone, methyl isobutyl ketone. Denatured alcohol is an ethanol that can be used as a solvent for cleaning and in some cases, thinning. It can also be used as an aid for sanding wood. Denatured alcohol has a high VOC content and can be found for sale at most hardware stores.

⁵ This is based on a total inventory of 10.2 tons of VOC per day and a sales weighted average VOC content of 736 grams per liter. CARB's Initial Statement of Reasons (ISOR) for the Consumer Products Regulation also supported this VOC inventory from these sources, based on a survey conducted in 2009.

1. As a VOC: Denatured alcohol has a high VOC material content that ranges from 791 grams per liter to 815 grams per liter.
2. Flammability: Denatured alcohol has a flash point of 56 °F so at typical ambient temperatures, denatured alcohol is considered flammable. Other solvents with similar flash points are isopropyl alcohol and VM&P Naphtha. In addition, denatured alcohol is rated “three” for flammability by the NFPA which means that it is considered to be highly flammable. Lastly, the CPSC classifies denatured alcohol as flammable.

Isopropyl Alcohol

Isopropyl alcohol (IPA), also referred to as isopropanol, isopro, and rubbing alcohol, is a colorless liquid with a strong odor. IPA is a widely used solvent for medical and industrial applications because it sanitizes the treated area and dries rapidly. For industrial applications, IPA is commonly used to clean electronic circuits and electronic devices. IPA can be found for sale at hardware and drugstores stores.

1. As a VOC: IPA has a high VOC material content that ranges from 787 grams per liter to 815 grams per liter.
2. Flammability: IPA has a flash point of 53°F so at typical ambient temperatures, denatured alcohol is considered flammable. Other solvents with similar flash points are denatured alcohol and VM&P Naphtha. In addition, IPA is rated “three” for flammability by the NFPA which means that it is considered to be highly flammable. Lastly, the CPSC classifies IPA as flammable.

Lacquer Thinner

Lacquer thinner is manufactured from petroleum distillates and blended with other solvents; it offers similar properties as toluene but costs less. Lacquer thinner is mainly used as a thinning agent for nitrocellulose and acrylic lacquers, but can also be used as thinners for epoxies, automotive paint and gravure printing inks.

1. As a VOC: Lacquer thinner has a high VOC material content that ranges from 739 grams per liter to 850 grams per liter.
2. Flammability: Lacquer thinner has the second lowest flash point, 7.4 °F (below freezing), and as such, is the second most flammable when compared to acetone of all the solvents considered in Rule 1143. Lacquer thinner, along with the majority of the other solvents except for mineral spirits and PCBTF, is rated “three” for flammability by the NFPA which means that it is considered to be highly flammable. However, because of the ultra-low flash point, labeling requirements pursuant to the CPSC classifies lacquer thinner as “extremely flammable.”

Methyl Ethyl Ketone

Methyl ethyl ketone (MEK), also known as butanone, is a manufactured organic solvent and has a butterscotch odor similar to acetone. MEK is an effective solvent because of its ability to dissolve gums, resins, cellulose acetate and nitrocellulose coatings.

The primary use of methyl ethyl ketone (MEK), accounting for approximately 63 percent of all use, is as a solvent in protective coatings. It is also used as a solvent in printing inks, paint removers, and other cleaning products; in the production of magnetic tapes; and in dewaxing lubricating oil. MEK is used as a chemical intermediate in several reactions, including condensation, halogenation, ammonolysis, and oxidation. Small amounts of MEK are also used as a sterilizer for surgical instruments, hypodermic needles, syringes, and dental instruments; as an extraction solvent for hardwood pulping and vegetable oil; and as a solvent in pharmaceutical and cosmetic production.

1. As a VOC: MEK has a high VOC material content that ranges from 803 grams per liter to 810 grams per liter.
2. Flammability: MEK has the fourth lowest flash point, 16 °F (below freezing) when compared to acetone, and as such, is the fourth most flammable of all the solvents considered in Rule 1143. MEK, along with the majority of the other solvents except for mineral spirits and PCBTF, is rated “three” for flammability by the NFPA which means that it is considered to be highly flammable. However, because of the ultra-low flash point, labeling requirements pursuant to the CPSC classifies MEK as “extremely flammable.”

Mineral Spirits

Mineral spirits, also known as Stoddard solvent, is a petroleum distillate that is used to remove oils, grease, and carbon and is added to thread cutting oils as a cleaning agent. Mineral spirits can be further refined so that the aromatics are removed which results in a product called “odorless” mineral spirits. Odorless mineral spirits are favored for oil painting because they are less toxic and do not emit strong odors like unrefined mineral spirits.

1. As a VOC: Mineral spirits has a high VOC material content that ranges from 759 grams per liter to 790 grams per liter.
2. Flammability: Mineral spirits has a relatively high flash point that ranges between 109 °F and 113 °F (well above typical ambient temperatures) when compared to acetone and a similar flash point when compared to PCBTF, and as such, is one of the least flammable of all the solvents considered in Rule 1143. Mineral spirits, is the only solvent that is rated “two” for flammability by the NFPA which means that it is considered to be moderately flammable. Because of its high flash point range, labeling requirements pursuant to the CPSC classifies MEK as “combustible.”

Paint Thinner

Paint thinner is a petroleum distillate blend similar to odorless mineral spirits. The primary purpose of paint thinner is to thin oil-based paint. However, paint thinner is effective for degreasing tools and general household cleaning.

1. As a VOC: Paint thinner has a high VOC material content that ranges from 775 grams per liter to 882 grams per liter.

2. Flammability: Paint thinner has a relatively high flash point that ranges between 81 °F and 117 °F depending on the blending components. The lower end of this temperature spectrum falls within typical ambient temperatures. Paint thinner, along with the majority of the other solvents except for mineral spirits and PCBTF, is rated “three” for flammability by the NFPA which means that it is considered to be highly flammable. Because of its varying composition of blending components with a wide flash point range, labeling requirements pursuant to the CPSC classifies paint thinner as either “flammable” if the mixture’s flash point is below 100 °F or “combustible” if the mixture’s flash point is above 100 °F.

PCBTF (parachlorobenzotrifluoride)

PCBTF is a colorless liquid with a distinct aromatic odor. It is commonly used as an ink solvent in the printing industry and is sold under the brand name Oxsol 100. PCBTF had originally been used as an intermediate in the production of other compounds, but more recently has been marketed as a cleaning solvent and a paint thinner. Because it is only manufactured in a limited number of countries overseas (e.g., China), it is considered to be expensive due to high shipping costs relative to other possible solvent replacements.

1. As a VOC: Exempt pursuant to EPA and listed as exempt in Rule 102, class I.
2. Flammability: PCBTF, like mineral spirits, has a relatively high flash point at 109 °F (well above typical ambient temperatures) when compared to acetone, and as such, is one of the least flammable of all the solvents considered in Rule 1143. PCBTF, is the only solvent that is rated “one” for flammability by the NFPA which means that it is considered to be slightly flammable or combustible if heated. Because of its high flash point range, labeling requirements pursuant to the CPSC classifies PCBTF as “combustible.”

Toluene

Toluene is a colorless liquid that has a sweet, pungent, benzene-like odor. The largest use for toluene is for the production of benzene. Toluene has the following applications: 1) as an octane booster or enhancer for blending gasoline; 2) as a raw material for making toluene diisocyanate; 3) as a solvent; and 4) for solvent extraction processes. As a solvent, it may be used in aerosol spray paints, wall paints, lacquers, inks, adhesives, natural gums, and resins, as well as in a number of consumer products, such as spot removers, paint strippers, cosmetics, perfumes, and antifreezes.

1. As a VOC: Toluene has a high VOC material content of 863 grams per liter.
2. Flammability: Toluene has a flash point of 41 °F so at typical ambient temperatures, it is considered flammable. Other solvents with similar but slightly higher flash points are denatured alcohol, isopropyl alcohol and VM&P Naphtha. Toluene is rated “three” for flammability by the NFPA which means that it is considered to be highly flammable.

Turpentine

Turpentine, a bio-based solvent used as a thinning solvent for oil-based paints, is manufactured from distilling pine tree sap into a fluid.

1. As a VOC: Turpentine has a high VOC material content of 863 grams per liter.
2. Flammability: Turpentine has a flash point of 94.3 °F so at typical ambient temperatures, it is considered flammable. Other solvents with similar but slightly higher flash points are paint thinner and xylene. In addition, turpentine is rated “three” for flammability by the NFPA which means that it is considered to be highly flammable. Lastly, the CPSC classifies turpentine as flammable.

Varnish Makers and Printers Naphtha

Varnish makers and printers (VM&P) naphtha, also known as petroleum ether, is a petroleum-based chemical that is commonly used as a cleaning solvent and is manufactured by distilling petroleum or coal tar.

1. As a VOC: VM&P naphtha has a high VOC material content that ranges from 750 grams per liter to 875 grams per liter.
2. Flammability: VM&P naphtha has a flash point of 53.1 °F so at typical ambient temperatures, it is considered flammable. Other solvents with similar flash points are denatured alcohol and isopropyl alcohol. In addition, VM&P naphtha is rated “three” for flammability by the NFPA which means that it is considered to be highly flammable. Lastly, the CPSC classifies VM&P naphtha as flammable.

Xylene

Xylene is a colorless, sweet-smelling liquid that is produced from petroleum. The term xylene, also known as xylol, refers to a mixture of three benzene derivatives (isomers) that can be differentiated by the following forms: meta-xylene (m-xylene), ortho-xylene (o-xylene), and para-xylene (p-xylene). Xylene can also occur naturally in petroleum and coal tar and is formed during forest fires. Chemical industries produce xylene from petroleum. It is one of the top 30 chemicals produced in the United States in terms of volume. Xylene is used as a solvent in the printing, rubber, and leather industries. It is also used as a cleaning agent, paint thinner, and as a solvent in paints and varnishes. It is found in small amounts in airplane fuel and gasoline.

1. As a VOC: Xylene has a high VOC material content that ranges from 860 grams per liter to 872 grams per liter.
2. Flammability: Xylene has a relatively high flash point at 81 °F, which is within typical ambient temperatures. Xylene, along with the majority of the other solvents except for mineral spirits and PCBTF, is rated “three” for flammability by the NFPA which means that it is considered to be highly flammable. The CPSC classifies xylene as flammable.

Replacement Solvents

Acetone

For information on the characteristics of acetone, see the previous acetone discussion in the “Conventional Solvents” subsection.

Methyl Acetate

Methyl acetate, also known as acetic acid methyl ester or methyl ethanoate, is a clear, flammable liquid with a characteristic smell like certain glues or nail polish removers. Methyl acetate is used as a solvent in glues and nail polish removers, in chemical reactions, and for extractions. Methyl acetate is a non-polar (lipophilic) to a weakly polar (hydrophilic) solvent.

1. As a VOC: Exempt pursuant to EPA and listed as exempt in Rule 102, class I.
2. Flammability: Methyl acetate has the third lowest flash point, 15 °F (below freezing), and as such, is the third most flammable when compared to acetone of all the solvents considered in Rule 1143. Methyl acetate, along with the majority of the other solvents except for mineral spirits and PCBTF, is rated “three” for flammability by the NFPA which means that it is considered to be highly flammable. The CPSC also classifies methyl acetate as “extremely flammable.”

PCBTF (parachlorobenzotrifluoride)

For information on the characteristics of PCBTF, see the previous PCBTF discussion in the “Conventional Solvents” subsection.

While the flammability ratings by the NFPA are the same for acetone, denatured alcohol (ethanol), isopropyl alcohol, methyl acetate, MEK, paint thinner, toluene, turpentine, VM&P naphtha, and xylene, only acetone and lacquer thinner are required to be labeled as “extremely flammable” pursuant to the CPSC’s labeling standards. Since the VOC content of lacquer thinner makes it ineligible for use as a compliant material under Rule 1143, acetone and methyl acetate are the only extremely flammable substances that were expected to continue to be used; both of these were expected to increase in use as a result of implementing Rule 1143. PCBTF is a combustible solvent that has also been used as a VOC replacement in paint thinners.

Acetone has a higher lower explosive limit (LEL) than all the conventional solvents except denatured alcohol with only methyl acetate having the highest LEL of all the solvents. Having a higher LEL means that acetone vapors will not cause an explosion unless the vapor concentration exceeds 26,000 ppm. Taking flash point into consideration, acetone has the lowest flash point of all the solvents and this factor makes acetone the highest flammability risk of all the other solvents.

In contrast, toluene vapors can cause an explosion at 13,000 ppm, which poses a much greater risk of explosion. The concentration of mineral spirits or xylene vapors, other conventional solvents, which could cause an explosion, is even lower at 10,000 ppm. Under operating guidelines of working with flammable material under well-ventilated areas, as prescribed by the fire department codes, it would be difficult to achieve concentrated streams of such vapors for unconventional solvents and would be extremely more difficult for acetone and methyl acetate.

The Uniform Fire Code (UFC) treats solvents such as acetone, butyl acetate, and MEK as Class I Flammable Liquids. Further, the UFC considers all of these solvents to present the same relative degree of fire hazard. However, because acetone has a much lower flash point than the other Class I Flammable Liquids, acetone is considered to have a more severe fire hazard potential and is labeled “extremely flammable.”

With respect to suppliers and sellers of affected artist solvent/thinner, the UFC and Uniform Building Code set standards intended to minimize risks from flammable or otherwise hazardous materials. Local jurisdictions are required to adopt the uniform codes or comparable regulations. For some applications, local fire agencies require permits for the use or storage of hazardous materials and permit modifications for increases in their use. Permit conditions depend on the type and quantity of the hazardous materials onsite. Permit conditions may include, but are not limited to, specifications for sprinkler systems, electrical systems, ventilation, and containment. The fire departments make annual business inspections to ensure compliance with permit conditions and other appropriate regulations.

In recognition of the same potential increased fire risk concerns associated with the increased use of acetone in reformulated products, Rule 1143 contains the same requirements designed to specifically address the fire hazard issue. For example, CARB's consumer warning language has been included in Rule 1143 to provide consumers with necessary information for products formulated with flammable and extremely flammable solvents, including acetone. Specifically, the Rule 1143 includes the following:

No person shall sell, supply, offer for sale, or manufacture for use in the District any "Flammable" or "Extremely Flammable" Paint thinner or Multi-purpose Solvent named, on the Principal Display Panel as "Paint Thinner", "Multi-purpose Solvent", "Clean-up Solvent", or "Paint Clean-up";

Unless any of the following criteria are met:

Products which include an attached "hang tag" or sticker that displays, at a minimum, the following statement: "Formulated to meet low VOC limits; see warnings on label".

Products which include an attached "hang tag" or sticker that displays, at a minimum, the following statement: "Formulated to meet low VOC limits with the common name of the chemical compound (e.g., "Acetone," "Methyl Acetate", etc.) that results in the product meeting the criteria for "Flammable" or "Extremely Flammable".

Products which include a hang tag as a second principal display panel with the following statement placed adjacent to and associated with the required CPSC warning: "Formulated to meet low VOC limits."

Products with a principal display panel that contains the following statement placed adjacent to and associated with the required CPSC warning in the same font size or larger as the principal display panel product name: "Formulated to meet low VOC limits."

Products where that Principal Display Panel displays, in a font size as large as or larger than the font size of any other words on the panel, the common name of the chemical compound (e.g., "Acetone," "Methyl Acetate", etc.) that results in the product meeting the criteria for "Flammable" or "Extremely Flammable".

Products that meet the labeling requirements of the CARB Consumer Product Regulation specified in Title 17, CCR, §94512(e) as adopted.

The language was designed to alert the consumer that new formulations may be more flammable than their conventional solvent counterpart. Because there could also be new acetone-based formulations that meet the interim 300 grams per liter limit, the language also protects the consumer irrespective of which VOC limit is achieved. Further, the rule language is identical to the labeling language in CARB's consumer products regulation which has been supported as an acceptable remedy to address the safety concerns initially expressed by fire authorities. None of the labeling or notice requirements preclude the use of any additional labeling or notice for consumer education.

Rule 1143 also includes additional language that goes beyond CARB's requirements and commits the SCAQMD to continue conducting ongoing public education and outreach activities in conjunction with the local fire departments to alert the public on the dangers of reformulated solvents with flammable or extremely flammable chemicals. SCAQMD staff met with local fire departments and related fire agencies and developed educational brochures and public service announcements to further alert the public of a potential change in formulations of paint thinners and multi-purpose solvents. The outreach effort is designed to further emphasize the public's need to review labels for products that may use flammable or extremely flammable solvents.

Based upon these considerations, less than significant fire hazard impacts are expected from the implementation of Rule 1143. Since no significant fire hazard impacts were identified, no mitigation measures are necessary or required.

Analysis of PAR 1143

The purpose for the exemption for artist solvent/thinners is that Rule 1143 compliant solvents do not have the desired characteristics needed by artist for their solvents and thinners. If PAR 1143 is adopted, it is unlikely that there would be an increase in affected solvents reformulated with acetone. Instead, it is likely that artist solvents and thinners would be formulated with traditional solvents. According to the analysis of hazard impacts from Rule 1143 in the June 2010 Final Supplemental EA for PAR 1143, it was concluded that formulating compliant products with acetone could generate significant adverse hazard impacts. However, the June amendments to Rule 1143 included labeling and public outreach requirements, which were concluded to reduce significant hazard impacts to insignificant. However, this potential hazard impact from formulating artist solvents and thinners with acetone would be eliminated under PAR 1143.

Therefore, PAR 1143 is not expected to create a new significant hazard to the public or the environment through the routine transport, use and disposal of hazardous material; create a new significant hazard to the public or the environment through reasonably foreseeable upset conditions involving the release of hazardous materials into the environment; emit new hazardous emissions, or handle hazardous or acutely hazardous materials, substances or waste within one-quarter mile of an existing or proposed school; or significantly increase fire hazard in areas with flammable materials; and will not be further analyzed in the Draft EA.

VIII.d) Government Code §65962.5 typically refers to a list of facilities that may be subject to Resource Conservation and Recovery Act (RCRA) permits. Since PAR 1143 would exempt

artist solvent/thinner, it would not impact facilities affected by Government Code §65962.5 (i.e., under the proposed exemption from Rule 1143, affected manufacturers or users of artist solvent/thinner would not have any restrictions related to Rule 1143, but would still need to comply with any regulations relating to Government Code §65962.5). In addition, affected facilities would be expected to continue to manage any and all hazardous materials and hazardous waste, in accordance with federal, state and local regulations. Exemption of artist solvent/thinner from the requirements of PAR 1143 is not expected to interfere with existing hazardous waste management programs. Accordingly, this impact issue will not be further evaluated in the Draft EA.

VIII.e) Since the use of artist solvent/thinner exempt from PAR 1143 would occur at existing residential, institutional, industrial, or commercial facilities, implementation of PAR 1143 is not expected to increase or create any new hazardous emissions which could adversely affect public/private airports located in close proximity to the affected sites. As stated above, the potential flammability impacts from artist solvents and thinners is likely to be less, because reformulation would not be necessary as a result of the proposed exemption (i.e., any acetone use would not be an effect of PAR 1143). In addition, the definition of artist solvents and thinners would restrict containers to 32 fluid ounces or less. Accordingly, these impact issues will not be further evaluated in the Draft EA.

VIII.f) While PAR 1143 has no provisions that would dictate the use of any specific material, persons who currently use artist solvent/thinner would continue to have the flexibility of choosing the product formulation best suited for their needs. If available and given the choice, persons who utilize these materials would want to choose an artist solvent/thinner that does not pose a substantial safety hazard. However, since the artist solvent/thinner would be exempt from VOC content limit, potential hazard impacts from the use of acetone as a component in compliant products is likely to be reduced; therefore, PAR 1143 would eliminate potential hazard impacts from artist solvents and thinners associated with compliant projects reformulated with acetone compared to the existing Rule 1143.

With respect to suppliers and sellers of affected artist solvents/thinners, Health and Safety Code §25506 specifically requires all businesses handling hazardous materials to submit a business emergency response plan to assist local administering agencies in the emergency release or threatened release of a hazardous material. Business emergency response plans generally require the following:

1. Identification of individuals who are responsible for various actions, including reporting, assisting emergency response personnel and establishing an emergency response team;
2. Procedures to notify the administering agency, the appropriate local emergency rescue personnel, and the California Office of Emergency Services;
3. Procedures to mitigate a release or threatened release to minimize any potential harm or damage to persons, property or the environment;
4. Procedures to notify the necessary persons who can respond to an emergency within the facility;
5. Details of evacuation plans and procedures;

6. Descriptions of the emergency equipment available in the facility;
7. Identification of local emergency medical assistance; and
8. Training (initial and refresher) programs for employees in:
 - a. The safe handling of hazardous materials used by the business;
 - b. Methods of working with the local public emergency response agencies;
 - c. The use of emergency response resources under control of the handler; and
 - d. Other procedures and resources that will increase public safety and prevent or mitigate a release of hazardous materials.

In general, every county or city and all facilities using a minimum amount of hazardous materials are required to formulate detailed contingency plans to eliminate, or at least minimize, the possibility and effect of fires, explosion, or spills. In conjunction with the California Office of Emergency Services, local jurisdictions have enacted ordinances that set standards for area and business emergency response plans. These requirements include immediate notification, mitigation of an actual or threatened release of a hazardous material, and evacuation of the emergency area. Because the proposed project would eliminate potential hazard impacts from acetone-based products, it is not anticipated that PAR 1143 would impair implementation of or physically interfere with an adopted or modified emergency response plan or emergency evacuation plan, and will not be evaluate further in the Draft EA.

VIII.g) Since the exemption in PAR 1143 is likely to result in the use of less flammable artist solvent/thinner than acetone at existing residential, industrial, or commercial sites in urban areas where wildlands are typically not prevalent, risk of loss or injury associated with wildland fires is not expected as a result of implementing PAR 1143. Therefore, PAR 1143 is not expected to be significant for exposing people or structures to risk of loss, injury or death involving wildland fires, and will not be further evaluated in the Draft EA.

Based upon these considerations, significant hazards and hazardous materials impacts are not expected from the implementation of PAR 1143 and will not be further analyzed the Draft EA. Since no significant hazards and hazardous materials impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
IX. HYDROLOGY AND WATER QUALITY. Would the project:				
a) Violate any water quality standards, waste discharge requirements, exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board, or otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g. the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in substantial erosion or siltation on- or off-site or flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Place housing or other structures within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map, which would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
f) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam, or inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Require or result in the construction of new water or wastewater treatment facilities or new storm water drainage facilities, or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Significance Criteria

Potential impacts on water resources will be considered significant if any of the following criteria apply:

Water Demand:

- The existing water supply does not have the capacity to meet the increased demands of the project, or the project would use more than 262,820 gallons per day of potable water.
- The project increases demand for total water by more than five million gallons per day.

Water Quality:

- The project will cause degradation or depletion of ground water resources substantially affecting current or future uses.
- The project will cause the degradation of surface water substantially affecting current or future uses.

- The project will result in a violation of National Pollutant Discharge Elimination System (NPDES) permit requirements.
- The capacities of existing or proposed wastewater treatment facilities and the sanitary sewer system are not sufficient to meet the needs of the project.
- The project results in substantial increases in the area of impervious surfaces, such that interference with groundwater recharge efforts occurs.
- The project results in alterations to the course or flow of floodwaters.

Discussion

IX.a), & i) PAR 1143 would exempt any artist solvent/thinner provided that it is sold or used exclusively for reducing the viscosity of, or removing, art coating compositions or components. Therefore, PAR 1143 has no provisions that dictate the use of any specific solvent for artist solvent/thinner. Persons who utilize a artist solvent/thinner may have the flexibility of choosing the artist solvent/thinner best suited for their needs; however, the definition of artist solvent/thinner limits the container to 32 fluid ounces or less and required to be labeled to reduce the viscosity of, or remove, art coating compositions or components.

The exemption for artist solvent/thinner is not expected to affect water use, since artist solvent/thinner that do not meet the 300 gram of VOC per liter limit in the existing Rule 1143 are not expected to be water- or acetone-based (i.e., not water soluble). The exemption for artist solvent/thinner in PAR 1143 is not expected to affect those persons who currently use water- or acetone-based artist solvent/thinner since water-based formulations of these materials are currently available. Further, in situations or operations where these water-based products are used, increased demand for water and increased generation of wastewater are not anticipated because these materials are already formulated with water in the manufacturing process.

In connection with potential water quality impacts associated with past SCAQMD rules or rule amendments that result in solvent-based products being reformulated with water- or exempt solvent based products, the LACSD performed a study in response to the 1996 amendments to SCAQMD Rules 1171 - Solvent Cleaning Operations, and the 1997 amendments to SCAQMD Rule 1122 - Solvent Degreasers. The CEQA analysis for these previous rule amendments concluded that they would result in a widespread conversion to the use of reformulated aqueous materials for cleaning operations. Four categories of pollutants – metals, conventional pollutants, toxic volatile organics, and surfactants – were monitored in four sampling episodes from August 1998 to June 1999 and compared with baseline concentrations dating back to at least 1995 (LACSD, 1999).

Six metals – cadmium, chromium, copper, lead, nickel, and zinc – were also studied. These six metals' average concentrations in the wastewater stream showed no appreciable change from the baseline concentrations. Three conventional pollutants – TDS, chemical oxygen demand (COD), and TSS – were studied. Conventional pollutant concentrations also showed no appreciable change from the baseline concentrations. A number of toxic VOCs were studied including perchloroethylene and toluene. Perchloroethylene and toluene were monitored because they are commonly found in automotive repair cleaners and could contaminate the aqueous-based cleaners that are discharged to the sewer. The study found that perchloroethylene concentrations are increasing. The increase in the influent to the treatment plant is believed to be from consumer products used by home auto maintenance as well as a potential contribution from aqueous-based cleaners used by automotive repair facilities. Surfactants are used in personal

care and cleaning products and are measured in wastewater as methylene blue active substances (MBAS). MBAS concentrations are increasing from the baseline concentrations (LACSD, 1999).

Although concentrations increased for perchloroethylene and MBAS, it is not believed that aqueous-based cleaners are the major source since the SCAQMD has continuing public outreach programs that educate the public to minimize contamination of aqueous based cleaners. Subsequent to the conversion to, and use of aqueous-based cleaners, the LACSD has not experienced water quality issues related to aqueous-based cleaners and has not seen increasing trends in any measured pollutants due to the use of aqueous-based cleaners (SCAQMD, 2003).

As a result, since the use of traditional and low-VOC solvents were found to be similar, substantial changes in wastewater volume and composition are not expected from exempting artist solvent/thinner in PAR 1143. Further, PAR 1143 is not expected to cause facility operators that utilize these products to violate any water quality standard or wastewater discharge requirements since wastewater volumes associated with PAR 1143 will remain unchanged. PAR 1143 is not expected to have significant adverse water demand and water quality impacts for the following reasons:

- The proposed project does not increase demand for potable water by more than 262,820 gallons of per day.
- The proposed project does not increase total demand potable water by more than 5,000,000 gallons per day.
- The proposed project does not create a substantial increase in mass inflow of effluents to public wastewater treatment facilities.
- The proposed project does not result in a substantial degradation of surface water or groundwater quality.
- The proposed project does not result in substantial increases in the area of impervious surfaces, such that interference with groundwater recharge efforts occurs.
- The proposed project does not result in alterations to the course or flow of floodwaters.

IX.b) & h) The purpose for the exemption is that Rule 1143 compliant solvents do not have the desired characteristics need for artist solvent/thinner, and therefore, Rule 1143 compliant solvents are unlikely to be used in artist solvent/thinner formulations once artist solvent/thinner is exempt from the rule. Since there would be no VOC content limit, manufacturers would not need to reformulate using water-based formulations. Therefore, decreased water demand is expected. Therefore, PAR 1143 is not expected to adversely affect existing water demand, affect groundwater supplies or interfere with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level. In addition, implementation of PAR 1143 would not increase demand for water from existing entitlements and resources, and would not require new or expanded entitlements. Therefore, no water demand impacts are expected as the result of implementing PAR 1143.

IX.c), & d) Since the proposed project does not involve construction activities, no new increases to storm water runoff, drainage patterns, groundwater characteristics, or flow are expected. Therefore, these impact areas are not expected to be affected by PAR 1143.

IX.e), & f) PAR 1143 is not expected to generate the construction of new housing or contribute to the construction of new building structures because no facility modifications or changes are expected to occur at existing facilities or sites where artist solvent/thinner are distributed, sold or used. Further, PAR 1143 is not expected to require additional workers at affected facilities or sites where these products are used because PAR 1143 primarily affects consumers. To the extent that affected products are used at institutional facilities, no additional workers would be required because PAR 1143 would only exempt artist solvent/thinner, not existing operations. Therefore, PAR 1143 is not expected to generate construction of any new structures in 100-year flood areas as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood delineation map. Further, PAR 1143 is not expected to expose persons or structures to significant new flooding risks, or make worse any existing flooding risks than currently exists because no new structure would be necessary to implement PAR 1143. Finally, PAR 1143 will not affect in any way any potential flood hazards inundation by seiche, tsunami, or mud flow that may already exist relative to existing facilities or other sites where artist solvent/thinner are used.

IX.g) Since PAR 1143 is not expected to result in significant water or wastewater volumes and compositions (see IX.a) above), PAR 1143 is not expected to result in the construction of new water or wastewater treatment facilities.

PAR 1143 would not cause an increase in storm water discharge, since no construction activities are required or expected in order to use exempt artist solvent/thinner. Further, no new areas at existing affected facilities are expected to be paved, so the proposed project would not increase storm water runoff during operation. Therefore, no new storm water discharge treatment facilities or modifications to existing facilities would be required as a result of implementing PAR 1143. Accordingly, PAR 1143 is not expected to generate significant adverse impacts relative to construction of new storm water drainage facilities.

Based upon these considerations, significant hydrology and water quality impacts are not expected from the implementation of PAR 1143 and will not be further analyzed in the Draft EA. Since no significant hydrology and water quality impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
X. LAND USE AND PLANNING.				
Would the project:				
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Land use and planning impacts will be considered significant if the project conflicts with the land use and zoning designations established by local jurisdictions.

Discussion

X.a) Since PAR 1143 would exempt any artist solvent/thinner provided that it is sold or used exclusively for reducing the viscosity of, or removing, art coating compositions or components and would not involve the construction of any air pollution control equipment or structures, it would not result in physically dividing an established community.

X.b) There are no provisions in PAR 1143 that would affect land use plans, policies, or regulations. Land use and other planning considerations are determined by local governments and no land use or planning requirements would be altered by exempt any artist solvent/thinner from PAR 1143 requirements.

X.c) Since PAR 1143 would exempt any artist solvent/thinner provided that it is sold or used exclusively for reducing the viscosity of, or removing, art coating compositions or components and would not involve construction of any air pollution control equipment or structures, it would not affect in any way habitat conservation or natural community conservation plans, agricultural resources or operations, and would not create divisions in any existing communities. Therefore, present or planned land uses in the region would not be significantly adversely affected as a result of implementing PAR 1143.

Based upon these considerations, significant land use and planning impacts are not expected from the implementation of PAR 1143 and will not be further analyzed in the Draft EA. Since no significant land use and planning impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XI. MINERAL RESOURCES. Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Project-related impacts on mineral resources will be considered significant if any of the following conditions are met:

- The project would result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state.
- The proposed project results in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan.

Discussion

XI.a) & b) There are no provisions in PAR 1143 that would result in the loss of availability of a known mineral resource of value to the region and the residents of the state, or of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan. Some examples of mineral resources are gravel, asphalt, bauxite, and gypsum, which are commonly used for construction activities or industrial processes. Since the proposed project would exempt any artist solvent/thinner provided that it is sold or used exclusively for reducing the viscosity of, or removing, art coating compositions or components, PAR 1143 would have no effects on the use of important minerals, such as those described above. Therefore, no new demand on mineral resources is expected to occur and significant adverse mineral resources impacts from implementing PAR 1143 are not anticipated.

Based upon these aforementioned considerations, significant mineral resources impacts are not expected from the implementation of PAR 1143 and will not be further analyzed in the Draft EA. Since no significant mineral resources impacts were identified, no mitigation measures are necessary or required

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XII. NOISE. Would the project result in:				
a) Exposure of persons to or generation of permanent noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public use airport or private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts on noise will be considered significant if:

- Construction noise levels exceed the local noise ordinances or, if the noise threshold is currently exceeded, project noise sources increase ambient noise levels by more than three decibels (dBA) at the site boundary. Construction noise levels will be considered significant if they exceed federal Occupational Safety and Health Administration (OSHA) noise standards for workers.
- The proposed project operational noise levels exceed any of the local noise ordinances at the site boundary or, if the noise threshold is currently exceeded, project noise sources increase ambient noise levels by more than three dBA at the site boundary.

Discussion

XII.a) It is expected that any noise from exempting any artist solvent/thinner provided that it is sold or used exclusively for reducing the viscosity of, or removing, art coating compositions or components PAR 1143 would occur at the manufacturer level. However, the manufacture of exempt artist solvent/thinner is not expected to cause physical modifications that would require construction activities at the point of manufacture, distribution or use. For these reasons, PAR 1143 is not expected to expose persons to the generation of excessive noise levels above current facility levels, because it would only affect the composition of artist solvent/thinner. Further, the use of these materials at the consumer level is typically not a noise intensive activity. Therefore,

the existing noise levels are unlikely to change and raise ambient noise levels in the vicinities of the existing facilities or other sites where these products are distributed, sold or used to above a level of significance in response to implementing PAR 1143. Further, Occupational Safety and Health Administration (OSHA) and California-OSHA have established noise standards to protect worker health at distribution and retail locations.

XII.b) PAR 1143 is not anticipated to expose persons to or generate excessive groundborne vibration or groundborne noise levels since no construction activities are expected to occur by exempting artist solvent/thinner and the exemption does not involve, in any way, the installation of control equipment that would generate vibrations and noise.

XII.c) No increase in periodic or temporary ambient noise levels in the vicinity of affected facilities above levels existing prior to PAR 1143 is anticipated because the proposed project would not require construction-related activities nor would it change the existing activities currently performed by persons who utilize artist solvent/thinner. See also the response to item XII.a).

XII.d) Implementation of PAR 1143 would not affect existing practices by persons who utilize artist solvent/thinner except that the end users would be allowed to use products that exceed the VOC content limit in the existing Rule 1143. Even if affected sites where these products are used are located near public/private airports, no new noise impacts would be expected since the use of artist solvent/thinner is not typically a noise intensive activity. Thus, PAR 1143 is not expected to expose persons residing or working in the vicinity of public or private airports to excessive noise levels.

Based upon these considerations, significant noise impacts are not expected from the implementation of PAR 1143 and will not be further evaluated in the Draft EA. Since no significant noise impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XIII. POPULATION AND HOUSING.				
Would the project:				
a) Induce substantial growth in an area either directly (for example, by proposing new homes and businesses) or indirectly (e.g. through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Displace substantial numbers of people or existing housing, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts of the proposed project on population and housing will be considered significant if the following criteria are exceeded:

- The demand for temporary or permanent housing exceeds the existing supply.
- The proposed project produces additional population, housing or employment inconsistent with adopted plans either in terms of overall amount or location.

Discussion

XIII.a) The proposed project is not anticipated to generate any significant effects, either direct or indirect, on the district's population or population distribution as no additional workers are anticipated to be required to comply with PAR 1143. Human population within the jurisdiction of the SCAQMD is anticipated to grow regardless of implementing PAR 1143. As such, PAR 1143 will not result in changes in population densities or induce significant growth in population.

XIII.b) The proposed project would exempt artist solvent/thinner. As such, PAR 1143 is not expected to substantially alter existing operations where artist solvent/thinner may be used. Consequently, PAR 1143 is not expected to result in the creation of any industry that would affect population growth, directly or indirectly induce the construction of single- or multiple-family units, or require the displacement of persons or housing elsewhere in the district.

Based upon these considerations, significant population and housing impacts are not expected from the implementation of PAR 1143 and will not be further evaluated in the Draft EA. Since no significant population and housing impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XIV. PUBLIC SERVICES. Would the proposal result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:				
a) Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
d) Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts on public services will be considered significant if the project results in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, or the need for new or physically altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response time or other performance objectives.

Discussion

XIV.a) Potential adverse impacts to fire departments could occur in two ways: 1) if there is an increase in accidental release of hazardous materials used in artist solvent/thinner, fire departments would have to respond more frequently to accidental release incidences; and, 2) if there is an increase in the amount of hazardous materials stored at affected facilities, fire departments may have to conduct additional inspections. Based on the analysis in Section VIII. Hazards and Hazardous Materials, PAR 1143 is expected to reduce the hazards and hazardous material in artist solvent/thinner. It should be again acknowledged, however, that PAR 1143 does not require the use of any particular product. In addition, both traditional solvents and exempt solvents, aqueous, and bio-based technology are commercially available. Consumers who utilize artist solvent/thinner would determine which artist solvent/thinner to use based on a number of factors including, but not limited to, safety considerations.

Communications with fire department personnel revealed that there would be equal concerns with the use of any conventional or replacement solvent which has a flash point below 65 degrees Fahrenheit. Even though there are several conventional solvents that have flash points below 65 degrees Fahrenheit, the use of artist solvent/thinner formulated with these both traditional and low-VOC solvents are currently being safely used. Thus, there is no reason to believe that an exemption for artist solvent/thinner from the existing requirements of PAR 1143 would substantially change the safety and handling practices currently in place.

PAR 1143 would restrict the size of artist solvent/thinner containers by definition. The definition of artist solvent/thinner includes the requirement that the container be 32 fluid ounces or less. The restriction in container size would reduce adverse impacts.

Based upon these considerations, the overall risk associated with the use of artist solvent/thinner is not expected to appreciably change when PAR 1143 is adopted. Further, implementation of PAR 1143 would not generate significant adverse impacts to local fire departments requiring new or additional fire fighting resources. As a result, the need for inspections and the net number of accidental releases would be expected to remain relatively constant.

Therefore, based on the above analysis PAR 1143 is not expected to adversely affect fire protection, and will not be further analyzed in the Draft EA.

XIV.b) Local police departments are often the first responders to emergency situations such as fires to cordon off the area and provide crowd control. Since exempting artist solvent/thinner from the requirements of PAR 1143 is expected to decrease the flammability relative to the flammability of low-VOC solvents (specifically acetone), implementing PAR 1143 is not expected to increase the number of fires compared to the existing setting. As a result, no significant adverse impacts to local police departments are expected because no increases in fire emergencies are anticipated, and will not be further analyzed in the Draft EA.

XIV.c) & d) The local labor pool (e.g., workforce) of people and consumers that use artist solvent/thinner in their day-to-day activities is expected to remain the same since PAR 1143 would not trigger substantial changes to current usage practices. Therefore, with no increase in local population anticipated (see discussion “XIII. Population and Housing”), construction of new or additional demands on existing schools and parks are not anticipated. Therefore, no significant adverse impacts are expected to local schools or parks, be further analyzed in the Draft EA.

XIV.e) By exempting PAR 1143 from the existing rule, there is no other need for government services. Further, PAR 1143 would not result in the need for new or physically altered government facilities, such as police or fire departments, in order to maintain acceptable service ratios, response times, or other performance objectives. There will be no increase in population and, therefore, no need for physically altered government facilities be further analyzed in the Draft EA.

Based upon these considerations, significant public services impacts are not expected from the implementation of PAR 1143 and will not be further evaluated in the draft EA. Since no significant public services impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XV. RECREATION.				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment or recreational services?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts to recreation will be considered significant if:

- The project results in an increased demand for neighborhood or regional parks or other recreational facilities.
- The project adversely affects existing recreational opportunities.

Discussion

XV.a) & b) As discussed under “Land Use and Planning” above, there are no provisions in PAR 1143 that would affect land use plans, policies, or regulations. Land use and other planning considerations are determined by local governments. No land use or planning requirements would be altered by the adoption of PAR 1143, which exempts artist solvent/thinner. Further, PAR 1143 would not increase the demand for or use of existing neighborhood and regional parks or other recreational facilities or require the construction of new or expansion of existing recreational facilities that might have an adverse physical effect on the environment because it would not directly or indirectly increase or redistribute population.

Based upon these considerations, significant recreation impacts are not expected from the implementation of PAR 1143 and will not be further evaluated in the Draft EA. Since no significant recreation impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XVI. SOLID/HAZARDOUS WASTE.				
Would the project:				
a) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Comply with federal, state, and local statutes and regulations related to solid and hazardous waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

The proposed project impacts on solid/hazardous waste will be considered significant if the following occurs:

- The generation and disposal of hazardous and non-hazardous waste exceeds the capacity of designated landfills.

Discussion

XVI.a) & b) Any liquid wastes generated by PAR 1143 are discussed in the "Hydrology and Water Quality" discussion as it is prohibited to dispose of liquid wastes in landfills. The type of waste associated with artist solvent/thinner depends on the manner in which these products are used. In handwipe operations, solvent-laden rags are the predominant waste product (liquid cleanup solvent wastes are addressed in the "Hydrology and Water Quality" section). These wastes are a byproduct of hand wipe cleaning and not because of air quality regulations (i.e., PAR 1143). Additionally, PAR 1143 would not be the cause of waste generation, but exempts artist solvent/thinner from the requirements of Rule 1143. Thus, PAR 1143 may result in the alteration of the composition of a waste stream because of the artist solvent/thinner would not need to use low-VOC solvents, but would not be expected to result in an increased generation of waste.

It is important to note that PAR 1143 does not change the current requirements specific to cleanup solvent storage and disposal. Since future reformulations of artist solvent/thinner are expected to be formulated with solvents that are equally or less hazardous than currently used solvents (see "Hazards and Hazardous Materials" section), implementing PAR 1143 is not expected to generate significant new adverse hazardous waste impacts.

Therefore, there are no significant adverse solid and hazardous waste impacts associated with PAR 1143. As a result, no net increase in the amount or character of solid or hazardous waste streams is expected to occur. Further, PAR 1143 is not expected to increase the volume of solid or hazardous wastes from persons who utilize artist solvent/thinner, require additional waste disposal capacity, or generate waste that does not meet applicable local, state, or federal regulations.

Based upon these considerations, PAR 1143 is not expected to increase the volume of solid or hazardous wastes that cannot be handled by existing municipal or hazardous waste disposal facilities, or require additional waste disposal capacity. Further, implementing PAR 1143 is not expected to interfere with any affected distributors' or retailers' ability to comply with applicable local, state, or federal waste disposal regulations. Therefore, significant recreation impacts are not expected from the implementation of PAR 1143 and will not be further evaluated in the Draft EA. Since no solid/hazardous waste impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XVII. TRANSPORTATION/TRAFFIC.				
Would the project:				
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g. sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts on transportation/traffic will be considered significant if any of the following criteria apply:

- Peak period levels on major arterials are disrupted to a point where level of service (LOS) is reduced to D, E or F for more than one month.
- An intersection’s volume to capacity ratio increase by 0.02 (two percent) or more when the LOS is already D, E or F.
- A major roadway is closed to all through traffic, and no alternate route is available.
- The project conflicts with applicable policies, plans or programs establishing measures of effectiveness, thereby decreasing the performance or safety of any mode of transportation.
- There is an increase in traffic that is substantial in relation to the existing traffic load and capacity of the street system.
- The demand for parking facilities is substantially increased.
- Water borne, rail car or air traffic is substantially altered.
- Traffic hazards to motor vehicles, bicyclists or pedestrians are substantially increased.
- The need for more than 350 employees
- An increase in heavy-duty transport truck traffic to and/or from the facility by more than 350 truck round trips per day
- Increase customer traffic by more than 700 visits per day.

Discussion

XVII.a) & b) PAR 1143 would exempt any artist solvent/thinner provided that it is sold or used exclusively for reducing the viscosity of, or removing, art coating compositions or components. The use of artist solvent/thinner is not expected to adversely affect transportation. The volumes of artist solvent/thinner are not expected to deviate substantially from the volumes of materials currently used. Thus, the current level of transportation demands related to transporting new formulations of materials is expected to remain equivalent. PAR 1143 is not expected to affect existing uses and applications of artist solvent/thinner that would change or cause additional worker trips to distribution or retail facilities or increase transportation demands or services. Therefore, since no substantial increase in operational-related trips are anticipated, implementing PAR 1143 is not expected to significantly adversely affect circulation patterns on local roadways or the level of service at intersections near affected facilities or other sites that use these products.

XVII.c) The height and appearance of the existing structures where artist solvent/thinner would be used is not expected be affected by complying with PAR 1143. Therefore, implementation of PAR 1143 is not expected to adversely affect air traffic patterns. Further, PAR 1143 would not affect in any way air traffic in the region because, artist solvent/thinner are typically shipped via ground transportation and not by air.

XVII.d) Use of artist solvent/thinner does not require construction of structures or roadways. Further, implementing PAR 1143 will not involve modifications to existing roadways. Consequently, implementing the proposed project will not create roadway hazards or incompatible roadway uses.

XVII.e) Use of artist solvent/thinner is not expected affect or require changes to emergency access at or in the vicinity of the affected facilities or other sites where artist solvent/thinner is used since PAR 1143 will not require construction or physical modifications of any kind. Therefore, PAR 1143 is not expected to adversely affect emergency access.

XVII.f) No modifications at facilities or other sites where artist solvent/thinner is used is expected that would conflict with alternative transportation, such as bus turnouts, bicycle racks, et cetera. Consequently, implementing PAR 1143 will not create any conflicts with these modes of transportation.

Based upon these considerations, PAR 1143 is not expected to generate significant adverse transportation/traffic impacts and, therefore, this topic will not be considered further in the Draft EA. Since no significant transportation/traffic impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XVIII. MANDATORY FINDINGS OF SIGNIFICANCE.				
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Does the project have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

XVIII.a) As discussed in the “Biological Resources” section, PAR 1143 is not expected to significantly adversely affect plant or animal species or the habitat on which they rely because the proposed project would only exempt any artist solvent/thinner from the existing rule. These products can be used at new or existing residential, institutional, industrial, or commercial sites, however, these sites have already been greatly disturbed and as such, would not typically support habitats or include important examples of the major periods of California history or prehistory. Additionally, special status plants, animals, or natural communities are not expected to be found within close proximity to the residential, institutional, commercial or industrial locations where artist solvent/thinner products would be used.

XVIII.b) Based on the foregoing analyses, since PAR 1143 may result in project-specific significant adverse air quality impacts. As stated in the air quality analysis, the operational VOC emission reductions foregone of 113.7 pounds per day would exceed the SCAQMD operational VOC significant threshold of 55 pounds per day. Therefore, PAR 1143 is cumulatively considerable and will be evaluated in the Draft EA.

Furthermore, the effects of PAR 1143 will not be "cumulatively considerable" for environmental topics other than air quality, there are no, or minor, incremental impacts and there would be no contribution to a significant cumulative impact caused by other projects that would exist in absence of the proposed project. For example, the environmental topics checked ‘No Impact’ (e.g., aesthetics, agriculture and forestry resources, biological resources, cultural resources, energy, geology and soils, land use and planning, mineral resources, noise, population and housing, public services, recreation, solid/hazardous waste and transportation and traffic) would not be expected to make any contribution to potential cumulative impacts whatsoever. For the environmental topic checked ‘Less than Significant Impact’ (e.g., hazards and hazardous materials, and hydrology and water quality), the analysis indicated that project impacts would not exceed any project-specific significance thresholds. This conclusion is based on the fact that

the analyses for each of these environmental areas concluded that the incremental effects of the proposed project would be minor and, therefore, not considered to be cumulatively considerable. Therefore, the proposed project has no potential for generating significant adverse cumulative or cumulatively considerable impacts.

XVIII.c) Based on the air quality analyses, PAR 1143 may cause adverse effects on human beings. Significant air quality and health risk impacts may occur from implementing PAR 1143. Air quality and health risk impacts will be further analyzed in the Draft EA. No impacts to aesthetics, agriculture and forestry resources, biological resources, cultural resources, energy, geology and soils, hazards and hazardous materials, hydrology and water quality, land use and planning, mineral resources, noise, population and housing, public services, recreation, solid/hazardous waste and transportation and traffic are expected as a result of implementing PAR 1143. Therefore, other than air quality, no environmental issues will not require further analysis in the Draft EA.

As discussed in items I through XVIII above, the proposed project may have potential to cause significant adverse environmental effects to only the air quality topic; all other environmental topics are considered less than significant.

APPENDIX A OF THE NOP/IS

PROPOSED AMENDED RULE 1143

In order to save space and avoid repetition, please refer to the latest version of proposed amended Rule 1143 located elsewhere in Appendix A of the Draft EA. The August 19, 2010 version of the proposed amended rule was circulated with the Notice of Preparation/Initial Study (NOP/IS) that was released on August 24, 2010 for a 30-day public review and comment period ending September 22, 2010.

Original hard copies of the NOP/IS, which include the version of the proposed amended rule listed above, can be obtained through the SCAQMD Public Information Center at the Diamond Bar headquarters or by calling (909) 396-2039.

APPENDIX D OF THE DRAFT EA

**COMMENT LETTERS ON THE
NOTICE OF PREPARATION/INITIAL STUDY AND
RESPONSE TO COMMENTS**

STATE OF CALIFORNIA

Arnold Schwarzenegger, Governor

NATIVE AMERICAN HERITAGE COMMISSION

979 CAPITOL MALL, ROOM 364
 SACRAMENTO, CA 95814
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August 30, 2010

Dr. Steve Smith, PH.D., Program Supervisor

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

21885 E. Copley Drive
 Diamond Bar, CA 91765

Re: SCH#2008111052: Notice of Preparation (NOP); draft Environmental Impact Report (DEIR) for Proposed Amended Rule 1143 – Consumer Paint Thinners and Multi-Purpose Solvents located in Southern California Air Pollution Districts, California.

Dear Dr. Smith:

The Native American Heritage Commission (NAHC) is the state trustee agency pursuant to Public Resources Code §21070 for the protection and preservation of California's Native American Cultural Resources. (Also see *Environmental Protection Information Center v. Johnson* (1985) 170 Cal App. 3rd 604). The California Environmental Quality Act (CEQA - CA Public Resources Code §21000-21177, amendment effective 3/18/2010) requires that any project that causes a substantial adverse change in the significance of an historical resource, that includes archaeological resources, is a 'significant effect' requiring the preparation of an Environmental Impact Report (EIR) per the California Code of Regulations §15064.5(b)(c)(i) CEQA guidelines). Section 15382 of the CEQA Guidelines defines a significant impact on the environment as 'a substantial, or potentially substantial, adverse change in any of physical conditions within an area affected by the proposed project, including ... objects of historic or aesthetic significance. The lead agency is required to assess whether the project will have an adverse impact on these resources within the 'area of potential effect (APE); and if so, to mitigate that effect. State law also addresses Native American Religious Expression in Public Resources Code §5097.9.

The Native American Heritage Commission did perform a Sacred Lands File (SLF) search in the NAHC SLF Inventory, established by the Legislature pursuant to Public Resources Code §5097.94(a) and Native American Cultural Resources were identified several USGS Quadrangles identified for the project. For more specific information, contact the tribes and Native American on the attached list. Early consultation with Native American tribes in your area is the best way to avoid unanticipated discoveries once a project is underway. Enclosed are the names of the culturally affiliated tribes and interested Native American individuals that the NAHC recommends as 'consulting parties,' for this purpose, that may have knowledge of the religious and cultural significance of the historic properties in the project area (e.g. APE). We recommend that you contact persons on the attached list of Native American contacts. A Native American Tribe or Tribal Elder may be the only source of information about a cultural resource. Also, the NAHC recommends that a Native American Monitor or Native American culturally knowledgeable person be employed whenever a professional archaeologist is employed during the 'Initial Study' and in other phases of the environmental planning processes.

Furthermore the NAHC recommends that you contact the California Historic Resources Information System (CHRIS) at the Office of Historic Preservation (OHP)

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Coordinator's office (at (916) 653-7278, for referral to the nearest OHP Information Center of which there are 10.

Consultation with tribes and interested Native American tribes and interested Native American individuals, as consulting parties, on the NAHC list, should be conducted in compliance with the requirements of federal NEPA (42 U.S.C. 4321-43351) and Section 106 and 4(f) of federal NHPA (16 U.S.C. 470 (f)) (et seq), 36 CFR Part 800.3, the President's Council on Environmental Quality (CEQ; 42 U.S.C. 4371 et seq.) and NAGPRA (25 U.S.C. 3001-3013), as appropriate. The 1992 *Secretary of the Interior's Standards for the Treatment of Historic Properties* were revised so that they could be applied to all historic resource types included in the National Register of Historic Places and including *cultural landscapes*. Consultation with Native American communities is also a matter of environmental justice as defined by California Government Code §65040.12(e).

Lead agencies should consider avoidance, as defined in Section 15370 of the California Environmental Quality Act (CEQA) when significant cultural resources could be affected by a project. Also, Public Resources Code Section 5097.98 and Health & Safety Code Section 7050.5 provide for provisions for accidentally discovered archeological resources during construction and mandate the processes to be followed in the event of an accidental discovery of any human remains in a project location other than a 'dedicated cemetery'. Discussion of these should be included in your environmental documents, as appropriate.

The authority for the SLF record search of the NAHC Sacred Lands Inventory, established by the California Legislature, is California Public Resources Code §5097.94(a) and is exempt from the CA Public Records Act (c.f. California Government Code §6254.10). The results of the SLF search are confidential. However, Native Americans on the attached contact list are not prohibited from and may wish to reveal the nature of identified cultural resources/historic properties. Confidentiality of 'historic properties of religious and cultural significance' may also be protected under Section 304 of the NHPA or at the Secretary of the Interior's discretion if not eligible for listing on the National Register of Historic Places. The Secretary may also be advised by the federal Indian Religious Freedom Act (cf. 42 U.S.C. 1996) in issuing a decision on whether or not to disclose items of religious and/or cultural significance identified in or near the APE and possibly threatened by proposed project activity.

CEQA Guidelines, Section 15084.5(d) requires the lead agency to work with the Native Americans identified by this Commission if the initial Study identifies the presence or likely presence of Native American human remains within the APE. CEQA Guidelines provide for agreements with Native American, identified by the NAHC, to assure the appropriate and dignified treatment of Native American human remains and any associated grave liens. Although tribal consultation under the California Environmental Quality Act (CEQA; CA Public Resources Code Section 21000 - 21177) is 'advisory' rather than mandated, the NAHC does request 'lead agencies' to work with tribes and interested Native American individuals as 'consulting parties,' on the list provided by the NAHC in order that cultural resources will be protected. However, the 2006 SB 1059 the state enabling legislation to the Federal Energy Policy Act of 2005, does mandate tribal consultation for the 'electric transmission corridors. This is codified in the California Public Resources Code, Chapter 4.3, and §25330 to Division 15, requires consultation with California Native American tribes, and identifies both federally recognized and non-federally recognized on a list maintained by the NAHC

1-1 Cont.

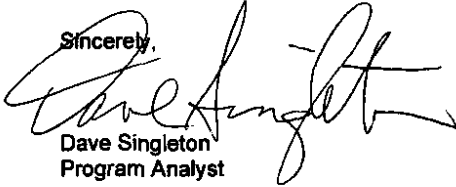
Health and Safety Code §7050.5, Public Resources Code §5097.98 and Sec. §15064.5 (d) of the California Code of Regulations (CEQA Guidelines) mandate procedures to be followed, including that construction or excavation be stopped in the event of an accidental discovery of any human remains in a location other than a dedicated cemetery until the county coroner or medical examiner can determine whether the remains are those of a Native American. Note that §7052 of the Health & Safety Code states that disturbance of Native American cemeteries is a felony.

1-1 Cont.

Again, Lead agencies should consider avoidance, as defined in §15370 of the California Code of Regulations (CEQA Guidelines), when significant cultural resources are discovered during the course of project planning and implementation.

Please feel free to contact me at (916) 653-6251 if you have any questions.

Sincerely,



Dave Singleton
Program Analyst

Attachment: List of Culturally Affiliated Native American Contacts

Cc: State Clearinghouse

Native American Contacts
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August 30, 2010

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This list is only applicable for contacting local Native Americans for consultation purposes with regard to cultural resources impact by the proposed SGH008111062; CEQA Notice of Preparation (NOP); draft Environmental Impact Report (DEIR) for Proposed Amended Rule (PAR) 1143 - Consumer Paint Thinners and Multi-Purpose Solvents exempting artists.

Native American Contacts
 Kern, San Bernardino, Riverside, Los Angeles, Orange, Imperial, Counties
 August 30, 2010

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<p>Joseph R. Benitez (Mike) P.O. Box 1829 Chemehuevi Indio, CA 92201 (760) 347-0488 (760) 408-4089 - cell</p>	<p>Juaneno Band of Mission Indians Acjachemen Nation David Belardes, Chairperson 32161 Avenida Los Amigos Juaneno San Juan Capistrano, CA 92675 DavidBelardes@hotmail. (949) 293-8522 (949) 493-4933 - Home</p>
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Native American Contacts
 Kern, San Bernardino, Riverside, Los Angeles, Orange, Imperial, Counties
 August 30, 2010

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Native American Contacts
Kern, San Bernardino, Riverside, Los Angeles, Orange, Imperial, Counties
August 30, 2010

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Native American Contacts
 Kern, San Bernardino, Riverside, Los Angeles, Orange, Imperial, Counties
 August 30, 2010

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Native American Contacts
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August 30, 2010

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This list is only applicable for contacting local Native Americans for consultation purposes with regard to cultural resources impact by the proposed SCH#2008111063; CEQA Notice of Preparation (NOP); draft Environmental Impact Report (DEIR) for Proposed Amended Rule (PAR) 1143 - Consumer Paint Thinners and Multi-Purpose Solvents exempting artists.

Native American Contacts
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August 30, 2010

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**COMMENT LETTER NO. 1
NATIVE AMERICAN HERITAGE COMMISSION
AUGUST 30, 2010**

Response 1-1

SCAQMD staff is aware of the requirements of CEQA Guidelines §15064.5 and has complied with this section as well as all other relevant CEQA requirements. As stated on pages 2-13 and 2-14 of the NOP/IS for PAR 1143, potential significant adverse impacts on cultural resources are not anticipated:

“Since no construction-related activities would be associated with the implementation of PAR 1143, no impacts to historical or cultural resources are anticipated to occur as a result of implementing the proposed project. Further, PAR 1143 is not expected to require physical changes to the environment, which may disturb paleontological or archaeological resources or disturb human remains interred outside of formal cemeteries.”

PAR 1143 would exempt artist solvents and thinners from the VOC content limit requirements of Rule 1143 provided they are labeled and designated to reduce the viscosity of, or remove, art coating compositions or components and are individually packaged in containers having a total capacity equal to or less than one liter. Use of artist solvents and thinners is expected to occur within existing structures. Further, PAR 1143 is not expected to require construction activities to install control equipment because use of artist solvents and thinners would be exempt from PAR 1143. For the same reason, PAR 1143 would not require the construction of any new buildings or other structures. This is true whether the exempt artist solvents or thinners are used in or outside of an area of potential effect (APE).

Since PAR 1143 would only exempt artist solvents and thinners, which would not involve any construction; the proposed project is not expected to have any impact on “historic properties of religious and cultural significance,” human remains, or Native American cemeteries. As a result, no impacts to historical, archaeological or paleontological resources (as defined in §15064.5 of the CEQA Guidelines) are expected as a result of implementation of the proposed project.

BOARD MEETING DATE: December 3, 2010

AGENDA NO. 35

PROPOSAL: Amend Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems, and Adopt Rule 1415.1 – Reduction of Refrigerant Emissions from Stationary Refrigeration Systems

SYNOPSIS: The proposed amendments to Rule 1415 expand the scope of the rule to include provisions for reducing emissions of high global warming potential refrigerants utilized in stationary air conditioning systems and other administrative changes. Staff is also proposing a new rule, Rule 1415.1, to incorporate provisions for reducing emissions of certain high global warming potential refrigerants that will be consistent with CARB’s statewide rule for stationary refrigeration systems. The proposed new rule will consolidate all other emission control requirements for stationary refrigeration systems currently in Rule 1415.

COMMITTEE: Stationary Source, November 19, 2010, Reviewed

RECOMMENDED ACTIONS:

Adopt the attached resolution:

1. Certifying the Final Environmental Assessment for the proposed rules;
2. Amending Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems; and
3. Adopting Rule 1415.1 – Reduction of Refrigerant Emissions from Stationary Refrigeration Systems.

Barry R. Wallerstein, D.Env.
Executive Officer

Background

Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems was adopted on June 7, 1991 to reduce emissions of Class I and Class II ozone-depleting refrigerants from stationary refrigeration and air conditioning systems. Class I refrigerants are typically chlorofluorocarbons (CFCs), while Class II refrigerants are all hydrochlorofluorocarbons (HCFCs), and are listed under section 602 of the Clean Air Act.

Production of CFCs and HCFCs were designated for phase out under the Montreal Protocol, primarily due to concerns about stratospheric ozone depletion. The use of these ozone depleting substances (ODS) as refrigerants is also regulated for the same reason. As a result of the Montreal Protocol's phase-out of ODS, the use of CFCs and HCFCs as refrigerants has been replaced with hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs), generally referred to as ODS substitutes. Subsequent to undertaking control strategies to address ozone depletion, the world became increasingly concerned about global warming and man-made activities that contribute to it. And, while these ODS substitutes are not ozone depleters, they have much higher global warming potential. The use of ODS substitutes are increasing, and will continue to increase as ODS refrigerants are replaced by these high global warming potential ODS substitutes, particularly the HFCs. Consequently, greenhouse gas (GHG) emissions are projected to increase on a CO₂ equivalent basis.

In December 2009, CARB approved the Management of High Global Warming Potential Refrigerants for Stationary Sources regulation (commonly called the Refrigerant Management Program) to help reduce the state's GHG emissions to 1990 levels by year 2020, as required by the California Global Warming Solutions Act of 2006 (AB 32). This statewide regulation will go into effect on January 1, 2011.

The Refrigerant Management Program's (RMP) goal is to reduce emissions of high global warming potential (GWP) refrigerants such as CFCs, HCFCs, HFCs, and PFCs used in commercial and industrial refrigeration systems. The regulation requires registration, leak detection and monitoring, leak repair, retrofit or retirement, reporting, and recordkeeping for the affected industries including owners or operators of refrigeration systems, any person who services a refrigeration system, and distributors, wholesalers, and reclaimers of high GWP refrigerants.

Existing Rule 1415 applies to both stationary refrigeration and air conditioning systems whereas the Refrigerant Management Program covers only stationary refrigeration systems. Staff's goal is to ensure that the AQMD refrigerant rule is equivalent in every aspect to the CARB regulation and to align AQMD's program with CARB's Refrigerant Management Program.

Public Process

During the development of PAR 1415 and PR 1415.1, staff worked with CARB and members of industry affected by the proposed rules. A public workshop was held on September 21, 2010, where approximately 50 people attended the public meeting. Comments received during the public workshop, including staff's responses, are summarized in the Final Staff Report.

Proposal

Staff is proposing to divide the emission control requirements for stationary refrigeration and air conditioning systems into two rules. Staff believes that having separate rules for air conditioning and refrigeration systems would minimize confusion with regard to rule applicability, improve clarity, and enhance rule enforceability.

PAR 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems will retain all provisions for reducing refrigerant emissions from air conditioning systems only. In addition, staff's proposal expands the scope of the rule to include all high GWP refrigerants, and allows an extended leak repair period of up to 45 days in situations where a certified technician is not available, or the part(s) needed to complete the repair is unavailable within 14 days of initial leak detection. This allows the same flexibility afforded to owners or operators of refrigeration systems. Staff is also proposing to remove the provision requiring the use of a certified technician when conducting leak inspections; thus, making it consistent with state and federal leak inspection requirements.

PR 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems will establish more frequent leak inspections and utilize best practices in refrigerant management and system maintenance, resulting in refrigerant leaks being detected and repaired more quickly; thus, reducing overall refrigerant emissions. Further, PR 1415.1 will align AQMD's program with the statewide rule (Refrigerant Management Program) by adopting all provisions in the state regulation pertaining to the control of high GWP refrigerant emissions and consolidate all emission control requirements for stationary refrigeration systems currently in Rule 1415.

PAR 1415 will affect about 9,991 facilities with stationary air conditioning systems, while PR 1415.1 is expected to impact approximately 11,155 facilities in the South Coast Air Basin.

Appendix A – Summary of Proposal contains details of the proposed changes to Rule 1415 as well as the proposed rule provisions for PR1415.1.

Emission Reductions – GHG Only

The current GHG emissions inventory for stationary air conditioning systems is 0.5 MMTCO₂E, and 5.1 MMTCO₂E for stationary refrigeration systems. Implementation of the proposal is expected to achieve GHG emission reductions of 3.5 MMTCO₂E in the South Coast Air Basin. The emissions impacts of allowing longer repair periods in PAR 1415 and PR 1415.1 could result in total foregone CO₂E emissions of 10,964 metric tons per year, which is a small amount when compared to the emission reductions anticipated from the proposal.

California Environmental Quality Act

PAR 1415/PR 1415.1 is considered a “project” as defined by the California Environmental Quality Act (CEQA), and the AQMD is the designated lead agency. Pursuant to CEQA and AQMD Rule 110, AQMD staff prepared a Draft Environmental Assessment (EA) to analyze potential adverse environmental impacts that could be generated from the proposed project. The Draft EA was circulated for a 30-day public review and comment period from November 2, 2010 to December 1, 2010. AQMD’s review of the proposed project shows that the project would not have a significant adverse effect on the environment; therefore, pursuant to CEQA Guidelines §15252, no alternatives or mitigation measures were included in the Draft EA.

Cost and Socioeconomic Analysis

The proposed amendments to Rule 1415 would add a \$114.66 registration fee on facilities with air conditioning systems that use HFC and PFC refrigerants. The estimated total additional cost to these facilities for PAR 1415 is \$229,000, payable to the AQMD every two years, beginning in 2012. PR 1415.1 would require facilities with refrigeration systems using ODS, HFC, and PFC refrigerants to register with AQMD every year, until CARB registration begins. The total cost of Proposed Rule 1415.1 registration ranges from a low of \$516,000 in 2014 to a high of \$1,279,000 in 2011. There would be no fees paid to the District after 2015 as full implementation of CARB’s RMP begins.

AQMP and Legal Mandates

The proposed amended rule and proposed new rule are not the result of a control measure of the 2007 AQMP. However, PR 1415.1 implements the state requirements for stationary refrigeration systems.

Implementation and Resources

Current AQMD resources are sufficient to implement PAR 1415 with no additional fiscal impact. With consideration for PR 1415.1, the AQMD will enter into a Memorandum of Understanding with CARB on implementing a compliance review program utilizing AQMD enforcement resources to be compensated by implementation fees collected by CARB.

Attachments

- A. Summary of Proposal
- B. Rule Development Process
- C. Key Contacts
- D. Resolution
- E. Proposed Amended Rule 1415 Language
- F. Proposed Rule 1415.1 Language
- G. Final Staff Report
- H. Environmental Assessment

ATTACHMENT A

SUMMARY OF PROPOSAL

PROPOSED AMENDED RULE 1415 – REDUCTION OF REFRIGERANT EMISSIONS FROM STATIONARY AIR CONDITIONING SYSTEMS, AND PROPOSED RULE 1415.1 – REDUCTION OF REFRIGERANT EMISSIONS FROM STATIONARY REFRIGERATION SYSTEMS

For Proposed Amended Rule 1415:

1. Amend rule title to reference air conditioning systems only
2. Modify rule purpose and applicability to include high global warming potential refrigerants and limit the scope to stationary air conditioning systems, subdivisions (a) and (b)
3. Amend the definition section to clarify rule intent, subdivision (c)
4. Move registration and leak inspection requirements in paragraph (d)(2) to paragraph (d)(1), and clarify requirements that pertain to owners or operators of air conditioning systems as follows:
 - a) Registration Plan requirement in subparagraph (d)(2)(C) is moved to subparagraph (d)(1)(A).
 - b) The annual audit requirements in subparagraphs (d)(2)(A) and (d)(2)(B) are moved to and consolidated under subparagraph (d)(1)(B). Language pertaining to leak detection methods has been modified to reflect current industry practices, such as the use of refrigerant leak detection device, a bubble test, or observation of oil residue. The rule provision in clause (d)(2)(B)(i) requiring a certified technician to conduct leak inspection is removed to make it consistent with state and federal leak inspection requirements.
 - c) Delete redundant recordkeeping requirement in clause (d)(2)(B)(ii). This requirement is included in the Recordkeeping section, paragraph (e)(1).
5. Move leak repair requirements in paragraph (d)(3) to paragraph (d)(2).
6. Add a provision in paragraph (d)(3) to allow leak repair period of up to 45 days.
7. Move requirements in paragraph (d)(1) to paragraph (d)(4). Language is proposed in (d)(4)(A) to clarify the U.S. EPA certified technician requirement.
8. Move language in paragraph (e)(5), under Recordkeeping section, to subparagraph (d)(5)(B) under Requirements section.
9. Modify language by deleting the words “Class I or Class II” and replacing them with “high-global warming” in paragraph (d)(6) to clarify rule intent and enhance rule enforceability.
10. Modify language in subdivision (e), Recordkeeping.

ATTACHMENT A
SUMMARY OF PROPOSAL
(continued)

PROPOSED AMENDED RULE 1415 – REDUCTION OF REFRIGERANT EMISSIONS FROM STATIONARY AIR CONDITIONING SYSTEMS, AND PROPOSED RULE 1415.1 – REDUCTION OF REFRIGERANT EMISSIONS FROM STATIONARY REFRIGERATION SYSTEMS

For Proposed Rule 1415.1:

1. A new rule title is proposed specific to the reduction of refrigerant emissions from stationary refrigeration systems only.
2. Purpose and Applicability
The scope and applicability is for high GWP refrigerants used in stationary refrigeration systems.
3. Definitions
Staff is proposing 56 definitions for terms used in the rule in order to clarify rule intent and enhance rule enforceability. These definitions are consistent with those found in the CARB Refrigerant Management Program.
4. Proposed registration requirements consistent with the state regulation, paragraph (d)(1)
5. Leak detection and monitoring requirements for all refrigeration systems, paragraph (d)(2); more stringent requirements for large and medium size refrigeration systems.
6. 14-day leak repair requirements in paragraph (d)(3). Proposal allows longer repair periods of 45 or 120 days if certain criteria are met.
7. Retrofit or retirement plan requirements, paragraph (d)(4) for refrigeration systems that cannot be repaired within the allowable repair period.

8. Approval of Exemptions, paragraph (d)(5), allows up to three year exemptions from leak repair and retrofit/retirement plan requirements if certain criteria are met.
9. Required Service Practices and Prohibitions, subdivision (e), incorporates best management practices for reducing refrigerant leaks.
10. Reporting & Recordkeeping Requirements for refrigeration system owners/operators, refrigerant wholesalers/distributors, and refrigerant reclaimers, subdivisions (f) and (g)
11. Exemption Section, subdivision (h)

Staff is proposing to add exemption provisions in the rule as follows:

- a. Exemption for tactical support equipment
- b. Fee exemption;
- c. Conditions for exemption from leak repair and retrofit/retirement plan requirements; and

ATTACHMENT A
SUMMARY OF PROPOSAL
(continued)

PROPOSED AMENDED RULE 1415 – REDUCTION OF REFRIGERANT EMISSIONS FROM STATIONARY AIR CONDITIONING SYSTEMS, AND PROPOSED RULE 1415.1 – REDUCTION OF REFRIGERANT EMISSIONS FROM STATIONARY REFRIGERATION SYSTEMS

d. Exemption from the contractor's license requirements.

12. Section Pertaining to Violations, subdivision (i)

This subdivision clarifies enforcement actions for failure to comply with the provisions of the rule.

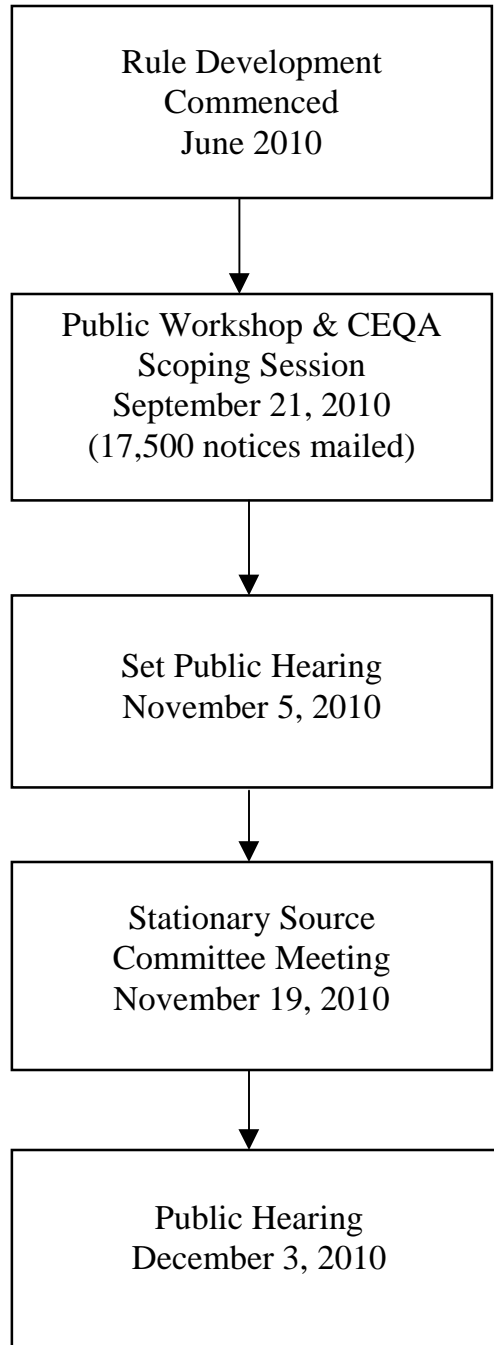
13. Severability Section, subdivision (j)

This section is added to clarify that in the event any provision of the rule is invalidated by judicial order, the remainder of the rule shall remain in effect

ATTACHMENT B

RULE DEVELOPMENT PROCESS

PROPOSED AMENDED RULE 1415 – REDUCTION OF REFRIGERANT EMISSIONS FROM STATIONARY AIR CONDITIONING SYSTEMS, AND PROPOSED RULE 1415.1 – REDUCTION OF REFRIGERANT EMISSIONS FROM STATIONARY REFRIGERATION SYSTEMS



Total Time Spent In Rule Development Pre-Board Hearing: 6 Months

ATTACHMENT C
KEY CONTACTS LIST

ACCO Engineered Systems

Armstrong World

Boeing

California Air Resources Board

County of Los Angeles

Hill Phoenix

Los Angeles Department of Water and Power

Mericle Mechanical

Metropolitan Water District of Southern California

Northrop Grumman Aerospace Systems

Penguin Mechanical

Rexam Beverage Can Company

Stater Bros.

Verisae

Warner Bros.

RESOLUTION NO. 10-

A Resolution of the Governing Board of the South Coast Air Quality Management District (AQMD) certifying the Final Environmental Assessment for Proposed Amended Rule 1415 – Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems, and Proposed Rule 1415.1 – Reduction of Refrigerant Emissions from Stationary Refrigeration Systems.

A Resolution of the Governing Board of the AQMD amending Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems, and adopting Proposed Rule 1415.1 – Reduction of Refrigerant Emissions from Stationary Refrigeration Systems.

WHEREAS, the AQMD Governing Board finds and determines that Proposed Amended Rule 1415 – Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems, and Proposed Rule 1415.1 – Reduction of Refrigerant Emissions from Stationary Refrigeration Systems are considered a “project” pursuant to the terms of the California Environmental Quality Act (CEQA); and

WHEREAS, the AQMD has had its regulatory program certified pursuant to Public Resources Code § 21080.5 and has conducted CEQA review pursuant to such program (AQMD Rule 110); and

WHEREAS, AQMD staff has prepared a Draft Environmental Assessment (EA) pursuant to its certified regulatory program (AQMD Rule 110) and state CEQA Guideline 15252, setting forth the potential environmental consequences of Proposed Amended Rule 1415 – Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems, and Proposed Rule 1415.1 – Reduction of Refrigerant Emissions from Stationary Refrigeration Systems, and that the Draft EA was circulated for a 30-day public review and comment period; and

WHEREAS, the Draft EA was circulated for a 30-day public review and comment period and comments, if any, received were responded to and is included as an Appendix to the Final EA; and

WHEREAS, it is necessary that the adequacy of the Final EA be determined by the AQMD Governing Board prior to its certification; and

WHEREAS, a Mitigation Monitoring Plan pursuant to Public Resources Code Section 21081.6, has not been prepared since no mitigation measures are necessary; and

WHEREAS, because the proposed project was determined to generate no significant adverse impacts on the environment, Findings and a Statement of Overriding Considerations

were not required and, thus, not adopted for this project pursuant to CEQA Guidelines Sections 15091 and 15093, respectively; and

WHEREAS, the AQMD Governing Board has determined that a need exists to amend Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems to expand the scope of the rule to include provisions for reducing emissions of high global warming potential refrigerants used in stationary air conditioning systems, and to adopt Proposed Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems to incorporate provisions for reducing emissions of certain high global warming potential refrigerants that will be consistent with CARB’s statewide rule for stationary refrigeration systems.; and

WHEREAS, the AQMD Governing Board obtains its authority to adopt, amend, or rescind rules and regulations from the California Health and Safety Code sections 39002, 40000, 40001, 40702, and 41508; and

WHEREAS, the AQMD Governing Board has determined that Proposed Amended Rule 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems are written or displayed so that their meaning can be easily understood by persons directly affected by them; and

WHEREAS, the AQMD Governing Board has determined that Proposed Amended Rule 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems are in harmony with, and not in conflict with or contradictory to, existing federal or state statutes, court decisions, or regulations. The proposed new rule is consistent with the state regulation for stationary refrigeration systems; and

WHEREAS, the AQMD Governing Board has determined that Proposed Amended Rule 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems do not impose the same requirement as any existing state or federal regulation, except to the extent the proposed rules are necessary and proper to execute the powers and duties granted to, and imposed upon, the AQMD. Since AQMD will be implementing the state requirements, there will not be duplication; and

WHEREAS, the AQMD Governing Board in adopting these regulations, references the following statutes which the AQMD hereby implements, interprets or makes specific: Health and Safety Code sections 40001 and 40702; and

WHEREAS, the AQMD Governing Board has determined that Proposed Amended Rule 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems will result in increased costs to the affected industries from the registration requirements of the rules, yet are considered minimal at the facility level; and

WHEREAS, a public hearing has been properly noticed in accordance with the provisions of Health and Safety Code § 40725; and

WHEREAS, the AQMD Governing Board has held a public hearing in accordance with all provisions of law; and

WHEREAS, the AQMD specifies the Manager of Area Sources as the custodian of the Proposed Amended Rule 1415 and Proposed Rule 1415.1 documents or other materials which constitute the record of proceedings upon which the adoption of these proposed rules are based, which are located at the South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, California; and

NOW, THEREFORE, BE IT RESOLVED, that pursuant to CEQA Guidelines §15090, the AQMD Governing Board does hereby certify that the Final Environmental Assessment for Proposed Amended Rule 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems was prepared in compliance with the California Environmental Quality Act and CEQA Guidelines; and finds that the Final EA was presented to the Governing Board, whose members reviewed, considered and approved the information therein, including response to comments, prior to acting on Proposed Amended Rule 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems; and

NOW, THEREFORE, BE IT RESOLVED that the AQMD Governing Board hereby certifies, pursuant to the authority granted by law, the Final EA for Proposed Amended Rule 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems.

BE IT FURTHER RESOLVED that the AQMD Governing Board hereby amends Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems and adopts Proposed Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems, pursuant to the authority granted by law as set forth in the attached, and incorporated herein by this reference.

Attachment

DATE: _____

CLERK OF THE BOARDS

PROPOSED AMENDED RULE 1415. REDUCTION OF REFRIGERANT EMISSIONS FROM STATIONARY ~~REFRIGERATION AND~~ AIR CONDITIONING SYSTEMS

(a) Purpose

The purpose of this rule is to reduce emissions of ~~Class I and Class II~~ high-global warming potential refrigerants from stationary ~~refrigeration and~~ air conditioning systems by requiring persons subject to this rule to reclaim, recover, or recycle refrigerant and to minimize refrigerant leakage.

(b) Applicability

This rule is applicable to any person who owns or operates an refrigeration air conditioning system, as defined in this rule. This rule is also applicable to any person who installs, ~~replaces, repairs, maintains, services, disposes, audits, or~~ relocates, or disposes of an refrigeration air conditioning system; to any person who services or maintains recycling and recovery equipment; and to any person who recycles, recovers, reclaims, or sells high-global warming potential refrigerant. ~~All amendments to this rule adopted as of October 14, 1994 shall take effect as of October 14, 1994.~~

(c) Definitions

For purposes of this rule, the following definitions shall apply:

- (1) ADDITIONAL REFRIGERANT CHARGE ~~is~~ means the quantity, in pounds, of refrigerant ~~(in pounds) charged~~ added to an air conditioning refrigeration system in order to bring the system to a full ~~capacity~~ charge ~~and replace refrigerant which has leaked.~~ Additional refrigerant charge does not include an initial refrigerant charge.
- (2) AIR CONDITIONING SYSTEM means any stationary, non-residential appliance, which holds more than 50 pounds of high global warming potential refrigerant, and provides cooling to a space to an intended temperature of not less than 68°F for the purpose of cooling objects or occupants. Computer-room air conditioner is included in this definition.

- (3) AUDIT means inspection and maintenance of an air conditioning system conducted to identify leaks and ensure proper operation pursuant to manufacturer's specification.
- (4) BUBBLE TEST means applying a soap solution or spraying on with an aerosol around a potential leak source, and observing for bubbles.
- (5) CERTIFIED RECLAIMER is a person who holds a current, valid, and applicable reclaimer certificate in accordance with Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82.164.
- ~~(62) APPROVED CERTIFIED REFRIGERANT RECOVERY OR RECYCLING EQUIPMENT is equipment for refrigerant recovery or recycling that meets the definition is certified by the U.S. Environmental Protection Agency pursuant to ~~the requirements of Part 82 of~~ Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82.152.~~
- ~~(3) APPROVED RECYCLING EQUIPMENT is any refrigerant recycling equipment that is certified by Underwriters Laboratories, or another independent testing organization as approved by the Executive Officer's designee, and is certified by the Environmental Protection Agency pursuant to the requirements of Part 82 of Title 40 of the Code of Federal Regulations.~~
- ~~(4) AUDIT is an annual inspection of the refrigeration systems containing Class I refrigerants conducted to:~~
- ~~(A) identify leaks pursuant to a District approved method (Section (2)(A));~~
~~and~~
- ~~(B) ensure proper operation pursuant to manufacturer's specification.~~
- ~~(5) CERTIFIED AUDITOR for the purpose of this Rule is a person that:~~
- ~~(A) has the following current, valid, and applicable U.S. Environmental Protection Agency certificate provided in accordance with Part 82 of Title 40 of the Code of Federal Regulations:~~
- ~~1(i) a Type II Technician certificate for high or very high pressure refrigeration systems and a Type III Technician certificate for low pressure refrigeration systems; or~~

- ~~_(ii) — a Universal Technician certificate, or~~
 - ~~_(B) — until June 30, 1995, has successfully completed a District-approved course in conducting inspections and generating records for compliance with this rule, and has a current, valid, written certification from the Executive Officer's designee.~~
- ~~(6) — CERTIFIED RECLAIMER is a person who holds a current, valid, and applicable reclaimer certificate in accordance with Part 82 of Title 40 of the Code of Federal Regulations.~~
- (7) CERTIFIED TECHNICIAN is a person who ~~on and after November 14, 1994 has the following~~ has a current, valid, and applicable U.S. Environmental Protection Agency technician certificate provided issued in accordance with ~~Part 82 of~~ Title 40 of the Code of Federal Regulations, Part 82, §82.40 or §82.161.:
 - ~~_(i) — a Type II Technician certificate for high or very high pressure refrigeration systems; or~~
 - ~~_(ii) — a Type III Technician certificate for low pressure refrigeration systems; or~~
 - ~~_(iii) — a Universal Technician certificate.~~
- ~~(8) — CLASS I REFRIGERANT is any compound or any combination of compounds designated by U.S. Environmental Protection Agency as a CLASS I refrigerant pursuant to 42 U.S.C. 7671(a).~~
- ~~(9) — CLASS II REFRIGERANT is any compound or any combination of compounds designated by U.S. Environmental Protection Agency as a CLASS II refrigerant pursuant to 42 U.S.C. 7671(a).~~
- (8) CHLOROFLUOROCARBON or CFC is a class of compounds primarily used as refrigerants, consisting of only chlorine, fluorine, and carbon.
- (9) COMPONENT is a part of an air conditioning system or appliance (including condensing units, compressors, condensers, evaporators, receivers) and all of its connections and subassemblies, without which the air conditioning system or appliance will not properly function or will be subject to failures.

~~(1010)~~ DISPOSE is to discard refrigerant in any manner, except destruction by incineration or by a treatment method specifically approved by the U.S. Environmental Protection Agency for handling such refrigerant without releasing it to the atmosphere.

(11) GLOBAL WARMING POTENTIAL VALUE or GWP VALUE means the 100-yr GWP value first published by the Intergovernmental Panel on Climate Change (IPCC) in its Second Assessment Report (SAR) (IPCC, 1995); or if a 100-yr GWP value was not specified in the IPCC SAR, it means the GWP value published by the IPCC in its Fourth Assessment A-3 Report (AR4) (IPCC, 2007); or if a 100-yr GWP value was not specified in the IPCC AR4, then the GWP value will be determined by the Executive Officer based on data, studies and/or good engineering or scientific judgment. Both the 1995 IPCC SAR values and the 2007 IPCC AR4 values are published in Table 2.14 of the 2007 IPCC AR4. The SAR GWP values are found in column "SAR (100-yr)" of Table 2.14.; the AR4 GWP values are found in column "100 yr" of Table 2.14.

(12) HIGH GLOBAL WARMING POTENTIAL REFRIGERANT means any compound used as a heat transfer fluid or gas that is:

- (A) a chlorofluorocarbon; or
- (B) a hydrochlorofluorocarbon; or
- (C) a hydrofluorocarbon; or
- (D) a perfluorocarbon; or
- (E) any compound or blend of compounds, with a global warming potential value equal to or greater than 150; or
- (F) any ozone depleting substance as defined in Title 40 of the Code of Federal Regulation, Part 82, §82.3

~~(11) High pressure refrigeration system is a refrigeration system that uses a refrigerant with a boiling point between -50 and -10 degrees Centigrade at atmospheric pressure (29.9 inches of mercury).~~

~~(12) Low pressure refrigeration system is a refrigeration system that uses a refrigerant with a boiling point above -10 degrees Centigrade at atmospheric pressure (29.9 inches of mercury).~~

- ~~(13) MAINTENANCE is an annual service of the refrigeration system containing Class II refrigerants conducted to:~~
- ~~(A) ensure proper operation pursuant to manufacturer's specification; and~~
- ~~(B) assess the overall integrity of the refrigeration system to detect leaks.~~
- (13) HYDROCHLOROFLUOROCARBON or HCFC is a class of compounds primarily used as refrigerants, consisting of only hydrogen, chlorine, fluorine, and carbon.
- (14) HYDROFLUOROCARBON or HFC is a class of compounds primarily used as refrigerants, consisting of only hydrogen, fluorine, and carbon.
- (15) PERFLUOROCARBON or PFC is a class of compounds consisting only of carbon and fluorine.
- ~~(1614) PERSON is any individual, firm, business establishment, association, organization, partnership, business trust, corporation, company, contractor, supplier, installer, user or owner, or any state or local government agency or public district or any other officer or employee thereof. PERSON also means the United States or its agencies to the extent authorized by Federal law, individual, whether acting as principal, agent, employee, or in any other capacity, including any governmental entity or charitable organization.~~
- ~~(1715) RECLAIM is to reprocess refrigerant to a level equivalent to new product specifications in accordance with applicable requirements of the U.S. Environmental Protection Agency contained in Part 82 of Title 40, of the Code of Federal Regulations, Part 82, Subpart F, §82.152.~~
- ~~(1816) RECOVER is to remove refrigerant, in any condition, from a system and to store it in an external container, without necessarily testing or processing it in any way.~~
- ~~(1917) RECYCLE is to extract refrigerant from an appliance and to clean the refrigerant for reuse by oil separation and single or multiple passes through moisture-absorption devices, such as replaceable core filter-driers which reduce moisture, acidity, and particulate matter, without meeting all of the requirements for reclamation.~~

~~(2018)~~ REFRIGERANT LEAK is any discharge of refrigerant into the atmosphere from a refrigeration-an air conditioning system, refrigerant recovery equipment, or recycling equipment, into the atmosphere refrigerant cylinder, or other container.

~~(19)~~ ~~REFRIGERATION SYSTEM is any non-vehicular equipment used for cooling or freezing, which holds more than 50 pounds of, any combination of Class I and/or Class II refrigerant, including, but not limited to, refrigerators, freezers, or air conditioning equipment or systems.~~

~~(2120)~~ SELF-CONTAINED RECOVERY EQUIPMENT is any refrigerant recovery equipment that is capable of removing the refrigerant from an air conditioning refrigeration system without the assistance of components contained in the ~~refrigeration~~ air conditioning system.

~~(21)~~ ~~Very high pressure refrigeration system is a refrigeration system that uses a refrigerant with a boiling point below 50 degrees Centigrade at atmospheric pressure (29.9 inches of mercury).~~

(d) Requirements

(1) A person shall not operate an air conditioning system subject to this rule unless all of the following requirements are met:

(A) A Registration Plan for the entire facility is submitted to the Executive Officer at start of operation, and every two years thereafter. Such plan shall contain the following information:

(i) facility name and address;

(ii) name and title of contact person;

(iii) type of business;

(iv) number of air conditioning systems in operation;

(v) manufacturer name, model and serial number for each of the air conditioning systems;

(vi) type of refrigerant in each air conditioning system;

(vii) full charge of refrigerant in each air conditioning system, in pounds;

(viii) date of last audit and/or maintenance performed for each air conditioning system; and

(ix) amount of additional refrigerant charge every year for each system, in pounds.

(B) The owner or operator shall conduct an audit of the air conditioning system no later than one year after beginning operation, and every year thereafter, to determine whether such system is operating pursuant to manufacturer's specifications and does not have refrigerant leaks. At a minimum, the annual audit shall include the following:

(i) A leak inspection using one or more of the following methods:

(I) Refrigerant leak detection device used in accordance with the manufacturer's specifications;

(II) A bubble test;

(III) Observation of oil residue; or

(IV) An alternate method approved by the Executive Officer.

(ii) A determination of the amount of refrigerant leak for each air conditioning system by recording the total capacity of refrigerant charge in each air conditioning system, the quantity of any additional refrigerant charge for each air conditioning system, and the date of each charge. The quantity of additional refrigerant charge shall be determined by weighing the refrigerant charging container before and after each charge, using equipment that is accurate to the nearest pound.

(iii) An examination for deficiencies which may cause refrigerant leakage.

(2) Any person who owns or operates an air conditioning system that has a refrigerant leak shall ensure that the leak is repaired no later than 14 calendar days after the leak has been discovered or should have been

discovered. The owner or operator shall maintain a log of repair activities beginning at the time the leak is discovered and ending at the time when the leak has been repaired. The air conditioning system shall be verified by a certified technician to be leak free before any refrigerant is added to the system.

(3) The owner or operator of an air conditioning system has 45 days after initial leak detection to repair a refrigerant leak if one or more of the following conditions exist:

(A) A certified technician is not available to complete the repair. A written record shall be kept to document that no certified technician is available within 14 days of the initial leak detection; or

(B) The parts necessary to repair a refrigerant leak are unavailable within 14 days of the initial leak detection. A written statement verifying that the parts are unavailable from the air conditioning system or component manufacturer or distributor shall be obtained.

(4) ~~On and after January 1, 1992, n~~No person shall install, service, repair, modify, or dispose of any refrigeration air conditioning system, ~~or perform any related repairs or modifications~~ that may cause the release of Class I or Class II high-global warming potential refrigerants unless that person meets all of the following requirements:

(A) The person has a current, valid, and applicable U.S. Environmental Protection Agency technician certificate issued in accordance with Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82.161.

(BA) Recovers, recycles, or reclaims the refrigerant, using approved certified refrigerant recovery or recycling ~~or recovery~~ equipment for that type of refrigeration air conditioning unit, and employs procedures for which the ~~recycling or certified refrigerant~~ recovery or recycling equipment was approved by the U.S. Environmental Protection Agency. ~~Recovery and recycling~~ Such equipment shall be used as specified by the certified refrigerant recovery or recycling equipment manufacturer, unless the manufacturer's specifications are in conflict with the ~~equipment approved~~

procedures approved by the U.S. Environmental Protection Agency for the certified refrigerant recovery or recycling equipment. Refrigerant may be returned to the refrigeration air conditioning system from which it is recovered ~~from~~, or to another refrigeration air conditioning system owned by the same person, without being recycled or reclaimed.

(CB) Satisfies job site evacuation of ~~Class I and Class II~~ high global warming potential refrigerants during recycling, recovering, reclaiming, or disposing in accordance with ~~applicable regulations of the U.S. Environmental Protection Agency as contained in Part 82, Subpart F, Section 82.156, of~~ Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82.156. ~~then in effect including, but not limited to, "Required Levels of Evacuation for Air Conditioning and Refrigeration Equipment"~~. De minimis refrigerant releases associated with a good faith attempt to recycle or recover refrigerants are allowed. ~~provided that required practices or requirements in accordance with regulations then in effect of the U.S. Environmental Protection Agency contained in Part 82, Subpart F, Section 82.156 and Section 82.158, and Part 82, Subpart B of~~ Refrigerant releases shall be considered de minimis only if they occur when the required practices or requirements in Part 82, Subpart F, §§82.156 and 82.158, and Part 82, Subpart B of Title 40 of the Code of Federal Regulations, ~~are~~ followed.;

(DC) Has at least one piece of approved certified, self-contained recovery equipment available at their place of business;

(ED) ~~On or after October 14, 1994, a~~Any person who owns or operates ~~an approved a certified refrigerant recovery or recycling or recovery~~ equipment:

(i) Shall not operate any approved certified refrigerant recycling or recovering equipment, except for the maintenance or repair of such equipment, unless the equipment has been tested for and been determined to have no leaks within the past six months as determined by a

method approved by the Executive Officer's ~~designee~~. Leaks in recycling, recovering, or charging equipment shall be repaired within 2 working days after the leak is first detected, unless ~~the equipment does not leak if~~ its use is promptly discontinued and the equipment does not leak after its use is discontinued;

- (ii) Shall not alter the design of a approved certified recovery and recycling equipment in a manner that would affect the equipment's ability to meet the certification standards set by the U.S. Environmental Protection Agency without resubmitting the altered design to an approved equipment testing facility for ~~approval~~certification testing. Until such altered equipment is tested by a U.S. Environmental Protection Agency approved equipment testing facility, and is shown to meet the certification standards set forth by the U.S. Environmental Protection Agency, the equipment so altered shall not be considered approved certified, and shall not be used; and,
- (iii) Shall provide proof of certification for the recovery and recycling equipment from the U.S. Environmental Protection Agency to the Executive Officer's ~~designee~~ upon request.

~~(E) — On and after November 14, 1994 has the following current, valid and applicable U.S. Environmental Protection Agency certificate provided in accordance with Part 82 of Title 40 of the Code of Federal Regulations:~~

- ~~(i) — a Type II Technician certificate for high or very high pressure refrigeration systems; or~~
- ~~(ii) — a Type III Technician certificate for low pressure refrigeration systems; or~~
- ~~(iii) — a Universal Technician certificate.~~

~~(2) — No person shall operate a refrigeration system unless all of the following applicable requirements are met:~~

~~_(A) — An annual audit has been conducted for refrigeration systems containing Class I refrigerant by a Certified Auditor to determine whether the system is operating pursuant to manufacturer's specifications and does not have refrigerant leaks. This audit shall commence no later than July 1, 1992, and every 12 months thereafter. — At minimum, the annual audit shall require the following:~~

~~_(i) — A leak test shall be conducted for refrigeration systems operating above atmospheric pressure using one of the following methods:~~

~~(I) — Electronic halogen detector used in accordance with manufacturer's specifications;~~

~~(II) — Fluorescent tracer dyes injected into the system according to manufacturer's specifications, and scanned with an ultraviolet lamp; or~~

~~_(III) — An alternate method approved by the Executive Officer's designee.~~

~~(ii) — A leak test shall be conducted for refrigeration systems operating below atmospheric pressure by using one of the following methods:~~

~~(I) — Pressurizing the system by using an inert gas mixture with an indicator or by raising the temperature of the Evaporator; or~~

~~(II) — An alternate method approved by the Executive Officer's designee.~~

~~_(iii) — Amount of refrigerant leak shall be determined, for each refrigeration system, by recording the total capacity of refrigerant charge in each refrigeration system, the quantity of any additional refrigerant charge to each refrigeration system, as defined in (c)(1), and the date of each charge. The quantity of additional refrigerant charge shall be determined by weighing the refrigerant charging container~~

~~before and after each charge, using equipment that is accurate to the nearest pound.~~

~~(iv) — An examination for deficiencies which may cause refrigerant leakage.~~

~~(B) — An annual maintenance program for refrigeration systems containing Class II refrigerants has been established to ensure that the system is operating pursuant to the manufacturer's specification and that it does not have any refrigerant leaks. This program shall consist of all of the following:~~

~~(i) — An inspection for leaks by a certified technician which includes an examination for deficiencies which may cause refrigerant leakage.~~

~~(ii) — A written record of the quantity of any additional refrigerant charge to each refrigeration system. The quantity of additional refrigerant charge shall be determined by weighing the refrigerant charging container before and after each charge, using equipment that is accurate to the nearest pound.~~

~~(C) — A Registration Plan for the entire facility has been submitted to the District by January 1, 1996 and every two years thereafter. This Registration Plan shall contain:~~

~~(i) — number of refrigeration systems in operation;~~

~~(ii) — type of refrigerants in each refrigeration system;~~

~~(iii) — amount of refrigerant in each refrigeration system;~~

~~(iv) — date of last annual audit or maintenance performed for each refrigeration system; and~~

~~(v) — amount of refrigerant charged every year.~~

~~(3) — On and after January 1, 1992, any person who owns or operates a refrigeration system that has a refrigerant leak as defined in paragraph (c)(18) shall ensure that the leak is repaired no later than 14 calendar days after the leak has been discovered or should have been discovered. The owner or operator shall maintain a log of repair activities beginning at the~~

~~time the leak is discovered and ending at the time when the leak has been repaired. The refrigeration system shall be verified by a certified technician to be leak free before any refrigerant is added to the system.~~

(45) ~~On or after November 14, 1994, a~~No person shall sell, distribute, offer for sale or distribution, ~~or purchase~~ any ~~Class I or Class II~~high-global warming potential refrigerant for use as a refrigerant to any person unless:

(A) The buyer is ~~a~~ certified technician pursuant to Part 82 of Title 40 of the Code of Federal Regulations; or

~~(B) The buyer is an authorized representative of a person employing at least one certified technician, and the buyer has provided evidence that at least one technician is properly certified; or~~

~~(CB) The refrigerant is sold only for eventual resale to certified technicians or to refrigerationair conditioning system manufacturers; or~~

~~(DC) The refrigerant is contained in an refrigeration air conditioning system.~~

~~(D) The refrigerant is charged into a refrigeration system by a certified technician.~~

(56) ~~Effective October 18, 1994 until May 15, 1995, a~~No person shall sell, ~~offer for sale, supply, or distribute, or offer for sale~~ any ~~Class I or Class II~~high-global warming refrigerant consisting wholly or in part of used refrigerant unless the refrigerant has been reclaimed by a certified reclaimer.

(67) No person reclaiming refrigerants shall release into the atmosphere more than 1.5 percent of the refrigerant received for reclamation.

(e) Recordkeeping

(1) ~~On and after January 1, 1992, a~~Any person owning or operating any refrigeration air conditioning system is required to maintain the following records for each refrigeration air conditioning system:

(A) ~~A report~~Documents demonstrating compliance with paragraphs (d)(12) and ~~repairs required by paragraph (d)(23)~~, which includes the following information:

Proposed Amended Rule 1415 (Cont.) (Amended ~~October 14, 1994~~ December 3, 2010)

- (i) Date of annual audit ~~and annual maintenance program~~;
 - (ii) All work completed for each refrigeration air conditioning system to prevent or repair leaks, including results of leak testing and leak determinations;
 - (iii) Name(s) of the person who completed the inspection and repair, and including the name, address, and telephone number of the company the person is representing;
 - ~~(iv) — The permit number of the recycling or recovery equipment;~~
 - (iv) The log of repair activities; and
 - (v) Technician certificate typenumber.
- (B) A log of the quantity of each additional refrigerant charged to the refrigeration air conditioning system and the date of each charge.
- (C) A log of malfunctions of the refrigeration air conditioning system, other than that determined in section paragraphs (d)(~~12~~) and (d)(~~23~~), including the following:
- (i) The cause of the malfunction; and
 - (ii) The type of repairs required and the date the repairs were completed.
- (D) If refrigerant is recycled off-site, a transportation bill-of-lading (or other transportation document as approved by the Executive Officer's ~~designee~~) indicating the name and location of the facility from which the refrigerant is shipped, the quantity of refrigerant transported, destination (company name, phone number, and location) and date of transportation.
- (E) The quantity (in pounds) of ~~Class I or Class II~~ high-global warming refrigerants purchased or used in the District in a calendar year and the name and address of the refrigerant supplier.
- (2) ~~On and after July 1, 1991, a~~ Any person who receives refrigerant for recycling or reclaiming from off-site locations shall maintain copies of all transportation documents as required in sectionsubparagraph (e)(1)(D) for each shipment of refrigerant received.

- (3) Records and reports required under ~~sections~~subparagraphs (e)(1)(A), (e)(1)(B), and (e)(1)(C) shall be generated by a ~~Certified Auditor or a~~ certified technician. Annual audits and maintenance records shall be in a format approved in writing by the Executive Officer ~~'s designee~~.
- (4) All persons who sell or distribute any ~~Class I or Class II~~high-global warming refrigerant shall retain invoices, pursuant to paragraph (e)(9), that indicate the name of the purchaser, the date of sale, and the quantity of refrigerant purchased.
- (5) ~~A refrigerant distributor or wholesaler selling high-global warming potential refrigerant to a P~~purchasers of any Class I or Class II refrigerant who employs ~~certified technicians shall provide evidence that at least one a certified technician is properly certified to the wholesaler who sells them refrigerant. shall obtain written documentation that the purchaser employs at least one certified technician.~~ - The distributor or wholesaler shall keep this information on file for a minimum of five years. - and may sell refrigerant to the purchaser or authorized representative even if such purchaser or authorized representative is not a properly certified technician. The purchaser must notify the wholesaler in the event that the purchaser no longer employs at least one properly certified technician.
- (6) Reclaimers shall maintain records of the names and addresses of persons sending them material for reclamation and the quantity of the material (the combined mass in pounds of refrigerant and contaminants) sent to them for reclamation.
- (7) Reclaimers shall maintain records of the quantity of material sent to them for reclamation, the mass in pounds of refrigerant reclaimed, and the mass in pounds of waste product.
- (8) ~~On and after October 14, 1994, a~~Any person owning and operating an approved certified refrigerant recovery or recycling or recovery ~~equipment shall maintain the following records as required by to determine compliance with paragraph clause~~ (d)(41)(E)(i), which includes the following information:
 - (A) Date of semi-annual inspection;

Proposed Amended Rule 1415 (Cont.) (Amended ~~October 14, 1994~~ December 3, 2010)

- (B) All work completed for each recycling or recovery system to prevent or repair leaks, including results of leak testing and leak determinations; and
- (C) Name(s) of the person who completed the inspection and repair, and including the name, address, and telephone number of the company the person is representing; and
- ~~(D) — The permit number of the recycling or recovery equipment.~~
- (9) Records and reports as required under ~~sections~~paragraphs (e)(1), (e)(2), (e)(4), (e)(5), (e)(6), (e)(7), and (e)(8) shall be maintained for a minimum of not less than 53 years, after their creation shall be kept at the facility where the air conditioning system is in operation, and shall be made available to the Executive Officer's ~~designee~~ upon request.

**PROPOSED RULE 1415.1 REDUCTION OF REFRIGERANT EMISSIONS
FROM STATIONARY REFRIGERATION SYSTEMS**

(a) Purpose

The purpose of this rule is to reduce emissions of high global warming potential refrigerants from stationary refrigeration systems by requiring persons subject to this rule to recover, recycle, or reclaim refrigerant and to minimize refrigerant leaks.

(b) Applicability

This rule applies to any person who owns or operates a refrigeration system, as defined in this rule. This rule also applies to any person who installs, repairs, maintains, services, relocates, or disposes of any refrigeration system, regardless of charge size; to any person who services or maintains recycling and recovery equipment; and to any person who recycles, recovers, reclaims, distributes or sells high global warming potential refrigerant.

(c) Definitions

For purposes of this rule, the following definitions shall apply:

- (1) **ADDITIONAL REFRIGERANT CHARGE** means or is the quantity, in pounds, of refrigerant added to a refrigeration system in order to bring the system to a full charge. Additional refrigerant charge does not include an initial refrigerant charge.
- (2) **AUTOMATIC LEAK DETECTION SYSTEM** means or is a calibrated device that uses continuous monitoring for detecting leakage of refrigerants, and alerts the operator when a refrigerant leak is detected. An automatic leak detection system may be either:
 - (A) A direct system that automatically detects the presence in air of refrigerant leaked from a refrigeration system; or
 - (B) An indirect system that automatically interprets measurements (e.g. temperature or pressure) within a refrigeration system that indicate a refrigerant leak and alerts the operator to the presence of a refrigerant leak.

- (3) BUBBLE TEST means applying a soap solution or spraying on with an aerosol around a potential leak source, and observing for bubbles.
- (4) CERTIFIED RECLAIMER means or is a person who holds a current, valid, and applicable reclaimer certificate in accordance with Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82.164.
- (5) CERTIFIED REFRIGERANT RECOVERY OR RECYCLING EQUIPMENT means or is equipment for refrigerant recovery or recycling that meets the definition by the U.S. Environmental Protection Agency pursuant to Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82.152.
- (6) CERTIFIED TECHNICIAN means or is a person who has a current, valid, and applicable U.S. Environmental Protection Agency technician certificate issued in accordance with Title 40 of the Code of Federal Regulations, Part 82, §82.40 or §82.161.
- (7) CHANGE OF OWNERSHIP means or is a transfer of the title of a facility subject to this rule.
- (8) CHLOROFLUOROCARBON or CFC means or is a class of compounds primarily used as refrigerants, consisting of only chlorine, fluorine, and carbon.
- (9) COMMERCIAL REFRIGERATION means or is a refrigeration appliance typically utilized in the retail food and cold storage warehouse sectors. Retail food refrigeration includes, but is not limited to, the refrigeration equipment found in supermarkets, convenience stores, restaurants and other food service establishments. Cold storage includes, but is not limited to, the equipment used to store meat, produce, dairy products, and other perishable goods.
- (10) COMPONENT means or is a part of a refrigeration system or appliance (including condensing units, compressors, condensers, evaporators, receivers) and all of its connections and subassemblies, without which the refrigeration system or appliance will not properly function or will be subject to failures.
- (11) CONTINUOUS MONITORING means or is measuring the ambient concentration of refrigerant using electronic or mechanical sensors, or

interpreting measurements (e.g. temperature or pressure) within a refrigeration system that indicate a refrigerant leak in real time.

- (12) **DIRECT EMISSIONS** mean high global warming potential refrigerant emissions from a facility that are emitted by refrigeration systems under the operational control of a facility owner or operator. Direct emissions are calculated as the total weight in pounds of each type of high global warming potential refrigerant that was charged into a refrigeration system minus the total weight in pounds of each type of high global warming potential refrigerant that was recovered from a refrigeration system, as reported in the annual Facility Stationary Refrigeration Report pursuant to paragraphs (f)(1), (f)(2), and (f)(3).
- (13) **ENCLOSED BUILDING OR STRUCTURE** means or is a building or structure with a roof and walls that prevent wind from entering the facility.
- (14) **EQUIPMENT TYPE** means or is commercial refrigeration, industrial process refrigeration, or other refrigeration appliance.
- (15) **FACILITY** for the purpose of this rule means or is any property, plant, building, structure, stationary source, stationary equipment or grouping of stationary equipment or stationary sources located on one or more contiguous or adjacent properties, in actual physical contact or separated solely by a public roadway or other public right-of-way, and under common operational control, that includes one or more refrigeration systems or appliance subject to this rule. Operators of military installations may classify such installations as more than a single facility based on distinct and independent functional groupings within contiguous military properties.
- (16) **FACILITY IDENTIFICATION NUMBER** means or is a unique identification number provided by the Executive Officer for each facility with one or more refrigeration systems in operation.
- (17) **FOLLOW-UP VERIFICATION TEST** means or is a test that involves checking the repairs within 30 days of the refrigeration system returning to normal operating characteristics and conditions. “Follow-up verification test” for a refrigeration system from which the refrigerant charge has been evacuated means a test conducted after the refrigeration

system or portion of the refrigeration system has resumed operation at normal operating characteristics and conditions of temperature and pressure, except in cases where sound professional judgment dictates that these tests will be more meaningful if performed prior to the return to normal operating characteristics and conditions. “Follow-up verification test” for a refrigeration system from which the refrigerant charge has not been evacuated means a reverification test conducted after the initial verification test and usually within 30 days of returning to normal operating characteristics and conditions. Where a refrigeration system is not evacuated, it is only necessary to complete any required changes to return the refrigeration system to normal operating characteristics and conditions.

- (18) “FULL CHARGE”, “OPTIMAL CHARGE”, or “CRITICAL CHARGE” means or is the amount of refrigerant required in the refrigerant circuit for normal operating characteristics and conditions of a refrigeration system, as determined by one of the following methods:
 - (A) Use of the equipment manufacturer’s specifications of the full charge; or
 - (B) Use of calculations based on component sizes, density of refrigerant, volume of piping, seasonal variances, and other relevant considerations; or
 - (C) The midpoint of an established range for full charge based on the best available data regarding the normal operating characteristics and conditions for the system.
- (19) GLOBAL WARMING POTENTIAL means or is the capacity to heat the atmosphere, calculated as the ratio of the time-integrated radiative forcing from the instantaneous release of 1 kilogram (kg) of a substance relative to that of 1 kg of CO₂. Global warming potential shall be calculated according to the factors for a 100-year time horizon.
- (20) GLOBAL WARMING POTENTIAL VALUE or GWP VALUE means or is the 100-yr GWP value first published by the Intergovernmental Panel on Climate Change (IPCC) in its Second Assessment Report (SAR) (IPCC, 1995); or if a 100-yr GWP value was not specified in the IPCC SAR, it means the GWP value published by the IPCC in its Fourth

Assessment A-3 Report (AR4) (IPCC, 2007); or if a 100-yr GWP value was not specified in the IPCC AR4, then the GWP value will be determined by the Executive Officer based on data, studies and/or good engineering or scientific judgment. Both the 1995 IPCC SAR values and the 2007 IPCC AR4 values are published in Table 2.14 of the 2007 IPCC AR4. The SAR GWP values are found in column “SAR (100-yr)” of Table 2.14.; the AR4 GWP values are found in column “100 yr” of Table 2.14.

- (21) HIGH GLOBAL WARMING POTENTIAL REFRIGERANT means or is any compound used as a heat transfer fluid or gas that is:
 - (A) A chlorofluorocarbon; or
 - (B) A hydrochlorofluorocarbon; or
 - (C) A hydrofluorocarbon; or
 - (D) A perfluorocarbon; or
 - (E) Any compound or blend of compounds, with a global warming potential value equal to or greater than 150; or
 - (F) Any ozone depleting substance as defined in Title 40 of the Code of Federal Regulation, Part 82, §82.3
- (22) HYDROCHLOROFLUOROCARBON or HCFC means or is a class of compounds primarily used as refrigerants, consisting of only hydrogen, chlorine, fluorine, and carbon.
- (23) HYDROFLUOROCARBON or HFC means or is a class of compounds primarily used as refrigerants, consisting of only hydrogen, fluorine, and carbon.
- (24) INDIRECT EMISSIONS are emissions that are a consequence of the activities of a facility, but occur at sources owned or controlled by another person, related to energy consumed for electricity, heat, steam, and cooling.
- (25) INDUSTRIAL PROCESS REFRIGERATION means complex customized appliances used in the chemical, pharmaceutical, petrochemical and manufacturing industries that are directly linked to the industrial process. Industrial process refrigeration includes, but is not

limited to, industrial ice machines, appliances used directly in the generation of electricity, and ice rinks. Where one appliance is used for both industrial process refrigeration and other applications, it will be considered industrial process refrigeration equipment if 50 percent or more of its operating capacity is used for industrial process refrigeration.

- (26) INDUSTRIAL PROCESS SHUTDOWN means that an industrial process or facility temporarily ceases to operate or manufacture whatever is being produced at that facility.
- (27) INITIAL REFRIGERANT CHARGE means or is the quantity, in pounds, of high global warming potential refrigerant added to a refrigeration system or appliance in order to bring the system to a full charge upon initial installation of a refrigeration system or appliance.
- (28) INITIAL VERIFICATION TEST means or is a leak test that is conducted as soon as practicable after the repair is completed. Initial verification test, with regard to leak repairs that require the evacuation of the refrigeration system or portion of the refrigeration system, means a test conducted prior to the replacement of the full charge and before the refrigeration system or portion of the refrigeration system has reached normal operating characteristics and conditions of temperature and pressure. Initial verification test, with regard to repairs conducted without the evacuation of the full charge, means a test conducted as soon as practicable after the conclusion of the repair work.
- (29) INTENDED TO BE OPERATED YEAR ROUND means a refrigeration system at a facility that is not a seasonal facility.
- (30) LEAK INSPECTION means or is an inspection of a refrigeration system to detect a leak of a high global warming potential refrigerant.
- (31) LOW TEMPERATURE REFRIGERATION SYSTEM means or is a commercial or industrial refrigeration system used for frozen products.
- (32) MEDIUM TEMPERATURE REFRIGERATION SYSTEM means or is a commercial or industrial refrigeration system used for chilled products.
- (33) NEWLY CONSTRUCTED means or is a facility that is not yet operational, or that has been operational for less than 6 months.

- (34) NON-REFILLABLE CYLINDER means or is a cylinder with a refrigerant capacity of two pounds or greater that is designed not to be refilled and is used in the servicing, maintenance or filling of a refrigeration system, appliance, motor vehicle air conditioning system, or heat pump equipment.
- (35) NORMAL OPERATING CHARACTERISTICS AND CONDITIONS mean or are refrigeration system operating temperatures, pressures, fluid flows, speeds, and other characteristics, including full charge of the refrigeration system that would be expected for a given process load and ambient condition during operation. Normal operating characteristics and conditions are marked by the absence of atypical conditions affecting the operation of the refrigeration system.
- (36) OTHER REFRIGERATION means or is any stationary, non-residential appliance that is used for an application other than industrial process refrigeration, commercial refrigeration, or air conditioning, or is used for two or more applications including industrial process refrigeration, commercial refrigeration, or air conditioning.
- (37) PERFLUOROCARBON or PFC means or is a class of compounds consisting only of carbon and fluorine.
- (38) PERSON means or is any individual, firm, association, organization, partnership, business trust, corporation, company, contractor, supplier, installer, user or owner, or any state or local governmental agency or public district or any other officer or employee thereof. PERSON also means the United States or its agencies to the extent authorized by Federal law.
- (39) RECLAIM means or is to reprocess refrigerant to a level equivalent to new product specifications in accordance with applicable requirements of the U.S. Environmental Protection Agency contained in Title 40, Code of Federal Regulations, Part 82, Subpart F, §82.152.
- (40) RECOVER means or is to remove refrigerant in any condition from a system and to store it in an external container without necessarily testing or processing it in any way.

- (41) RECYCLE means or is to extract refrigerant from an appliance and to clean the refrigerant for reuse by oil separation and single or multiple passes through moisture-absorption devices, such as replaceable core filter-driers which reduce moisture, acidity, and particulate matter, without meeting all of the requirements for reclamation.
- (42) REFRIGERANT CIRCUIT means the parts of a refrigeration system that are normally connected to each other (or are separated by isolation valves) and are designed to contain a high global warming potential refrigerant. A single refrigerant circuit is defined by all piping and components that use refrigerant from a common reservoir of a high global warming potential refrigerant.
- (43) REFRIGERANT DISTRIBUTOR OR WHOLESALER means or is a person to whom a product is delivered or sold for purposes of export, subsequent resale, or delivery to a certified technician, employer of a certified technician, appliance manufacturer, or another refrigerant distributor or wholesaler. Refrigerant distributor or wholesaler includes any person who imports refrigerant from outside of this state to distribute or sell refrigerant to a certified technician, employer of a certified technician, appliance manufacturer, or another refrigerant distributor or wholesaler, or who acts as an agent or broker in buying refrigerant.
- (44) REFRIGERANT LEAK means or is any discharge of refrigerant into the atmosphere from a refrigeration system, refrigerant recovery or recycling equipment, refrigerant cylinder, or other container.
- (45) REFRIGERANT LEAK DETECTION DEVICE means or is a device that can be calibrated to accurately detect and measure the ambient concentration of refrigerant at a minimum concentration level of 10 parts per million of vapor of a specific refrigerant or selection of refrigerants.
- (46) REFRIGERATION SYSTEM means or is a stationary, non-residential equipment that is an industrial process refrigeration, a commercial refrigeration, or other refrigeration appliance with a single refrigerant circuit that requires more than 50 pounds of any combination of high global warming potential refrigerant to maintain normal operating characteristics and conditions. Refrigeration system does not include an

air-conditioning appliance. A single refrigeration system is defined by a single refrigerant circuit.

- (47) RESIDENTIAL means or is a residential dwelling containing four or fewer dwelling units on one lot or parcel.
- (48) RETIRE means or is the permanent removal from service of a refrigeration system or component rendering it unfit for use by the current or any future owner or operator.
- (49) RETROFIT means or is the replacement of the refrigerant used in a refrigeration system with a refrigerant approved under the SNAP program pursuant to Title 40 of the Code of Federal Regulation, Part 82, Subpart G, §82.170, or a refrigerant approved by the Executive Officer, and related refrigeration system changes required to maintain the refrigeration system operation and reliability following refrigerant replacement.
- (50) SEASONAL ADJUSTMENT means or is the need to add refrigerant to a refrigeration system due to a change in ambient conditions caused by a change in season, followed by the subsequent removal of refrigerant in the corresponding change in season, where both the addition and removal of refrigerant occurs within one consecutive 12-month period after the initial installation of a refrigeration system or a repair of a refrigeration system requiring evacuation or partial evacuation of the refrigerant circuit.
- (51) SEASONAL FACILITY means or is a facility where the purpose of the refrigeration system(s) at a facility ceases to be required during certain seasons of the year.
- (52) STATIONARY means or is meeting at least one of the following conditions:
 - (A) Is installed in a building, structure, or facility.
 - (B) Is attached to a foundation, or if not so attached, will reside at the same location for more than 12 consecutive months.
 - (C) Is located at the same single location on a permanent basis (at least two consecutive years) and that operates at that single location at three months each year.

- (53) SYSTEM IDENTIFICATION NUMBER means or is a unique identification number for each refrigeration system at a facility. It is comprised of the facility identification number followed by a hyphen, followed by a three digit number starting at 001 sequentially assigned to each unique refrigeration system at a facility. For example, if a facility has a facility identification number of ARB000001, then the system identification number for the first refrigeration system would be ARB000001-001.
 - (54) SYSTEM MOTHBALLING means or is the intentional shutting down of a refrigeration system for a period of time greater than 60 days by the owners or operators of that facility, where the refrigerant has been evacuated from the refrigeration system or the affected component of the refrigeration system, at least to atmospheric pressure.
 - (55) TACTICAL SUPPORT EQUIPMENT means or is equipment that meets military specifications, owned by the U.S. Department of Defense, the U.S. military services, or its allies, and used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.
 - (56) TOPPING OFF means or is adding refrigerant to a refrigeration system or appliance in order to bring the system to a full charge.
- (d) Requirements
- (1) Registration
 - (A) The owner or operator of a refrigeration system subject to this rule shall submit to the Executive Officer, at start of operation and every year thereafter, a Registration Plan for the entire facility. Such plan shall contain the following information:
 - (i) facility name and address;
 - (ii) name and title of contact person;
 - (iii) type of business;
 - (iv) number of refrigeration systems in operation;
 - (v) manufacturer name, model and serial number for the refrigeration system;

- (vi) type of refrigerant in each refrigeration system;
- (vii) full charge of refrigerant in each refrigeration system, in pounds;
- (viii) date of last annual audit or maintenance performed for each refrigeration system; and
- (ix) amount of additional refrigerant charge every year, in pounds.

(B) The owner or operator of a refrigeration system shall comply with the provision in (d)(1)(A) until such time that registration of the refrigeration system with the California Air Resources Board (CARB) is required pursuant to the CARB Refrigerant Management Program registration schedule as follows:

- (i) Refrigeration System with a Full Charge Greater Than or Equal to 2000 Pounds.

Beginning January 1, 2012, the owner or operator of such refrigeration system shall submit registration to CARB by providing the information specified in subparagraph (d)(1)(C). Refrigeration systems that begin operation before January 1, 2012 shall be registered with the CARB Executive Officer on or before March 1, 2012. Refrigeration systems that begin operation on or after January 1, 2012, shall be registered with the CARB Executive Officer by March 1 of the year following commencement of operation.

- (ii) Refrigeration System with a Full Charge Greater Than or Equal to 200 Pounds but Less Than 2,000 Pounds.

Beginning January 1, 2014, the owner or operator of such refrigeration system shall submit registration to CARB by providing the information specified in subparagraph (d)(1)(C). Refrigeration systems that begin operation before January 1, 2014 shall be registered with the CARB Executive Officer on or before March 1, 2014. Refrigeration systems that begin operation on or after

January 1, 2014, shall be registered with the CARB Executive Officer by March 1 of the year following commencement of operation.

- (iii) Refrigeration System with a Full Charge Greater Than 50 Pounds but Less Than 200 Pounds.

Beginning January 1, 2016, the owner or operator of such refrigeration system shall submit registration to CARB by providing the information specified in subparagraph (d)(1)(C). Refrigeration systems that begin operation before January 1, 2016 shall be registered with the CARB Executive Officer on or before March 1, 2016. Refrigeration systems that begin operation on or after January 1, 2016, shall be registered with the CARB Executive Officer by March 1 of the year following commencement of operation.

- (C) A person submitting registration to CARB pursuant to the provisions of subparagraph (d)(1)(B) shall provide the following information:

- (i) Facility Information
 - (I) Name of operator.
 - (II) Operator Federal Tax Identification Number.
 - (III) Facility North American Industry Classification System (NAICS) Business Type Code based on the 2007 NAICS United States structure.
 - (IV) Facility Standard Industrial Classification (SIC) Code.
 - (V) Name of facility, including a facility identifier such as store number, if applicable.
 - (VI) Facility mailing address including a street address, city, state, and zip code.
 - (VII) Facility physical location address including a street address, city, state, and zip code.

- (VIII) Facility contact person name, phone number, and e-mail address.
- (ii) Refrigeration System Information (provided for each refrigeration system)
 - (I) System identification number (assigned by the facility owner or operator).
 - (II) Equipment information such as equipment type, equipment manufacturer, equipment model or description, equipment model year and serial number. The serial number(s) of the affected equipment or component must be recorded when present and accessible. When the affected equipment or component is part of an assembly without a serial number, or does not have an individual serial number, or is not accessible after assembly, the physical location of the affected equipment must be recorded in enough detail to permit positive identification.
 - (III) Physical location of the refrigeration through schematic or floor plan with equipment locations clearly noted.
 - (IV) Temperature classification (e.g. low temperature refrigeration system, medium temperature refrigeration system, or other);
 - (V) Full charge of the refrigeration system, in pounds.
 - (VI) Type of high global warming potential refrigerant(s) used.
- (D) If there is a change of ownership of a facility that is required to be registered pursuant to subparagraph (d)(1)(B), the new owner or operator shall register the refrigeration system with CARB by March 1 of the calendar year after the change of ownership has occurred.

- (E) Before any change of ownership, the owner or operator of a refrigeration system subject to subparagraph (d)(1)(B) shall ensure that the refrigeration system is free of refrigerant leaks through a leak inspection performed by a certified technician. In addition, a person selling a refrigeration system that is required to have been registered with CARB shall inform the buyer of the registration requirements, and submit a change of ownership notification to the CARB Executive Officer. The change of ownership notification shall include the following information:
 - (i) Seller Information
 - (I) Facility identification number;
 - (II) Name of owner or operator; and
 - (III) Name of facility, including a facility identifier such as store number; and
 - (ii) Buyer Information
 - (I) Name of owner or operator;
 - (II) Name of facility, including a facility identifier such as store number;
 - (III) Facility mailing address including a street address, city, state, and zip code; and
 - (IV) Facility contact person including phone number and e-mail address.

- (F) The owner or operator of a refrigeration system subject to this rule shall pay a registration fee for the entire facility as follows:
 - (i) Refrigeration systems that are required to be registered with the District pursuant to (d)(1)(A) shall pay a plan filing fee pursuant to Rule 306 – Plan Fees.
 - (ii) Refrigeration systems that are required to be registered with CARB pursuant to (d)(1)(B)(i) and (d)(1)(B)(ii) shall pay to CARB an initial implementation fee at time of registration and an annual implementation fee in accordance with the fee schedule established by CARB. If

a facility has more than one refrigeration system, the amount of fee shall be based on the refrigeration system with the largest full charge that is operating at the facility.

(2) Leak Detection and Monitoring

(A) Prior to January 1, 2011, the owner or operator of a refrigeration system that operates or is intended to be operated year round shall conduct an annual audit of the refrigeration system to determine whether such system is operating pursuant to manufacturer's specifications and does not have refrigerant leaks. At a minimum, the annual audit shall require a leak inspection conducted by a certified technician.

(B) Beginning January 1, 2011, the owner or operator of a refrigeration system that operates or is intended to be operated year round shall comply with the following requirements:

(i) Refrigeration Systems with a Full Charge Greater Than or Equal to 2,000 Pounds.

(I) A monthly leak inspection of the refrigeration system shall be conducted if the refrigerant circuit is located entirely within an enclosed building or structure, or the compressor, evaporator, condenser, or any other component of the refrigeration system with a high potential for a refrigerant leak is located inside an enclosed building or structure. However, a monthly leak inspection is not required if the refrigeration system is equipped with an automatic leak detection system.

(II) A quarterly leak inspection of the refrigeration system shall be conducted if the refrigerant circuit is not located entirely within an enclosed building or structure and is not monitored for leaks using an automatic leak detection system.

(III) By January 1, 2012, an automatic leak detection system shall be installed for the refrigeration system if the refrigerant circuit is located entirely within an enclosed building or structure, or the compressor, evaporator, condenser, or any other component of the refrigeration system with a high potential for a refrigerant leak is located inside an enclosed building or structure.

(ii) Refrigeration Systems with a Full Charge Greater Than or Equal to 200 Pounds but Less Than 2,000 Pounds.

A quarterly leak inspection shall be conducted for the refrigeration system. A leak inspection is not required if an automatic leak detection system is used to monitor the refrigeration system.

(iii) Refrigeration Systems with a Full Charge Greater Than 50 Pounds but Less Than 200 Pounds.

An annual leak inspection shall be conducted for the refrigeration system. A leak inspection is not required if an automatic leak detection system is used to monitor the refrigeration system.

(C) Beginning January 1, 2011, the owner or operator of a refrigeration system that does not operate or is not intended to be operated year round shall conduct a leak inspection within 30 days after starting each operation of the refrigeration system, and once every three months thereafter, until the refrigeration system is shut down. A leak inspection is not required after starting operation if there has been a leak inspection of the refrigeration system conducted within the preceding 90 days.

(D) Beginning January 1, 2011, the owner or operator of a refrigeration system subject to this rule shall conduct a leak inspection each time an additional refrigerant charge equal to or greater than 5 pounds or one percent of the refrigeration system full charge, whichever amount is greater, is added to such refrigeration system.

- (E) All refrigerant leak inspections shall be conducted using one or more of the following methods:
- (i) Refrigerant leak detection device used in accordance with the manufacturer's specifications; or
 - (ii) A bubble test; or
 - (iii) Observation of oil residue; or
 - (iv) An alternate method approved by the Executive Officer.

In addition, any time oil residue is observed indicating a refrigerant leak, a leak inspection shall be conducted using a leak detection device or a bubble test to confirm a refrigerant leak.

- (F) The owner or operator of a refrigeration system equipped with an automatic leak detection system that directly detects the presence of high global warming potential refrigerant in the air shall comply with the following requirements:
- (i) Sensors or intakes of the automatic leak detection system shall be placed in the proximity of the compressor, evaporator, condenser, and other areas with a high potential for a refrigerant leak.
 - (ii) An annual audit and calibration of the automatic leak detection system shall be conducted using the manufacturer's recommended procedures to ensure that the system accurately detects a concentration level of 10 parts per million of vapor of the specific refrigerant used in the refrigeration system, and alerts the operator when a refrigerant concentration of 100 parts per million of vapor of the specific refrigerant used in the refrigeration system is reached.

- (G) The owner or operator of a refrigeration system equipped with an automatic leak detection system that automatically interprets measurements (e.g. temperature and pressure) within a refrigeration system to indicate a refrigerant leak shall annually audit and calibrate the system, so that it automatically alerts the operator when measurements indicate a loss of refrigerant of 50

pounds or 10 percent of the refrigeration system full charge, whichever is less.

- (H) If an automatic leak detection system alerts the owner or operator of a refrigerant leak, the owner or operator shall ensure that a leak inspection of the refrigeration system is conducted within 24 hours after the system alert.

(3) Leak Repair

- (A) Any person who owns or operates a refrigeration system that has a refrigerant leak shall ensure that the leak is repaired no later than 14 calendar days after the leak has been discovered, except in situations when a longer time period is allowed as provided in subparagraphs (d)(3)(B) and (d)(3)(C). The owner or operator shall maintain a log of repair activities beginning at the time the leak is discovered and ending at the time when the leak has been repaired. The refrigeration system shall be verified by a certified technician to be leak free before any refrigerant is added to the system.
- (B) The owner or operator of a refrigeration system has 45 days to repair a refrigerant leak if one or more of the following conditions exist:
 - (i) A certified technician is not available to complete the repair. A written record shall be kept to document that no certified technician is available within 14 days of the initial leak detection; or
 - (ii) The parts necessary to repair a refrigerant leak are unavailable within 14 days of the initial leak detection. A written statement verifying that the parts are unavailable from the refrigeration system or component manufacturer or distributor shall be obtained; or
 - (iii) The refrigerant leak repair requires an industrial process shutdown that results in a process temporarily ceasing to manufacture the intermediate or final product that is

produced when the industrial process refrigeration appliance is in operation.

- (C) The owner or operator of a refrigeration system has 120 days to repair a refrigerant leak if all of the following conditions exist:
 - (i) The facility owner or operator is an entity subject to Mandatory Greenhouse Gas Emissions Reporting requirements pursuant to section 95101 of the California Code of Regulations; and
 - (ii) The refrigeration system is an industrial process refrigeration appliance; and
 - (iii) The refrigerant leak repair requires an industrial process shutdown; and
 - (iv) Written records are maintained to document that all the conditions in clauses (d)(3)(C)(i) thru (d)(3)(C)(iii) are met.
- (D) The owner or operator of a refrigeration system shall ensure that an initial verification test and a follow-up verification test, as defined in subdivision (c), are conducted by a certified technician upon completion of refrigerant repairs. For a refrigeration system that has been evacuated during the refrigerant repair leak, the follow-up verification shall be conducted when the system is operating at normal operating conditions. If the system was not evacuated during leak repair, the follow-up verification test requirement is satisfied once required changes are made to return the refrigeration system to normal operating conditions.
- (E) If verification tests indicate that a refrigerant leak has not been successfully repaired within the allowable time period specified in subparagraphs (d)(3)(A), (d)(3)(B), or (d)(3)(C), and no exemption has been granted by the Executive Officer pursuant to paragraph (d)(5), then the owner or operator shall comply with the following applicable requirements:
 - (i) For refrigeration systems that fail to meet the 14-day leak repair allowance in subparagraph (d)(3)(A), the owner or operator shall successfully repair the refrigerant leak within

45 days of the initial refrigerant leak detection, or prepare a retrofit or retirement plan pursuant to paragraph (d)(4) within 60 days of the initial refrigerant leak detection.

- (ii) For refrigeration systems that fail to meet the 45-day leak repair allowance in subparagraph (d)(3)(B), the owner or operator shall prepare a retrofit or retirement plan pursuant to paragraph (d)(4) within 60 days of the initial refrigerant leak detection.
- (iii) For refrigeration systems that fail to meet the 120-day leak repair allowance in subparagraph (d)(3)(C), the owner or operator shall prepare a retrofit or retirement plan pursuant to paragraph (d)(4) within 135 days of the initial refrigerant leak detection.

(4) Retrofit or Retirement Plan

- (A) The plan shall establish a schedule to retrofit or retire a leaking refrigeration system no later than six months after the initial detection of the refrigerant leak. All work shall be completed during this six-month period.
- (B) A retrofit or retirement plan shall include the following information:
 - (i) The system identification number of the refrigeration system being retired or retrofitted;
 - (ii) Equipment type, manufacturer, model number or description;
 - (iii) Physical location of the refrigeration system through schematic or floor plan with locations clearly noted;
 - (iv) Temperature classification of the refrigeration system;
 - (v) Full charge of the refrigeration system including the type of high global warming potential refrigerant(s) used;
 - (vi) A plan to dispose of the retired refrigeration system if the refrigeration system is to be retired and replaced;

- (vii) A timetable which includes, at a minimum, the start date and completion date of installation, construction, or retrofit of the refrigeration system; and
 - (viii) A signature by a representative of the facility, including the date signed.
- (5) Approval of Exemptions
 - (A) The owner or operator of a refrigeration system may submit a request to the Executive Officer for an exemption from the requirements of paragraphs (d)(3) and (d)(4) provided that the owner or operator demonstrates that one or more of the criteria below have been satisfied:
 - (i) Emissions Life Cycle Exemption

The Executive Officer may allow the continuation of a refrigerant leak for up to three years if the Executive Officer determines that the applicant has provided clear and convincing documentation that the refrigerant leak cannot be repaired, and that allowing the refrigerant leak to continue will result in less combined direct and indirect emissions than replacing the leaking refrigeration system. The documentation shall include information quantifying the lifecycle direct and indirect emissions, including energy use, and must include a calculation of these emissions based on the average lifetime of the refrigeration system or facility. The applicant shall also provide a mitigation plan that includes a list of proposed actions to minimize emissions. The plan shall include an analysis of options to minimize usage, reduce leaks or venting, and recycle or destroy high global warming potential refrigerant.
 - (ii) Economic Hardship Exemption

The Executive Officer may allow the continuation of a refrigerant leak for a specified time period of no longer than three years if the Executive Officer determines that the

applicant has provided clear and convincing documentation that all of the following criteria are met:

- (I) Compliance would result in extraordinary economic hardship, such as closure of the entire facility or a large portion of the facility, or loss of a large portion of the revenue from the facility; and
- (II) The applicant has prepared a compliance report that can be implemented and can achieve compliance as expeditiously as possible. The compliance report shall reasonably detail when compliance will be achieved and the method by which compliance will be achieved.

(iii) Natural Disaster Exemption

The Executive Officer may allow the continuation of a refrigerant leak for a specified time period of no longer than three years if the Executive Officer determines that the applicant has provided clear and convincing documentation that failure to repair the refrigerant leak was due to a natural disaster such as an earthquake or flood, an act of war or an act by a public enemy, or a civil disorder or riot.

- (B) Any exemption granted may be extended for one or more additional periods of up to three years if the Executive Officer determines that the demonstrations made pursuant to clauses (d)(5)(A)(i), (d)(5)(A)(ii), or (d)(5)(A)(iii) remain valid.
- (C) The owner or operator requesting an exemption as provided in subparagraph (d)(5)(A) shall submit a written application demonstrating that one or more of the exemption criteria have been met. Within 30 days of receipt of the exemption application, the Executive Officer shall determine whether the application is complete, and shall notify the applicant of this determination. If the exemption application is determined to be incomplete, the Executive Officer shall notify the applicant and specify the information needed to make the application complete. Within 90 days after an application is determined to be complete, the

Executive Officer shall determine whether and under what conditions an exemption will be granted. The applicant and the Executive Officer may agree to a longer time period for the Executive Officer to take action on the exemption application.

- (D) The exemption shall cease to be effective upon the failure of the person to whom the exemption was granted to comply with any term or condition of the exemption.
- (E) If the Executive Officer determines that an exemption no longer meets the criteria specified in subparagraph (d)(5)(A), the Executive Officer may revoke the exemption or modify it as necessary to insure that the exemption continues to meet the criteria.
- (F) If an application for an exemption is denied or an existing exemption is revoked, the owner or operator of a refrigeration system shall comply with the following:
 - (i) From the time a notice of denial or revocation is issued, the refrigerant leak shall be repaired within the allowable repair period in paragraph (d)(3); or
 - (ii) Within 30 days of a notice of such denial or revocation, the owner or operator of the facility shall prepare a retrofit or retirement plan pursuant to paragraph (d)(4). The plan shall establish a schedule to retrofit or retire a leaking refrigeration system no later than six months after a notice of denial or revocation, and all work shall be completed during this six-month period.

(e) Required Service Practices and Prohibitions

- (1) No person shall install, maintain, service, repair, relocate, or dispose of any refrigeration system, regardless of charge size, that may cause the release of high global warming potential refrigerants unless that person meets all of the following applicable requirements:
 - (A) The person has a current, valid, and applicable U.S. Environmental Protection Agency technician certificate issued in accordance with

Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82.161.

- (B) The certified technician conducting leak repair holds a current and active California contractor's license in the C-38-Refrigeration Contractor licensing classification, or is an employee of a contractor with the same qualifications. If the refrigeration system requiring service is also used in an air conditioning application, the refrigerant leak may be repaired by a certified technician holding a current and active California contractor's license in the C-20-Warm Air Heating, Ventilating and Refrigeration Contractor licensing classification, or by an employee of a contractor with the same qualifications.
- (C) The person recovers, recycles, or reclaims the refrigerant, using certified refrigerant recovery or recycling equipment for that type of refrigeration system, and employs procedures for which the certified refrigerant recovery or recycling equipment was approved by the U.S. Environmental Protection Agency. Attempts to recover refrigerant shall be made even if the person believes that all refrigerant has been removed or has previously leaked from the refrigeration system. Refrigerant may be returned to the refrigeration system from which it is recovered, or to another refrigeration system owned by the same person, without being recycled or reclaimed.
- (D) The refrigerant added to a refrigeration system during manufacture or service is:
 - (i) A Class I or Class II substance, as identified by section 602 of the federal Clean Air Act; or
 - (ii) An alternative that has been found acceptable under the SNAP program pursuant to Title 40 of the Code of Federal Regulations, Part 82, Subpart G, §82.170; or
 - (iii) Approved by the Executive Officer for the specific refrigeration end-use in which it is being employed.

- (E) No refrigerant charge is added to any refrigeration system known to have a refrigerant leak, except that it is permissible to add additional refrigerant charge required to maintain operations during leak repair.
 - (F) Job site evacuation of refrigerants during recycling, recovering, reclaiming, or disposing is done in accordance with Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82.156. De minimis refrigerant releases associated with a good faith attempt to recycle or recover refrigerants are allowed. Refrigerant releases shall be considered de minimis only if they occur when the required practices or requirements contained in Part 82, Subpart F, §§82.156 and 82.158, and Part 82, Subpart B of Title 40 of the Code of Federal Regulation are followed.
- (2) Any person who owns or operates a certified refrigerant recovery or recycling equipment shall:
- (A) Ensure the equipment has been tested for and been determined to have no leaks within the past six months. Leaks in recycling, recovering, or charging equipment shall be repaired within 2 working days after the leak is first detected, unless ~~the equipment does not leak~~ if its use is discontinued, and the equipment does not leak after its use is discontinued.
 - (B) Not alter the design of a certified recovery and recycling equipment in a manner that would affect the equipment's ability to meet the certification standards set by the U.S. Environmental Protection Agency without resubmitting the altered design to an approved equipment testing facility for certification testing. Until such altered equipment is tested by a U.S. Environmental Protection Agency approved equipment testing facility, and is shown to meet the certification standards set forth by the U.S. Environmental Protection Agency, the altered equipment shall not be considered ~~approved~~ certified, and shall not be used.
 - (C) Use the refrigerant recovery and recycling equipment used as specified by the certified refrigerant recovery or recycling equipment manufacturer, unless the manufacturer's specifications

are in conflict with the procedures approved by the U.S. Environmental Protection Agency for the certified refrigerant recovery or recycling equipment.

- (D) Provide proof of certification for the recovery and recycling equipment from the U.S. Environmental Protection Agency to the Executive Officer upon request.
- (3) No person shall sell, supply, offer for sale or distribute any high global warming potential refrigerant for use as a refrigerant unless:
- (A) The buyer is a certified technician; or
 - (B) The buyer is an authorized representative of a person employing at least one certified technician, and the buyer has provided evidence that at least one technician is properly certified; or
 - (C) The refrigerant is sold only for eventual resale to a certified technician, an employer of a certified technician, or an refrigeration system manufacturer; or the refrigerant is being sent for reclamation; or
 - (D) The refrigerant is contained in a refrigeration appliance.
- (4) No person shall sell, supply, offer for sale or distribute any high global warming potential refrigerant for use as a refrigerant unless such refrigerant is a Class I or Class II substance identified by section 602 of the federal Clean Air Act; or is an alternative that has been found acceptable under the SNAP program pursuant to Title 40 of the Code of Federal Regulations, Part 82, Subpart G, §82.170; or is approved by the Executive Officer for the specific refrigeration end-use in which it is being employed.
- (5) No person shall sell, offer for sale, supply, or distribute, any high-global warming refrigerant consisting wholly or in part of used refrigerant unless the refrigerant has been reclaimed by a certified reclaimer.
- (6) No person shall distribute or sell a refrigerant recovery or recycling equipment unless such equipment meets the levels of evacuation to be achieved by recovery or recycling equipment as specified in Title 40 of the Code of Federal Regulations, Part 82, §82.158.

- (7) No person reclaiming refrigerants shall release into the atmosphere more than 1.5 percent of the refrigerant received for reclamation.
 - (8) No person shall recycle or dispose of a non-refillable cylinder unless the refrigerant from such cylinder has been evacuated to a vacuum of 15 inches of mercury, relative to standard atmospheric pressure of 29.9 inches of mercury.
 - (9) No person shall refill a non-refillable cylinder or use it as a temporary receiver during service.
 - (10) No person shall repair or modify a non-refillable cylinder in any way that allows the non-refillable cylinder to be refilled.
- (f) Reporting
- (1) A person operating a refrigeration system with a full charge greater than or equal to 200 pounds of a high global warming potential refrigerant shall submit annually to CARB a Facility Stationary Refrigeration Report (Annual Report) that contains the information specified in paragraph (f)(2). Each Annual Report shall provide this information for the previous calendar year and shall be submitted as follows:
 - (A) By March 1, 2012, the owner or operator of a facility with a refrigeration system that begins operation before January 1, 2012, and with a full charge greater than or equal to 2,000 pounds of a high global warming potential refrigerant, shall submit an Annual Report for the 2011 calendar year. By March 1, 2013, and each calendar year thereafter, the owner or operator shall submit an Annual Report providing information for the previous calendar year.
 - (B) The owner or operator of a facility with a refrigeration system that begins operation on or after January 1, 2012, and with a full charge greater than or equal to 2,000 pounds of a high global warming potential refrigerant shall submit an Annual Report for the previous calendar year by March 1 of the year following commencement of operation. Subsequent Annual Reports for the previous calendar year shall be submitted by March 1 of each year thereafter.

- (C) By March 1, 2014, the owner or operator of a facility with a refrigeration system that begins operation before January 1, 2014, and with a full charge greater than or equal to 200 pounds but less than 2,000 pounds of a high global warming potential refrigerant, shall submit an Annual Report for the 2013 calendar year. By March 1, 2015, and each calendar year thereafter, the owner or operator shall submit an Annual Report providing information for the previous calendar year.
 - (D) The owner or operator of a facility with a refrigeration system that begins operation on or after January 1, 2014, and with a full charge greater than or equal to 200 pounds but less than 2,000 pounds of a high global warming potential refrigerant, shall submit an Annual Report for the previous calendar year by March 1 of the year following commencement of operation. Subsequent Annual Reports for the previous calendar year shall be submitted by March 1 of each year thereafter.
- (2) The Annual Report required in paragraph (f)(1) shall include the following information:
- (A) Refrigeration System

The following data shall be provided for each refrigeration system:

 - (i) System identification number;
 - (ii) Equipment type;
 - (iii) Equipment manufacturer;
 - (iv) Equipment model or description, model year, and serial number. The serial number(s) of the affected equipment or component must be recorded when present and accessible. When the affected equipment or component is part of an assembly without a serial number, or does not have an individual serial number, or is not accessible after assembly, the physical location of the affected equipment must be recorded in enough detail to permit positive identification;

- (v) Physical location of a refrigeration system through schematic or floor plan with equipment locations clearly noted;
- (vi) Temperature classification;
- (vii) Full charge of the refrigeration system, in pounds;
- (viii) Type of high global warming potential refrigerant used;

and

- (ix) Date of initial installation.

(B) Refrigeration System Service and Leak Repair

The following information shall be provided for each automatic leak detection system audit, leak inspection, and refrigeration system service or refrigerant leak repair that required an additional refrigerant charge of five pounds or more, or an additional refrigerant charge equal to or greater than one percent of the full charge, whichever amount is greater:

- (i) Date leak detected, if applicable;
- (ii) Date of service provided or leak repair completed;
- (iii) Cause of refrigerant leak, if applicable;
- (iv) Description of service provided or leak repair completed;
- (v) Date(s) of initial verification test(s), if applicable;
- (vi) Date(s) of follow-up verification test(s), if applicable;
- (vii) Total additional refrigerant charge (in pounds) of each type of high global warming potential refrigerant, if applicable;
- (viii) Purpose for additional refrigerant charge (leak repair, topping off, initial refrigerant charge, or seasonal adjustment), if applicable;
- (ix) Name of certified technician completing leak repair, if applicable; and
- (x) The certified technician's identification number and certification type issued by an approved technician

certification program pursuant to Title 40 of the Code of Federal Regulation, Part 82, §82.161, if applicable.

(C) Refrigerant Purchases and Use Information

The following information shall be provided on refrigerant purchase and use:

- (i) The total weight in pounds of each type of high global warming potential refrigerant that was purchased during the calendar year;
- (ii) The total weight in pounds of each type of high global warming potential refrigerant that was charged into a refrigeration system during the calendar year;
- (iii) The total weight in pounds of each type of high global warming potential refrigerant that was recovered from a refrigeration system during the calendar year;
- (iv) The total weight in pounds of each type of high global warming potential refrigerant that was stored in inventory at the facility, or stored at a different location for use by the facility, on the last day of the calendar year; and
- (v) The total weight in pounds of high global warming potential refrigerant that was shipped by the owner or operator for reclamation and destruction during the calendar year.

(3) A person operating a refrigeration system with a full charge greater than 50 pounds but less than 200 pounds of a high global warming potential refrigerant is not required to submit annual reports. However, the owner or operator of such refrigeration system shall report the information specified in paragraph (f)(2) within 60 days of receipt of a request from CARB or the District.

(4) By March 1, 2012, and every year thereafter, a refrigerant distributor or wholesaler shall submit an annual report to CARB providing information for the previous calendar year. The annual report shall cover all California facilities under the operational control of the refrigerant distributor or wholesaler, and shall include the following information:

- (A) Name and mailing address of the refrigerant distributor or wholesaler;
 - (B) Contact person name, phone number, and e-mail address for the refrigerant distributor or wholesaler;
 - (C) The total statewide annual aggregated weight in pounds of each type of high global warming potential refrigerant that was purchased or received for the purpose of subsequent resale or delivery for any purpose other than reclamation or destruction;
 - (G) The total statewide annual aggregated weight in pounds of each type of high global warming potential refrigerant that was sold or distributed, excluding all sales to facilities outside of California or to a refrigerant distributor or wholesaler for eventual resale;
 - (H) The total statewide annual aggregated weight in pounds of high global warming potential refrigerant that was shipped to a certified reclaimer;
 - (I) Name of all refrigerant distributor or wholesaler facilities under the operational control of the refrigerant distributor or wholesaler;
 - (J) Address of each refrigerant distributor or wholesaler facility under the operational control of the refrigerant distributor or wholesaler; and
 - (K) Contact person name, phone number, and e-mail address for each refrigerant distributor or wholesaler facility under the operational control of the refrigerant distributor or wholesaler.
- (5) By March 1, 2012, and every year thereafter, a person reclaiming any high global warming potential refrigerant in California shall submit an annual report to CARB providing information for the previous calendar year. The annual report shall cover all California facilities under the operational control of the certified reclaimer, and shall include the following information:
- (A) Name and mailing address of the certified reclaimer;
 - (B) Contact person name, phone number, and e-mail address for the certified reclaimer;

- (C) The total statewide annual aggregated weight in pounds of high global warming potential refrigerant that was received by the certified reclaimer for reclamation or destruction;
 - (D) The total statewide annual aggregated weight in pounds of each type of high global warming potential refrigerant that was reclaimed in California;
 - (E) The total statewide annual aggregated weight in pounds of high global warming potential refrigerant that was shipped out of California for reclamation;
 - (F) The total statewide annual aggregated weight in pounds of high global warming potential refrigerant that was destroyed or shipped out of California for destruction;
 - (G) Name and address of all certified reclaimer facilities under the operational control of the certified reclaimer; and
 - (H) Contact person name, phone number, and e-mail address for each certified reclaimer facility under the operational control of the certified reclaimer.
- (g) Recordkeeping
- (1) Any person owning or operating any refrigeration system subject to this rule shall maintain records for each refrigeration system for a minimum of five years. The following records shall be kept at the facility where the refrigeration system is in operation, and shall be made available to the Executive Officer upon request:
 - (A) All registration information for the refrigeration systems;
 - (B) Documentation of all leak detection systems, leak inspections, annual audit and calibration of automatic leak detection system;
 - (C) Records of refrigeration system service and leak repairs, including documentation of any conditions allowing leak repair of more than 14 days after leak detection pursuant to subparagraphs (d)(3)(B) and (d)(3)(C);
 - (D) Any retrofit or retirement plans, or records on application for exemption submitted pursuant to paragraph (d)(4), if applicable;

- (E) Name(s) of the person(s) who completed the inspection and repair, including the name, address, and telephone number of the company the person is representing, and technician certificate number;
 - (F) A log of the quantity of each additional high global warming refrigerant charged to the refrigeration system and the date of each charge;
 - (G) The quantity (in pounds) of high-global warming refrigerants purchased or used in the District in a calendar year, including invoices of all refrigerant purchases;
 - (H) Annual Reports submitted pursuant to paragraph (f)(1);
 - (I) Records of all shipments of refrigerants for reclamation or destruction, which include the following information:
 - (i) Name and address of refrigerant shipment destination;
 - (ii) Weight in pounds of refrigerant shipped;
 - (iii) Date of shipment; and
 - (iv) Purpose of shipment, e.g. reclamation, destruction, etc.
 - (J) Records of all refrigeration systems component data, measurements, calculations and assumptions used to determine full charge.
- (2) A refrigerant distributor, wholesaler, or certified reclaimer shall maintain records for a minimum of five years. The following records shall be kept at the facility of each distributor, wholesaler, or certified reclaimer, and shall be made available to the Executive Officer upon request, as follows:
- (A) Annual reports submitted pursuant to paragraphs (f)(4) and (f)(5);
 - (B) Invoices of all high-global warming refrigerants received through sale or transfer and all high-global warming refrigerants distributed through sale or transfer. These invoices must indicate the name of the purchaser, the date of sale, and the quantity and the type of high-global warming refrigerant purchased, sold, or transferred;
 - (C) Documents required pursuant to subparagraph (e)(3)(B); and

- (D) Records of all shipments of refrigerant received for reclamation.
- (3) Any person owning and operating a certified refrigerant recovery or recycling equipment shall maintain records to determine compliance with the requirements of paragraph (e)(2), which includes the following information:
 - (A) Date of semi-annual inspection;
 - (B) All work completed for each recycling or recovery system to prevent or repair leaks, including results of leak testing and leak determinations; and
 - (C) Name(s) of the person(s) who completed the inspection and repair, including the name, address, and telephone number of the company the person is representing.
- (h) Exemption
 - (1) The provisions of this rule do not apply to tactical support equipment.
 - (2) An owner or operator shall not pay fees as required in clause (d)(1)(F)(ii) for any calendar year if during the previous calendar year all of the refrigeration systems at the facility have been maintained using the following advanced strategies and practices to reduce refrigerant charges and emissions of ozone-depleting substances and greenhouse gases:
 - (A) The facility uses only refrigerants with zero ozone-depleting potential; and
 - (B) The facility uses only refrigerants found acceptable by the U.S EPA SNAP program pursuant to Title 40 of the Code of Federal Regulation, Part 82, Subpart G, §82.170 for the specific end use; and
 - (C) The facility achieves an average hydrofluorocarbon full charge equal to or less than 1.25 lbs. of refrigerant per 1000 Btu per hour total evaporator cooling load; and
 - (D) If the facility is not newly constructed, the facility achieves a facility-wide annual refrigerant leak rate, as defined in Title 40 of the Code of Federal Regulation, Part 82, §82.152, of 10% or less; and

- (E) The owner or operator swears under penalty of perjury that the criteria specified in subparagraphs (h)(2)(A) thru (h)(2)(D) have been met.
- (2) The requirements in paragraphs (d)(3) and (d)(4) shall not apply to the following conditions:
 - (A) During the time the refrigeration system is undergoing or is in system mothballing, as defined in subdivision (c), and until the refrigeration system resumes operation at a facility; or
 - (B) The owner or operator of a refrigeration system has received an exemption from the Executive Officer pursuant to paragraph (d)(5); or
 - (C) The owner or operator of a refrigeration system has submitted a request for an exemption and until a final determination is made by the Executive Officer pursuant to paragraph (d)(5).

Written records must be kept pursuant to subdivision (g) to document that the owner or the operator has requested or received an exemption.

- (3) The contractor's license requirements in subparagraph (e)(1)(B) shall not apply if one or more conditions apply:
 - (A) The refrigeration system service or refrigerant leak repair is performed by the facility owner or operator or its employees with wages as sole compensation; or
 - (B) The refrigeration system service or refrigerant leak repair is performed by the facility owner or operator through one undertaking or by one or more contracts, and the aggregate contract price for labor, materials, and all other items is less than five hundred dollars (\$500); or
 - (C) The refrigeration system service or refrigerant leak repair is performed pursuant to a contract entered into before January 1, 2011 by any political subdivision of the United States government, or the State of California, or by any incorporated town, city, county, irrigation district, reclamation district, or other municipal or political corporation.

(i) Violations

- (1) Each day or portion thereof that any leak inspection or leak repair is not completed after the date such leak inspection or leak repair is required to be completed, or each day or portion thereof that any registration, report, or plan required by this rule remains unsubmitted, is submitted late, or contains incomplete or inaccurate information, shall constitute a single, separate violation of this rule.
- (2) Failure to pay the full amount of any fee required by this rule shall constitute a single, separate rule violation for each day or portion thereof that the fee has not been paid after the date the fee is due.

(j) Severability

If any provision of this rule is held by judicial order to be invalid, or inapplicable to any person or circumstance, such order shall not affect the validity of the remainder of this rule, or the validity or applicability of such provision to other persons or circumstances. In the event any of the exceptions to this rule is held by judicial order to be invalid, the persons or circumstances covered by the exception shall instead be required to comply with the remainder of this rule.

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Final Staff Report for

Proposed Amended Rule 1415 – Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems

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EXECUTIVE SUMMARY

In December 2009, the California Air Resources Board (CARB) approved the Management of High Global Warming Potential Refrigerants for Stationary Sources regulation (commonly called the Refrigerant Management Program) to help reduce the state's greenhouse gas (GHG) emissions to 1990 levels by year 2020, as required by the California Global Warming Solutions Act of 2006 (AB 32). The regulation will go into effect on January 1, 2011.

The Refrigerant Management Program's goal is to reduce emissions of high global warming potential (GWP) refrigerants such as chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs) used in commercial and industrial refrigeration systems. The regulation requires registration, leak detection and monitoring, leak repair, retrofit or retirement, reporting, and recordkeeping for the affected industries including owners or operators of refrigeration systems, any person who services a refrigeration system, and distributors, wholesalers, and reclaimers of high GWP refrigerants.

Currently, the AQMD has a similar regulation, Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems (Rule 1415), which covers the reduction of ozone depleting refrigerant (CFC and HCFC) emissions. Rule 1415 requirements, however, apply to both stationary refrigeration and air conditioning systems whereas the Refrigerant Management Program covers only stationary refrigeration systems. In certain aspects, the CARB's regulation is more stringent than Rule 1415 particularly when it comes to leak inspection, leak detection and monitoring, and reporting requirements, while other components are less stringent. In particular, the CARB regulation allows leak repair periods of 45 or 120 days depending on the nature of the refrigeration system, and circumstances surrounding the leak, while the existing Rule 1415 requires completion of leak repairs within 14 days of initial leak detection. Further, the CARB rule has a provision that allows an exemption from the leak repair and retrofit or retirement plan requirements for a period of up to three years if specific exemption criteria are met. Rule 1415 does not provide such exemption. Staff's goal is to ensure that the AQMD refrigerant rule is equivalent in every aspect to the CARB regulation; therefore, a new Rule 1415.1 – Reduction of Refrigerant Emissions from Stationary Refrigeration Systems (Rule 1415.1) is being proposed to reduce refrigerant emissions from stationary refrigeration systems and to align AQMD's program with CARB's Refrigerant Management Program. Proposed Rule (PR) 1415.1 will consolidate all emission control requirements for stationary refrigeration systems currently in Rule 1415, and adopt all provisions in the state regulation pertaining to the control of high GWP refrigerant emissions.

For Rule 1415, which will apply only to air conditioning systems, staff is proposing to expand the scope of the rule to include high GWP refrigerants. In addition, staff's proposed amendments to Rule 1415 would place all emission control requirements solely for air conditioning systems under this Rule. Similar to PR 1415.1, staff's proposal would also allow an extended leak repair period of up to 45 days in situations where a certified technician is not available or the part(s) needed to complete the repair is unavailable within 14 days of initial leak detection.

Staff believes that having separate rules for air conditioning (PAR 1415) and refrigeration systems (PR 1415.1) would minimize confusion with regard to rule applicability, improve clarity, and enhance rule enforceability.

The CARB Refrigerant Management Program will result in an estimated GHG emission reduction for the South Coast Air Basin of approximately 3.5 MMT CO₂E by year 2020. Implementing PR 1415 is not expected to achieve additional GHG emission reductions beyond what is expected from the CARB regulation. Extending the leak repair period to 45 days in PAR 1415 could result in foregone emissions of 497 metric tons per year of CO₂E. For PR 1415.1, extending the time period during which a leak must be repaired from 14 days to 45 or 120 days for refrigeration systems could result in foregone CO₂E emissions of 5,849 metric tons per year. Additionally, the exemption provision in PR 1415.1 could result in foregone emissions of 4,618 metric tons per year of CO₂E. The total emissions impacts of relaxing the leak repair period in PAR 1415 and PR1415.1, including the exemption provision in PR1415.1, translate to foregone CO₂E emissions of 10,964 metric tons per year, which is a small amount when compared to the 3.5 MMT CO₂E emission reductions anticipated from this program.

BACKGROUND

Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems was adopted on June 7, 1991, and later amended on October 14, 1994, to reduce emissions of Class I and Class II ozone-depleting refrigerants from stationary refrigeration and air conditioning systems. Class I refrigerants are typically CFCs, while Class II refrigerants are all HCFCs, and are listed under section 602 of the Clean Air Act.

Production of CFCs and HCFCs were designated for phase out under the Montreal Protocol, primarily due to concerns about stratospheric ozone depletion. The use of these ozone depleting substances (ODS) as refrigerants is also regulated for the same reason. As a result of the Montreal Protocol's phase-out of ODS, the use of CFCs and HCFCs as refrigerants has been replaced with HFCs and PFCs, generally referred to as ODS substitutes. These ODS substitutes are not ozone depleters, but have much higher global warming potential. The use of ODS substitutes are increasing, and will continue to increase as ODS refrigerants are replaced by these high global warming potential ODS substitutes, particularly the HFCs. Consequently, greenhouse gas (GHG) emissions are projected to increase on a CO₂ equivalent basis.

The increase in GHGs in the atmosphere has been attributed to the average rise in the Earth's temperature that has been observed in recent years, which is commonly referred to as global warming. These GHGs make the Earth warmer by trapping heat from the sun in the earth's atmosphere, which increases the temperature. Many chemical compounds found in the Earth's atmosphere, such as methane, carbon dioxide, nitrous oxide, HCFCs, PFCs, and HFCs, act as GHGs. There is strong evidence that significant amounts of GHGs are added to the atmosphere as a result of human activities, thereby, contributing to global warming. Scientists believe that a warmer Earth may lead to changes in weather patterns, a rise in sea level, and may have significant impacts on plants, wildlife, and humans.

In 2006, the State Legislature passed the California Global Warming Solutions Act of 2006 (AB 32), establishing a comprehensive program to reduce the state's GHG emissions to the 1990 level by year 2020. AB 32 directed CARB to begin developing discrete early action measures to reduce greenhouse gases while also preparing a scoping plan to identify the best approach to reach the 2020 target. In addition, AB 32 requires that any GHG emission reduction measures developed be technologically feasible and cost-effective.

In December 2009, the CARB Board approved the Management of High Global Warming Potential Refrigerants for Stationary Sources regulation, commonly referred to as the Refrigerant Management Program. This program is one of the early action measures adopted by CARB under AB32 aimed at reducing the state's GHG emissions. The adopted final regulation and related documents has been ~~submitted to approved by the Office of Administrative Law for final approval and/or action, which is expected sometime in on~~ October 20, 2010. This regulation is scheduled to go into effect on January 1, 2011.

The Refrigerant Management Program seeks to reduce emissions of high GWP refrigerants from stationary refrigeration systems. A high-GWP refrigerant is any compound used as a heat transfer fluid or gas, and includes CFCs, HCFCs, HFCs, PFCs, or any compound or blend of compounds with a global warming potential value equal to or greater than 150, or any ozone depleting substance as defined in Title 40 of the Code of Federal Regulation, Part 82, §82.3. These substances are GHGs which are thousands of times more potent than carbon dioxide (CO₂). The CARB regulation addresses stationary commercial and industrial refrigeration systems that can have high leak rates and minimal oversight. Specifically, facilities with refrigeration systems using more than 50 pounds of high GWP refrigerants, or those who service refrigeration systems, or distribute, sell or reclaim high GWP refrigerants, must comply with the regulation.

The CARB regulation requires registration, leak detection and monitoring, leak repair, retrofit or retirement, reporting, and recordkeeping for owners or operators of refrigeration systems subject to the regulation. Reporting and recordkeeping requirements are also applicable to distributors, wholesalers, and reclaimers of high GWP refrigerants. Additionally, required service practices for refrigerant management are applicable to any person who services a refrigeration system that uses a high GWP refrigerant.

The requirements in the CARB Refrigerant Management Program are similar to existing federal regulations under section 608 of the Clean Air Act, particularly in the areas of leak repair, required service practices, and recordkeeping requirements. In addition, the CARB regulation was developed to be as consistent as possible with the current Rule 1415. However, there are certain areas where the existing Rule 1415 differs with the CARB regulation.

While current Rule 1415 applicability is limited to ODS refrigerants, such as CFCs and HCFCs, the CARB Refrigerant Management Program includes both ODS and ODS substitute refrigerants. In addition, Rule 1415 covers both refrigeration and air conditioning systems while the CARB regulation is limited to refrigeration systems only. In certain aspects, the CARB's regulation is more stringent than Rule 1415 particularly when it comes to leak inspection, leak detection and monitoring, and reporting requirements, while other requirements are less stringent. In particular, the CARB regulation allows leak repair periods of 45 or 120 days depending on the nature of the refrigeration system, and circumstances surrounding the leak, while the existing Rule 1415 requires completion of leak repairs within 14 days of initial leak detection. Further, the CARB rule has a provision that allows an exemption from the leak repair and retrofit or retirement plan requirements for a period of up to three years if specific exemption criteria are met. Rule 1415 does not provide such exemption.

Staff's proposal to create a new Rule 1415.1 to control high GWP refrigerant emissions solely from stationary refrigeration systems would align AQMD's regulation with CARB's Refrigerant

Management Program. PR 1415.1 will consolidate all emission control requirements for stationary refrigeration systems currently in Rule 1415, and incorporate all provisions in the state regulation to reduce emissions of high global warming potential refrigerants. By proposing Rule 1415.1, AQMD staff can implement or enforce the state's Refrigerant Management Program, which is expected to be done through a Memorandum of Understanding (MOU) with CARB. The CARB MOU will provide additional guidelines related to the implementation and enforcement of the Refrigerant Management Program, including rule interpretation and training. The CARB regulation is based largely on the AQMD's existing program for controlling refrigerant emissions from stationary refrigeration systems.

In addition, the proposed changes to Rule 1415 would place all emission control requirements for air conditioning systems under this rule. Staff believes that proposing separate rules for air conditioning (PAR 1415) and refrigeration systems (PR 1415.1) would minimize confusion with regard to rule applicability, improve clarity, and enhance rule enforceability.

LEGISLATIVE AUTHORITY

The California Legislature created the South Coast Air Quality Management District (AQMD) in 1977 (The Lewis-Presley Air Quality Management Act, Health and Safety Code section 40400 et seq.) as the agency responsible for developing and enforcing air pollution control rules and regulations in the South Coast Air Basin (Basin). The AQMD obtains its authority to adopt, amend, or rescind rules and regulations from Health and Safety Code sections 39002, 40000, 40001, 40702, 41508, and 41700.

RULE PROPOSAL

Proposed Amended Rule 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems

Staff's proposal is to amend Rule 1415 to incorporate all registration, emission control, and recordkeeping requirements in the rule solely for stationary air conditioning systems. Staff's proposal will also expand the scope of the current rule to include all high GWP refrigerants, similar to the CARB regulation for stationary refrigeration systems. Other administrative changes to the rule are also proposed. A summary of the proposed amendments to Rule 1415 is as follows:

1. Amend Rule Title

Currently, the rule title pertains to stationary refrigeration and air conditioning systems. Staff's proposal revises the rule title solely for the reduction of refrigerant emissions from stationary air conditioning systems, and eliminates reference to refrigeration systems.

2. Modify Rule Purpose and Applicability, subdivisions (a) and (b)

Staff is proposing to modify the rule purpose to include emission reductions from high global warming potential refrigerants, and limit the applicability of this to stationary air conditioning systems only. Requirements pertaining to stationary refrigeration systems such as refrigerators, freezers, and other refrigeration appliances will be in the Proposed

Rule 1415.1 – Reduction of Refrigerant Emissions from Stationary Refrigeration Systems.

3. Amend the definition section, subdivision (c)

Staff proposes to add definition for new terms used in the rule and modify existing ones to clarify rule intent, and make the definitions consistent with Proposed Rule 1415.1 as follows:

- ∅ Additional refrigerant charge
- ∅ Air conditioning system
- ∅ Audit
- ∅ Bubble test
- ∅ Certified reclaimer
- ∅ Certified refrigerant recovery or recycling equipment
- ∅ Certified technician
- ∅ Chlorofluorocarbon or CFC
- ∅ Component
- ∅ Global warming potential value
- ∅ High global warming potential refrigerant
- ∅ Hydrochlorofluorocarbon or HCFC
- ∅ Hydrofluorocarbon or HFC
- ∅ Perfluorocarbon
- ∅ Reclaim
- ∅ Recycle
- ∅ Refrigerant leak
- ∅ Self-contained recovery equipment

In addition, staff is proposing to delete terms that are no longer applicable, as follows:

- ∅ Approved recycling equipment
- ∅ Certified auditor
- ∅ Class I refrigerant
- ∅ Class II refrigerant
- ∅ High-pressure refrigeration system
- ∅ Low-pressure refrigeration system

- ∉ Maintenance
 - ∉ Refrigeration system
 - ∉ Very high pressure refrigeration system
4. Move registration and leak inspection requirements in paragraph (d)(2) to paragraph (d)(1), and clarify requirements that pertain to owners or operators of air conditioning systems as follows:
 - a) Registration Plan requirement in subparagraph (d)(2)(C) is moved to subparagraph (d)(1)(A). Further, staff has added new information to be included during submission of the Registration Plan, consistent with existing data reported in the current Rule 1415 Registration Form.
 - b) The annual audit requirements in subparagraphs (d)(2)(A) and (d)(2)(B) are moved to and consolidated under subparagraph (d)(1)(B). Language pertaining to leak detection methods has been modified to reflect current industry practices, such as the use of refrigerant leak detection device, a bubble test, or observation of oil residue. Further, the rule provision in clause (d)(2)(B)(i) requiring a certified technician to conduct leak inspection is removed to make it consistent with state and federal leak inspection requirement.
 - c) Delete redundant recordkeeping requirement in clause (d)(2)(B)(ii). This requirement is included in the Recordkeeping section, paragraph (e)(1).
 5. Move leak repair requirements in paragraph (d)(3) to paragraph (d)(2).
 6. Add a provision in paragraph (d)(3) to allow leak repair period of up to 45 days.

Staff's proposing a longer repair period of up to 45 days to fix a refrigerant leak only in situations where a certified technician is not available, or the part(s) needed to complete the repair is unavailable within 14 days of initial leak detection. The owner or operator of the affected refrigeration system shall keep a written record to prove that a certified technician or the required parts are not available.
 7. Move requirements in paragraph (d)(1) to paragraph (d)(4). In addition, language is proposed in (d)(4)(A) to clarify the U.S. EPA certified technician requirement.
 8. Move language in paragraph (e)(5), under Recordkeeping section, to subparagraph (d)(5)(B) under Requirements section, which allows an authorized representative of a person employing at least one certified technician to purchase refrigerant. Consequently, similar language in paragraph (e)(5) is proposed for deletion.
 9. Modify language by deleting the words "Class I or Class II" and replacing them with "high global warming" in paragraph (d)(6) to clarify rule intent and enhance rule enforceability.
 10. Modify certain languages in subdivision (e), Recordkeeping.

Staff is proposing to add clarifying language in paragraphs (e)(1), (e)(4) and (e)(5), as well as delete obsolete rule language in (e)(1)(iv) and (e)(8)(D) pertaining to permit number requirement for refrigerant recovery and recycling equipment. Such equipment

is now exempt from permit requirements pursuant to Rule 219 (d)(11). Facilities are expected to continue using the Rule 1415 Recordkeeping Forms when documenting annual audits and leak repair activities for each air conditioning system pursuant to the recordkeeping provisions of paragraph (e)(1). Such records shall be kept at the facility for a minimum of 5 years, and shall be made available to the Executive Officer upon request.

Proposed Rule 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems

As stated in the previous section, Proposed Rule 1415.1 mirrors CARB's Refrigerant Management Program, and will implement all provisions in the state regulation to reduce emissions of high GWP refrigerants. Staff is proposing to incorporate the following provisions pertaining to stationary refrigeration systems in Rule 1415.1:

1. Rule Title

Staff's proposed rule title is specific to the reduction of refrigerant emissions from stationary refrigeration systems only.

2. Purpose and Applicability

The scope and applicability is for high GWP refrigerants used in stationary refrigeration systems.

3. Definitions

Staff is proposing 56 definitions for terms used in the rule in order to clarify rule intent and enhance rule enforceability. These definitions are consistent with those found in the CARB Refrigerant Management Program.

4. Registration Requirements, paragraph (d)(1)

Staff is proposing that owners and operators of refrigeration systems with full charge greater than 50 lbs of high GWP refrigerant submit annually a Registration Plan to the District. However, registration with the District ceases once the CARB registration requirements for the refrigeration system begins. Registration of the refrigeration system with CARB will be required in 2012 for large refrigeration systems (full charge greater than or equal to 2,000 lbs refrigerant); 2014 for medium-size refrigeration systems (full charge equal to or greater than 200 lbs but less than 2,000 lbs refrigerant); and 2016 for small refrigeration systems (full charge greater than 50 lbs but less than 200 lbs refrigerant). For facilities with multi-size systems, e.g. large and medium-size refrigeration systems operating at the facility, the owner or operator has the option of registering the medium-size refrigeration system at the same time as the registration for the large system is due in 2012, even though registration of a medium-size refrigeration system would not be due until year 2014 if it was the largest or only system operating at the facility.

The proposed registration provision also includes information that facilities need to provide about the refrigeration systems during registration, and a provision requiring initial and annual implementation fees to cover the costs of administering and enforcing the rule based on fee guidelines established by CARB.

Currently, CARB's initial and annual implementation fees for large refrigeration systems (full charge greater than or equal to 2,000 lbs refrigerant) are both set at \$370 per facility, and \$170 per facility for medium-size refrigeration systems (full charge greater than or equal to 200 lbs but less than 2,000 lbs refrigerant). Fees paid are based on the largest system operating at the facility; therefore, a facility with both large and medium-size refrigeration systems operating will pay an initial and annual implementation fee of \$370. There is no implementation fee for small refrigeration systems. Additionally, the proposal includes change of ownership requirements for refrigeration systems previously registered with CARB.

5. Leak Detection and Monitoring Requirements, paragraph (d)(2)

The proposed requirements incorporate existing Rule 1415 and CARB's regulation on leak inspection and monitoring. Prior to January 1, 2011, owners or operators of refrigeration systems, with full charge capacity greater than 50 pounds of high GWP refrigerants, are required to conduct annual leak inspection of their refrigeration system to ensure that the system does not have refrigerant leaks. Annual leak inspection is already being done by owners or operators of refrigeration systems, and the proposed provision is a continuation of an existing leak inspection requirement in Rule 1415 for refrigeration systems.

Beginning January 1, 2011, owners or operators of large refrigeration systems (full charge greater than or equal to 2,000 lbs refrigerant) are required to conduct monthly leak inspections. Quarterly leak inspections are required for medium-size refrigeration systems (full charge greater than or equal to 200 lbs but less than 2,000 lbs refrigerant), while small refrigeration systems (full charge greater than 50 lbs but less than 200 lbs refrigerant) will continue to conduct annual leak inspections. These leak inspection requirements do not apply if the refrigeration system has an automatic leak detection system. In comparison, current Rule 1415 requires an annual leak inspection regardless of the size of the refrigeration system, considered to be less stringent for large and medium-size refrigeration systems.

In addition, the proposal will require the installation of an automatic leak detection system for large refrigeration systems beginning in year 2012. The automatic leak detection system has to be calibrated annually, i.e., within one year of installation and every year thereafter, using the manufacturer's recommended procedures to ensure that the system accurately detects a vapor concentration level of 10 parts per million (ppm) of the specific refrigerant used in the refrigeration systems, and alerts the operator when 100 ppm of vapor concentration is reached. In addition, sensors or intakes of the automatic leak detection system shall be placed in the proximity of the compressor, evaporator, condenser, and other areas with a high potential for a refrigerant leak. Based on discussions with CARB, the specific placement of sensors was not defined in the regulation in order to allow flexibility in accommodating the different application-

specific designs of refrigeration systems and refrigerant monitoring systems. The proximity of sensors to the refrigeration system parts with high potential for refrigerant leaks would be dependent on each installation, but need to be close enough to the refrigeration system's principal components to detect a leak. Leak inspection methods consistent with industry practices, e.g. refrigerant leak detection device, bubble test, observation of oil residue, are also being proposed.

6. Leak Repair Requirements, paragraph (d)(3)

Consistent with Rule 1415, the proposal will require the repair of a refrigerant leak within 14 days of initial leak detection. In order to be consistent with the CARB regulation, however, PR 1415.1 will allow longer repair periods of 45 days and 120 days depending on the nature of the refrigeration system, and the circumstances surrounding the leak. For example, if a certified technician or a part needed to repair the refrigerant leak is not available within 14 days of initial leak detection, or the leak repair requires an industrial shutdown, then additional time to complete the repair may be allowed up to 45 days from initial leak detection. Further, facilities that are subject to the Mandatory Greenhouse Gas Emissions Reporting requirements under section 101 of the California Code of Regulations may qualify for a 120-day repair period. Such facilities include cement plants, electrical generating facilities, electricity retail providers and power marketers, oil refineries, hydrogen plants, cogeneration facilities, and industrial sources that emit more than 25,000 MT CO₂ per year.

The proposal will also require the owner or operator to prepare and implement a retrofit and retirement plan if the refrigerant leak cannot be repaired within the allowable repair period of 14, 45, or 120 days.

7. Retrofit or Retirement Plan Requirements, paragraph (d)(4)

The proposed provision will require the owners or operators of refrigeration systems that continue to leak to establish a schedule to retrofit or retire the system within six months of initial leak detection. All work shall be completed during this six-month period. This section also includes specific information that needs to be included in the plan pertaining to the facility and to the retrofitted or newly installed refrigeration system.

The retrofit or retirement plan is not required to be submitted to the Executive Officer, but needs to be maintained and kept at the facility.

8. Approval of Exemptions, paragraph (d)(5)

This rule provision outlines specific conditions upon which a facility may be exempted from the leak repair and retrofit/retirement plan requirements for up to three years. Such provision allows flexibility in rule implementation to address significant hardship as a result of complying with the leak repair and retrofit/retirement plan requirements in the rule. Facility owners or operators need to submit a written application to the Executive Officer demonstrating that one or more of the exemption criteria have been met.

Any exemption granted may be extended for additional periods of up to three years (maximum of six years exemption) if the Executive Officer determines that the

demonstrations made to satisfy the exemption remain valid. Based on additional guidance from CARB staff, any exemption and extension granted may not necessarily be for the full three years as a facility has to submit documentation to justify the exemption, including any mitigation and compliance plans. For any extensions, a facility must document that the criteria for granting the exemption remain valid, including reasons why the mitigation and compliance plans have not been effective.

9. Required Service Practices and Prohibitions, subdivision (e)

Staff is proposing specific required service practices for a person who installs, services, maintains, repairs or disposes of any refrigeration systems, regardless of its charge size. The proposed rule also includes provisions for operating a certified refrigerant recovery or recycling equipment, and prohibitions pertaining to the sale, use and disposal of refrigerants. Some of the requirements include the mandatory use of U.S. EPA certified technician for service or repair of refrigeration systems; recovery and recycling of refrigerant and the use of certified refrigerant recovery and recycling equipment during leak repair; and restrictions on the sale of refrigerants.

The proposed provisions, expanded to include high GWP refrigerants, are modeled from Title 40, Part 82 of the Code of Federal regulations, Subpart F requirements specific to ODS refrigerants. In addition, most of these provisions are already part of the requirements in the current Rule 1415, but limited to ODS refrigerants.

10. Reporting Requirements, subdivision (f)

Staff's proposal includes reporting requirements for owners or operators of refrigeration systems, including refrigerant distributors, wholesalers, and reclaimers. Specifically, owners or operators of large and medium-size systems are required to submit annually to CARB a Facility Stationary Refrigeration Report (Annual Report). There is no reporting requirement for facilities with small refrigeration systems.

Submission of the Annual Report begins in year 2012 for an owner or operator of a facility with a large refrigeration system, and year 2014 for an owner or operator of a facility with a medium-size refrigeration system. The Annual Report contains information about the refrigeration system such as equipment type and model, specific data on refrigeration system service and leak repairs, as well as refrigerant purchases and use information.

Refrigerant distributors or wholesalers are also required to report annually to CARB specific information for the previous calendar year on each type of high GWP refrigerant that was purchased or received for the purpose of subsequent resale; high GWP refrigerants sold or distributed, excluding sales to facilities outside of California or to a refrigerant distributor or wholesaler for eventual resale; or high GWP refrigerants shipped to a certified reclaimer. In addition, certified reclaimers are required to submit an annual report on the amount of high GWP refrigerants received for reclamation or destruction, the amount of high GWP refrigerant reclaimed in California, or the amount of high GWP refrigerant shipped outside of California for reclamation or destruction.

CARB is developing a web-based reporting system that facilities will be able to use for the reporting requirements.

11. Recordkeeping Requirements, subdivision (g)

This section describes recordkeeping requirements for facilities with stationary refrigeration systems, refrigerant wholesalers or distributors, refrigerant reclaimers, and persons owning and operating a certified refrigerant recovery or recycling equipment. CARB clarified that documentation of leak detection system may include the type of leak detection method used at the facility such as automatic leak detection system, leak detection device, bubble test, etc, and any records generated by the leak detection system used. These may be strip charts, hand filled out forms, computer records, etc.

12. Exemption Section, subdivision (h)

Staff is proposing to add exemption provisions in the rule as follows:

- a. Exemption for tactical support equipment, as defined in paragraph (c)(55);
- b. Criteria for fee exemption;
- c. Conditions for exemption from leak repair and retrofit/retirement plan requirements; and
- d. Exemption from the contractor's license requirements.

13. Section Pertaining to Violations, subdivision (i)

This subdivision clarifies enforcement actions for failure to comply with the provisions of the rule.

14. Severability Section, subdivision (j)

This section is added to clarify that in the event any provision of the rule is invalidated by judicial order, the remainder of the rule shall remain in effect.

EMISSIONS INVENTORY AND REDUCTIONS

The emissions inventory for high GWP refrigerants used in stationary refrigeration system was developed by CARB using several models. First, CARB utilized the United States Environmental Protection Agency (U.S. EPA) Vintage Model in determining national GHG emissions estimates for years 2010-2020. This model was developed to estimate nationwide patterns of GHG emissions of HFCs, PFCs, CFCs, and HCFCs from all major emission sources, including refrigerant usage.

In order to get a rough estimate of statewide GHG emissions from stationary refrigeration and air conditioning units, CARB scaled down the national estimates from the U.S. EPA Vintage Model to California's proportion of the U.S. population of 12.5%. In addition, CARB used additional California-specific data sources to further refine the emissions estimates and establish a more accurate year 2010 baseline emissions for California, with year 2020 as the initial target date for AB 32 measures. Details of CARB's methodology for estimating statewide GHG emissions inventory are discussed in Appendix B of CARB's Initial Statement of Reasons for Proposed

Regulation for the Management of High Global Warming Potential Refrigerants for Stationary Sources, dated October 23, 2009.

The following table shows the number of facilities statewide with stationary refrigeration systems with refrigerant full charge of at least 50 pounds, including year 2010 baseline GHG emissions and projected pre-rule emissions for year 2020. The total statewide GHG emission reduction by year 2020 from implementing the Refrigerant Management Program is about 8.1 MMT CO₂E per year.

Table 1 – Emissions Inventory for High GWP Refrigerants in Refrigeration Systems

¹Statewide Commercial Refrigeration Systems with Full Charge Greater Than or Equal to 50 lbs.					
		Emissions in Million Metric Tons CO₂ Equivalent (MMTCO₂E)			
Equipment Size	Number of Facilities	2010 Baseline Emissions	2020 Pre-Rule Emissions	2020 Total GHG Emission Reductions	2020 Post-Rule Emissions
Small Commercial (50 to <200)	15,500	1.2	1.4	0.9	0.5
Medium Commercial (200 to <2000)	8,500	5.7	7.9	3.3	4.6
Large Commercial	2,000	5.0	6.5	3.9	2.6
Total	26,000	11.9	15.8	8.1	7.7

¹ Appendix B of CARB’s Initial Statement of Reasons for Proposed Regulation for the Management of High Global Warming Potential Refrigerants for Stationary Sources, dated October 23, 2009

Following CARB’s methodology, the statewide emissions inventory is scaled down to South Coast Air Basin’s proportion of the state population of 43% to determine GHG emissions for the South Coast Air Basin. As a result, the year 2010 baseline GHG emissions for the South Coast Air Basin is estimated at 5.1 MMTCO₂E, and year 2020 pre-rule GHG emissions is about 6.8 MMTCO₂E. The total GHG emission reduction for the South Coast Air Basin portion is approximately 3.5 MMTCO₂E by year 2020. However, this is not an incremental emission reduction from Proposed Rule 1415.1, but rather reflects the projected GHG emission reductions as a result of implementing the CARB’s Refrigerant Management Program that focuses on best management practices to minimize the emissions of refrigerants.

PAR 1415 does not result in additional GHG reductions since the proposed changes are administrative in nature.

However, staff estimates that extending the repair period from 14 days to 45 days in PAR 1415 for air conditioning systems could result in 497 metric tons per year of CO₂E emissions foregone. For PR 1415.1, extending the time period during which a leak must be repaired from 14 days to 45 or 120 days for refrigeration systems could result in 5,849 metric tons per year of

foregone CO₂E emissions. In addition, PR1415.1 would include certain exemptions from leak repair and retrofit or retirement plan requirements for up to three years. Approximately 4,618 metric tons per year of CO₂E emissions foregone could result from these exemptions. The total emissions impacts of the slightly relaxed leak repair requirements in PAR 1415 and PR1415.1 are estimated to be 10,964 metric tons per year of foregone CO₂E emissions. However, an estimated 3.5 million metric tons of CO₂E emission reductions are expected from fully implementing the proposed regulation.

COST

Beginning January 1, 2011, facilities with refrigeration systems with full charge greater than 50 pounds of high GWP refrigerants have to comply with CARB's regulation for the Management of High Global Warming Potential Refrigerants or generally referred to as the Refrigerant Management Program, and would incur additional cost to comply with the CARB regulation. Staff's proposal is administrative in nature and is designed to make the District's refrigerant rule equivalent to and consistent with the CARB regulation. Compliance with PR 1415.1 will require facilities to register their refrigeration systems annually with the AQMD until CARB registration begins in 2012 for large systems, 2014 for medium-size systems, and 2016 for small refrigeration systems. The total cost of complying with PR 1415.1 from registering refrigeration systems with the AQMD is estimated to be \$1.28M in 2011, \$745K in 2012, \$1.18M in 2013, \$516K in 2014, and \$764K in 2015.

It is worthwhile to note that CARB's cost evaluation of the Refrigerant Management Program indicates that owners or operators of refrigeration systems can benefit financially through implementation of the refrigerant best management practices required in the regulation. Such practices would reduce refrigerant purchases needed to replenish the refrigerant that had leaked and, thus, result in cost savings to the owners or operators of refrigeration systems. Details of the Refrigerant Management Program's cost analysis are contained in Appendix C of CARB's Initial Statement of Reasons for Proposed Regulation for the Management of High Global Warming Potential Refrigerants for Stationary Sources, dated October 23, 2009.

<http://www.arb.ca.gov/regact/2009/gwprmp09/refappc.pdf>

For PAR 1415, staff's proposal will also require registration of air conditioning systems using high GWP refrigerants other than CFCs and HCFCs, such as HFCs and PFCs. Based on CARB's inventory, it is estimated that about 2,000 facilities with stationary air conditioning units using HFCs and PFCs in the South Coast Air Basin will be affected by the registration requirements in PAR 1415. Based on the current fee schedule for Rule 1415 Registration Plan, the estimated compliance cost industry-wide will be \$115,000 annually.

SOCIOECONOMIC ASSESSMENT

The proposed amendments to Rule 1415 and Proposed Rule 1415.1 align the AQMD's requirements for GHG reductions with CARB's Refrigerant Management Program (RMP). The proposed amendments to Rule 1415 would require that facilities with air conditioning (AC) systems that use high global warming potential (GWP) refrigerants such as HFC and PFC register with AQMD every two years. Currently, only facilities with AC and refrigeration units using ODS refrigerants are required to register. All the references relating to refrigeration systems in the existing Rule 1415 would be removed and instead codified in PR 1415.1, which would adopt all the provisions in the state RMP regarding the control of high GWP and ODS emissions used in stationary refrigeration systems. PR 1415.1 would implement an annual registration through the AQMD until these systems are required to register with CARB in 2012, 2014, or 2016, depending on the size of the refrigeration system.

Based on estimates from CARB, the registration requirement for PAR 1415 is expected to affect approximately 2,000 facilities in the basin, using HFC and PFC refrigerants for AC systems. These facilities are spread in nearly every sector of the local economy. CARB estimated that over 11,100 facilities in the basin would be affected by PR 1415.1. Facilities with refrigeration systems are mostly in the sectors of manufacturing (NAICS 31-33), retail trade (44-45), transportation and warehousing (NAICS 48-49), educational services (NAICS 61), health care and social assistance (NAICS 62), and other services (NAICS 81).

The proposed amendments to Rule 1415 would add a \$114.66 registration fee (based on the fee rate in Rule 306) on facilities with AC systems that use HFC and PFC refrigerants. The estimated total additional cost to these facilities for PAR 1415 is \$229,000, payable to the AQMD every two years, beginning in 2012.

The registration fee under PR 1415.1 would be \$114.66 every year as well. Upon adoption, PR 1415.1 would require an affected facility to register at the start of its operation, and every year thereafter, until CARB registration begins. Since the last registration for refrigeration systems under the existing Rule 1415 occurred in February 2010, the next registration under PR 1415.1 is expected to be in February 2011. The registration deadlines in the CARB regulation will be 2012 for large systems, 2014 for medium systems, and 2016 for small systems of ODS and high GWP refrigerant users, respectively. CARB does not charge a fee to small systems.

The impact of PR 1415.1 herein is assessed relative to the CARB's RMP and the existing Rule 1415 on refrigeration. As such, the impact of PR 1415.1 would be an additional registration fee payment by HFC and PFC users to the AQMD before the CARB's RMP becomes effective as well as the additional payment resulting from the more frequent registration by ODS users (from biennial to annual). Table 2 shows the impact of PR 1415.1 on users of refrigerants. Since a facility may own refrigeration systems with more than one size, it is further assumed that a facility owning multiple sizes of systems would register all systems at the earliest deadline because the fee is assessed at the facility level.

Table 2 - Impact of PR1415.1 Registration Requirements by Type of Refrigerant and Year

Refrigerant/System Size		2011	2012	2013	2014	2015
ODS	Large	X				
	Medium	X		X		
	Small	X		X		X
HFC & PFC	Large	X				
	Medium	X	X	X		
	Small	X	X	X	X	X

Table 3 shows the additional payment for ODS, and HFC and PFC users by year. The total registration fees range from \$516,000 in 2014 to \$1,279,000 in 2011. There will be no fees paid to the District by users after 2015 since the CARB’s RMP will be fully implemented in 2016.

**Table 3 – PR1415.1 Registration Cost by Refrigerant by Year
(in thousands of dollars)**

Refrigerant	2011	2012	2013	2014	2015
ODS	\$488		\$433		\$248
HFC & PFC	\$791	\$745	\$745	\$516	\$516
Total	\$1,279	\$745	\$1,178	\$516	\$764

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

PAR 1415/PR 1415.1 is considered a “project” as defined by the California Environmental Quality Act (CEQA), and the AQMD is the designated lead agency. Pursuant to CEQA and AQMD Rule 110, AQMD staff prepared a Draft Environmental Assessment (EA) to analyze potential adverse environmental impacts that could be generated from the proposed project. The Draft EA was circulated for a 30-day public review and comment period from November 2, 2010 to December 1, 2010. AQMD’s review of the proposed project shows that the project would not have a significant adverse effect on the environment; therefore, pursuant to CEQA Guidelines §15252, no alternatives or mitigation measures were included in the Draft EA.

COMPARATIVE ANALYSIS

Health and Safety Code section 40727.2 requires a written analysis to identify and compare any other AQMD or federal regulations that apply to the same equipment or source type.

The only federal requirement applicable to similar sources is the Protection of Stratospheric Ozone – Recycling and Emissions Reduction (40 CFR Part 82 Subpart F) for stationary air conditioning and refrigeration systems. The existing Rule 1415, the Proposed Amended Rule 1415, and Proposed Rule 1415.1 are not in conflict with this federal requirement.

The existing federal regulation, promulgated under section 608 of the Clean Air Act, establishes requirements for controlling ODS refrigerant emissions from stationary refrigeration and air conditioning systems. Specific rule provisions pertain to refrigerant venting, the use of certified equipment, technician training and certification, recordkeeping, and sales restrictions.

The current Rule 1415 goal is to reduce ODS emissions from stationary air conditioning and refrigeration systems. The rule requirements are similar to the federal regulation except that Rule 1415 is more stringent in the area of leak repair. Proposed Amended Rule 1415 expands the scope to include high GWP refrigerants but limits the rule applicability to air conditioning systems.

As discussed in an earlier section of this staff report, the CARB Board approved a statewide regulation (Refrigerant Management Program or RMP) for controlling high GWP emissions from stationary refrigeration systems. The RMP is modeled from 40 CFR Part 82, Subpart F requirements specific to ODS refrigerants, but is expanded to include high GWP refrigerants. In addition, the RMP contains stricter leak testing requirements than the federal regulation.

Proposed Rule 1415.1 incorporates provisions that are consistent with the RMP and consolidates emission control requirements for stationary refrigeration systems currently in Rule 1415.

Table 24 below has been prepared to show a comparison among Proposed Amended Rule 1415, Proposed Rule 1415.1, and 40 CFR Part 82 Subpart F.

Table 24 – Comparison of Regulations for Stationary Refrigeration Systems

Category	Proposed Amended Rule 1415	Proposed Rule 1415.1	40 CFR 82 Subpart F
Purpose	Reduce emissions of high GWP refrigerants	Reduce emissions of high GWP refrigerants	Reduce emissions of Class I/II refrigerants and their substitutes
Applicability	Applies to owners or operators of air conditioning systems; to persons who install, repair, services a/c systems; to persons who recycle and/or sell high GWP refrigerants	Applies to owners or operators of refrigeration systems; to persons who install, repair, services refrigeration systems; to persons who recycle and/or sell high GWP refrigerants	Applies to persons servicing, maintaining, or repairing any a/c and refrigeration systems; to refrigerant reclaimers, appliance owners or operators, and equipment manufacturers
Leak Detection/Repair	Annual leak inspection Repair leak within 14 calendar days from initial leak detection; 45 day repair period allowed in certain situations	Leak inspection frequency (monthly, quarterly, annual) depends on charge size of refrigeration system Repair leak within 14 calendar days from initial leak detection; 45/120 day repair period allowed in certain situations	Repair leak within 30 days if refrigerant loss will exceed 35% of full charge for commercial and industrial refrigeration, and 15% of full charge for other refrigeration systems during a 12-month period

Category	Proposed Amended Rule 1415	Proposed Rule 1415.1	40 CFR 82 Subpart F
Service Practices and Prohibitions	Repairs conducted by US EPA certified technician Recovery and recycling of refrigerant using certified equipment during service or repair of refrigeration system Restrict sale of refrigerants to certified technicians	Repairs conducted by US EPA certified technician Recover, recycle refrigerant using certified recovery equipment before repairing refrigeration system Sale of refrigerants to certified technicians only Sale of approved refrigerants only	No venting of refrigerants during servicing or repair Repairs conducted by US EPA certified technician Recovers, recycles refrigerant during repair using certified equipment Sale of refrigerants to certified technicians only
Reporting	None	Owners or operators to submit Annual Report to include leak inspections and repair data, refrigerant purchases Refrigerant wholesaler, distributors, reclaimers to submit annual report on refrigerants sold, reclaimed	Approved testing organization to report list of certified equipment to EPA
Recordkeeping	Owners or operators to keep records of leak inspections, repair activities, refrigerant purchases Distributors, wholesaler, reclaimers to keep records of refrigerants sold or reclaimed Records kept for 5 years	Owners or operators to keep records of annual reports, registration information, leak inspections, repair activities,, refrigerant purchases Distributors, wholesaler, reclaimers to keep records of annual reports, refrigerant sales invoices, amount and sources of refrigerants reclaimed Records kept for 5 years	Owners or operators to keep leak repair records and amount of refrigerant added Refrigerant distributors or wholesalers to retain invoices of refrigerants sold Refrigerant reclaimers must maintain records of refrigerants received for reclamation, including amount reclaimed and waste products Records kept for 3 years

DRAFT FINDINGS UNDER THE CALIFORNIA HEALTH AND SAFETY CODE

The California Health and Safety Code Section 40727 requires that prior to adopting, amending or repealing rules, the AQMD Governing Board shall make findings of necessity, authority,

clarity, consistency, non-duplication and reference, based on relevant information presented at the hearing. The draft findings are as follows:

Necessity - The AQMD Governing Board has determined that a need exists to amend Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems to expand the scope of the rule to include provisions for reducing emissions of high global warming potential refrigerants used in stationary air conditioning systems, and to adopt Proposed Rule 1415 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems to incorporate provisions for reducing emissions of certain high global warming potential refrigerants that will be consistent with CARB’s statewide rule for stationary refrigeration systems.

Authority - The AQMD Governing Board obtains its authority to adopt, amend, or rescind rules and regulations from the California Health and Safety Code sections 39002, 40000, 40001, 40702, and 41508.

Clarity - The AQMD Governing Board has determined that Proposed Amended Rule 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule 1415 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems are written or displayed so that their meaning can be easily understood by persons directly affected by them.

Consistency - The AQMD Governing Board has determined that Proposed Amended Rule 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule 1415 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems are in harmony with, and not in conflict with or contradictory to, existing federal or state statutes, court decisions, or regulations. The proposed new rule is consistent with the state regulation for stationary refrigeration systems.

Non-Duplication - The AQMD Governing Board has determined that Proposed Amended Rule 1415 - Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule 1415 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems do not impose the same requirement as any existing state or federal regulation, and the proposed rules are necessary and proper to execute the powers and duties granted to, and imposed upon, the AQMD. Since AQMD will be implementing the state requirements, there will not be duplication.

Reference - In adopting this regulation, the AQMD Governing Board references the following statutes which the AQMD hereby implements, interprets or makes specific: Health and Safety Code sections 40001 and 40702.

COMMENTS AND RESPONSES

A public workshop was held on September 21, 2010 in which 52 people attended. The following summarizes the comments received and staff’s responses.

COMMENT #1: Proposed Rule 1415.1 allows longer periods to repair a refrigerant leak in refrigeration systems. The same provision should be included in PAR

1415 to allow the same flexibility to owners or operators of air conditioning systems.

RESPONSE: Staff agrees. The leak repair requirement in PAR 1415 is modified to allow longer repair periods of up to 45 calendar days after initial leak detection only in situations where a certified technician is not available to complete the repair, or the parts necessary to repair the refrigerant leak are unavailable within 14 days of initial leak detection. This is expected to impact total GHG reductions of 3.5 million metric tons of CO₂E per year by 497 metric tons of CO₂E per year. The owner or operator is responsible for keeping records documenting that the condition(s) for allowing longer repair period exists.

COMMENT #2: The annual energy usage data requirement in PAR 1415 and PR 1415.1 should be removed as it serves no useful purpose, and is not relevant to the refrigerant rules. Most facilities do not have separate meters to record energy used for refrigeration or air conditioning systems.

RESPONSE: Staff reviewed the need to report energy usage and agreed to remove such reporting requirement during registration.

COMMENT #3: The rule should specify what method to use when detecting leaks.

RESPONSE: The provisions in PAR 1415 (d)(1)(B) and PR 1415.1 (d)(2)(E) identify approved methods that may be used when conducting refrigerant leak inspection in air conditioning and refrigeration systems, respectively. Approved leak detection methods include the use of a refrigerant leak detection device, a bubble test, observation of oil residue, or any alternate method approved by the Executive Officer.

COMMENT #4: State and federal regulations do not require refrigerant leak inspections to be conducted by a U.S. EPA certified technician. PAR 1415 and PR1415.1 should be consistent with the state and federal regulations.

RESPONSE: Staff agrees and has removed this rule provision in PAR 1415 and PR1415.1 requiring leak inspections by a U.S. EPA certified technician. However, all service or repair of refrigeration and air conditioning systems have to be made by a U.S. EPA certified technician.

COMMENT #5: Are facilities with both refrigeration and air conditioning systems subject to registration, reporting, and fees with AQMD and CARB?

RESPONSE: Separate registrations are required for facilities with air conditioning and refrigeration systems that meet the applicability of PAR 1415 and PR 1415.1. Facilities with air conditioning systems, with full charge capacity

> 50 lbs of high GWP refrigerant, are required to submit a registration plan for the air conditioning system to AQMD at the time of operation, and every two years thereafter. There is no requirement to register air conditioning systems with CARB. Other provisions pertaining to the operation of an air conditioning system are included in PAR 1415.

For refrigeration systems with full charge capacity > 50 lbs of high GWP refrigerants, registration with the AQMD is required until CARB registration begins in 2012 for large systems, 2014 for medium-size systems, and 2016 for small systems. When CARB registration begins for a size class, i.e. large, medium-size, or small systems, the facility will have to register the refrigeration system(s), pay fees, and submit reports only to CARB.

COMMENT #6: What rule would apply for a single system that is used for both refrigeration and air conditioning?

RESPONSE: A refrigeration system used for two or more applications, e.g., refrigeration and air conditioning, is considered as “other refrigeration system,” and will have to comply with the requirements of PR 1415.1 only. This is consistent with CARB staff guidance for multi-use refrigeration systems.

COMMENT #7: The definition of air conditioning system in PAR 1415 should add reference to cooling of equipment since it indicates that computer room air conditioners are included in the definition.

RESPONSE: The definition already includes reference to the cooling of objects.

COMMENT #8: The definition of high global warming potential refrigerants should reference commonly used names such as R-123, R-407, R-22, and R-134, in addition to the chemical names.

RESPONSE: It is not practical to list all trade names of commonly used refrigerants. Facilities can always refer to the MSDS to determine the chemical name of the refrigerant.

COMMENT #9: It is important to keep the common definitions in PR 1415.1 and CARB’s RMP rule the same. This will provide consistency and minimize confusion caused by misinterpretation of two different definitions.

RESPONSE: Staff referenced the RMP in defining terms used in PR 1415.1.

COMMENT #10: The definition of “High Global Warming Potential Refrigerant” does not include hydrofluorocarbon (HFC) in the list of refrigerant gases.

RESPONSE: Staff has added hydrofluorocarbon to the refrigerant list in PAR 1415 and PR 1415.1.

COMMENT #11: The rule does not specify the amount of initial and annual implementation fees to be paid to CARB for registering refrigeration systems.

RESPONSE: Staff intentionally omitted the amount of implementation fees assessed by CARB for medium-size and large systems. By doing this, staff does not have to amend the AQMD rule every time CARB changes their fee schedule. Currently, the CARB fee is \$370 for large systems, and \$170 for medium size systems. No fee is assessed by CARB on small refrigeration systems.

COMMENT #12: The proposed provisions in subparagraph (e)(1)(G) and paragraphs (e)(5) and (g)(3) of PR 1415.1 are not part of the CARB rule.

RESPONSE: Staff’s intent is to retain provisions that are in the current Rule 1415; thus, Proposed Rule 1415.1 includes provisions from both the CARB regulation and Rule 1415.

Attachment H

Draft Environmental Assessment

The public comment period for the Draft Environmental Assessment for Proposed Amended Rule (PAR) 1415 and Proposed Rule (PR) 1415.1 ends on December 1, 2010. The Final EA will be available at the Governing Board hearing on December 3, 2010, unless comments received make it necessary to continue the hearing.

The following bolded text was added to this page on December 2, 2010:

The Draft Environmental Assessment (EA) was released for a 30-day public review and comment period from November 2, 2010 to December 1, 2010. No comment letters were received on the Draft EA. Since no comment letters were received, the Draft EA now constitutes the Final Environmental Assessment (EA) for Proposed Amended Rule (PAR) 1415 – Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule (PR) 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems.



South Coast
 Air Quality Management District
 21865 Copley Drive, Diamond Bar, CA 91765-4182
 (909) 396-2000 • <http://www.aqmd.gov>

SUBJECT: NOTICE OF COMPLETION OF A DRAFT ENVIRONMENTAL ASSESSMENT

PROJECT TITLE: PROPOSED AMENDED RULE 1415 – REDUCTION OF REFRIGERANT EMISSIONS FROM STATIONARY AIR CONDITIONING SYSTEMS AND PROPOSED RULE 1415.1 – REDUCTION OF REFRIGERANT EMISSIONS FROM STATIONARY REFRIGERATION SYSTEMS

In accordance with the California Environmental Quality Act (CEQA), the South Coast Air Quality Management District (SCAQMD) is the Lead Agency and has prepared a Draft Environmental Assessment (EA) to analyze environmental impacts from the project identified above pursuant to its certified regulatory program (SCAQMD Rule 110). The Draft EA includes a project description and analysis of potential adverse environmental impacts that could be generated from the proposed project. The purpose of this letter and the attached Notice of Completion (NOC) is to allow public agencies and the public the opportunity to obtain, review and comment on the environmental analysis.

This letter, the attached NOC and Draft EA are not SCAQMD applications or forms requiring a response from you. Their purpose is simply to provide information to you on the above project. If the proposed project has no bearing on you or your organization, no action on your part is necessary.

The Draft EA and other relevant documents may be obtained by calling the SCAQMD Public Information Center at (909) 396-2039 or accessing the SCAQMD's CEQA website at <http://www.aqmd.gov/ceqa/aqmd.html>. Comments focusing on issues relative to the environmental analysis for the proposed project will be accepted during a 30-day public review and comment period beginning November 2, 2010, and ending 5 p.m. on December 1, 2010. **Please send any comments to Mr. James Koizumi (c/o Office of Planning, Rule Development, and Area Sources) at the address shown above.** Comments can also be sent via facsimile to (909) 396-3324 or e-mail at jkoizumi@aqmd.gov. Mr. Koizumi can be reached by calling (909) 396-3234. Please include the name and phone number of the contact person for your agency. Questions regarding the proposed amended rule language should be directed to Mr. Rizaldy Calungcagin at (909) 396-2315.

The Public Hearing for the proposed project is scheduled for December 3, 2010. (Note: This public meeting date is subject to change.)

Date: October 29, 2010

Signature: *Steve Smith*
 Steve Smith, Ph.D.
Title: Program Supervisor

Telephone: (909) 396-3054

Reference: California Code of Regulations, Title 14, §§15082(a), 15103, and 15375

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
21865 Copley Drive, Diamond Bar, CA 91765-4182

NOTICE OF COMPLETION OF A DRAFT ENVIRONMENTAL ASSESSMENT

Project Title:

Draft Environmental Assessment for Proposed Amended Rule (PAR) 1415 – Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule (PR) 1415.1 - Reduction of Refrigerant Emissions from Stationary Refrigeration Systems

Project Location:

South Coast Air Quality Management District: the four-county South Coast Air Basin (Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties) and the Riverside County portions of the Salton Sea Air Basin and the Mojave Desert Air Basin.

Description of Nature, Purpose, and Beneficiaries of Project:

PAR 1415 includes expanding the scope of the rule to include high global warming potential (GWP) refrigerants, deleting all provisions related to refrigeration systems and maintaining provisions related to air conditioning systems. PR 1415.1 would incorporate relevant refrigeration system provisions deleted from Rule 1415 and provisions from the Refrigerant Management Program, a statewide regulation developed by California Air Resources Board to reduce emissions of GWP refrigerants from stationary refrigeration systems.

Lead Agency:

South Coast Air Quality Management District

Division:

Planning, Rule Development and Area Sources

Draft EA and all supporting documentation are available at:

SCAQMD Headquarters
21865 Copley Drive
Diamond Bar, CA 91765

or by calling:

(909) 396-2039

Draft EA is available online by accessing the SCAQMD's website at:

<http://www.aqmd.gov/ceqa/aqmd.html>

The Public Notice of Completion is provided through the following:

Los Angeles Times (November 2, 2010)

SCAQMD Website

SCAQMD Mailing List

Draft EA Review Period (30-day):

November 2, 2010 – December 1, 2010

Scheduled Public Meeting Dates (subject to change):

Public Workshop/CEQA Scoping Meeting: September 21, 2010, 9:30 a.m.; SCAQMD Headquarters
SCAQMD Governing Board Hearing: December 3, 2010, 9:00 a.m.; SCAQMD Headquarters

Send CEQA Comments to:

Mr. James Koizumi

Phone:

(909) 396-3234

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SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Draft Environmental Assessment for Proposed Amended Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems and Proposed Rule 1415.1 – Reduction of Refrigerant Emissions from Stationary Refrigeration Systems

November 2010

SCAQMD No. 101102JK

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**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
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CHAPTER 1

PROJECT DESCRIPTION

Introduction

California Environmental Quality Act

Project Location

Project Objective

Project Background

Project Description

Differences between Rule 1415 and Proposed Rule 1415.1

Leaks, Leak Detection and Monitoring

High Global Warming Potential Refrigerant Emissions Reductions

INTRODUCTION

In December 2009, the California Air Resources Board (CARB) approved the Management of High Global Warming Potential Refrigerants for Stationary Sources regulation (commonly called the Refrigerant Management Program) to help reduce the state's greenhouse gas (GHG) emissions to 1990 levels by year 2020, as required by the California Global Warming Solutions Act of 2006 (Assembly Bill (AB) 32). The regulation will go into effect on January 1, 2011.

The Refrigerant Management Program's goal is to reduce emissions of high global warming potential (GWP) refrigerants such as chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs) used in commercial and industrial refrigeration systems. The regulation requires registration, leak detection and monitoring, leak repair, retrofit or retirement, reporting, and recordkeeping for the affected industries including owners or operators of refrigeration systems, any person who services a refrigeration system, and distributors, wholesalers, and reclaimers of high GWP refrigerants.

Currently, the South Coast Air Quality Management District (SCAQMD) has a similar regulation, Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems (Rule 1415), which regulates ozone depleting refrigerants (CFC and HCFC) emissions. Rule 1415 requirements, however, apply to both stationary refrigeration and air conditioning systems whereas the Refrigerant Management Program regulates only stationary refrigeration systems. In certain aspects, the CARB's regulation is more stringent than Rule 1415 particularly when it comes to leak inspection, leak detection and monitoring, and reporting requirements for refrigeration systems. SCAQMD staff's objective is to ensure that the SCAQMD refrigerant rule is equivalent in every aspect to the CARB regulation; therefore, a new Rule 1415.1 – Reduction of Refrigerant Emissions from Stationary Refrigeration Systems (Rule 1415.1) is being proposed to reduce refrigerant emissions from stationary refrigeration systems and to align SCAQMD's program with CARB's Refrigerant Management Program (RMP).¹ Proposed Rule (PR) 1415.1 would adopt all provisions in the state regulation pertaining to the control of high GWP refrigerant emissions. Because provisions in PR 1415.1 would also apply to refrigerant requirements, refrigerant requirements are no longer necessary in Rule 1415; therefore, these provisions would be deleted as part of the proposed amendment to Rule 1415 amendment.

For Rule 1415, staff is proposing to expand the scope of the rule to include high GWP refrigerants. In addition, the proposed amendments to Rule 1415 would eliminate all requirements relative to refrigeration systems while keeping only the existing requirements for air conditioning systems in this rule. Separate rules for air conditioning (PAR 1415) and refrigeration systems (PR 1415.1) would minimize confusion with regard to rule applicability, improve clarity, and enhance rule enforceability.

Pursuant to the California Environmental Quality Act (CEQA) the SCAQMD is the lead agency for the proposed project and has prepared this Draft Environmental Assessment to evaluate

¹ CARB's RMP §95395 states that the requirements specified in sections 95838 (registration requirements), 95384 (implementation of fees), 95385 (leak detection and monitoring requirements), 95386 (leak repair requirements), 95387 (requirements to prepare retrofit or retirement plans), 95388 (reporting requirements), and 95389 (recordkeeping requirements) of the RMP shall not be enforced within the geographical boundaries of any air district that adopts and enforces requirements that will achieve emission reductions from stationary refrigeration systems that are equivalent to or greater than those achieved pursuant to sections 95383, 95384, 95385, 95386, 95387, 95388 and 95389.

potentially significant adverse environmental impacts that could occur as a result of amending Rule 1415 and adopting the new Rule 1415.1.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

PAR 1415/PR 1415.1 is a “project” as defined by the CEQA. SCAQMD is the lead agency for the project and has prepared this Draft Environmental Assessment (EA) with no significant adverse impacts pursuant to its Certified Regulatory Program. California Public Resources Code §21080.5 allows public agencies with regulatory programs to prepare a plan or other written document in lieu of an environmental impact report or negative declaration once the Secretary of the Resources Agency has certified the regulatory program. SCAQMD's regulatory program was certified by the Secretary of the Resources Agency on March 1, 1989, and is codified as SCAQMD Rule 110. The Draft EA is a public disclosure document intended to: (a) provide the lead agency, responsible agencies, decision makers and the general public with information on the environmental effects of the proposed project; and, (b) be used as a tool by decision makers to facilitate decision making on the proposed project. CEQA and Rule 110 require that potential adverse environmental impacts of proposed projects be evaluated and that feasible methods to reduce or avoid significant adverse environmental impacts of these projects be identified. To fulfill the purpose and intent of CEQA, the SCAQMD has prepared this Draft EA pursuant to SCAQMD Rule 110 and CEQA to address the potential adverse environmental impacts associated with the proposed project.

It is important to note that CARB also has an approved certified regulatory program pursuant to California Public Resources Code §21080.5 (see also CEQA Guidelines §15251(d)) and has prepared an environmental impact analysis in conjunction with adopting its Refrigerant Management Program. CARB's environmental impact analysis is contained in the Final Statement of Reasons (FSOR) for Rulemaking for the Adoption of the Proposed Regulation for the Management of High GWP Refrigerants for Stationary Sources, Agenda Item No. 09-10-07, which was approved by CARB's Board on December 9, 2009 and was filed with the Office of Administrative Law (OAL) on September 14, 2010. CARB staff anticipates an OAL determination by October 26, 2010. CARB staff concluded that there would be no significant adverse environmental impacts from implementation of its proposed regulation. A Notice of Decision was prepared pursuant to Public Resources Code §21080.5(d)(2)(E) by CARB after the adoption of the FSOR, which included the environmental impact analysis.

To eliminate repetitive discussions on the same environmental issues pertaining to CARB's regulation for the management of high GWP refrigerants for stationary sources relative to the SCAQMD adopting and implementing PAR 1415/PR 1415.1, pursuant to CEQA Guidelines §15152, the analysis in this Draft EA relies on the concept of “tiering” off of the environmental impact analysis prepared by CARB. This means that the Draft EA incorporates by reference the environmental impact discussions and conclusions contained in CARB's FSOR. The CARB's FSOR can be downloaded from the CARB website at <http://www.arb.ca.gov/regact/2009/gwprmp09/gwprmp09.htm>, at the CARB office at 1001 "I" Street, P.O. Box 2815 Sacramento, CA 95812 or by contacting CARB staff at (916) 322-2990.

SCAQMD's review of the proposed project, which incorporates by reference the environmental analysis in CARB's FSOR, shows that the project would not have a significant adverse effect on the environment. Therefore, pursuant to CEQA Guidelines §15252, no alternatives or mitigation measures are included in this Draft EA. The analysis in Chapter 2 supports the conclusion of no significant adverse environmental impacts.

Any comments received during the public comment period from November 2, 2010 to December 1, 2010, on the analysis presented in this Draft EA will be responded to and included in the Final EA. Prior to making a decision on PAR 1415/PR 1415.1, the SCAQMD Governing Board must review and certify the Final EA as providing adequate information on the potential adverse environmental impacts of the proposed amendments to Rule 1415 and proposed Rule 1415.1.

PROJECT LOCATION

PAR 1415/PR 1415.1 would affect facilities located throughout the SCAQMD’s jurisdiction. The SCAQMD has jurisdiction over an area of approximately 10,743 square miles, consisting of the four-county South Coast Air Basin (Basin) (Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties), and the Riverside County portions of the Salton Sea Air Basin (SSAB) and Mojave Desert Air Basin (MDAB). The Basin, which is a subarea of the SCAQMD’s jurisdiction, is bounded by the Pacific Ocean to the west and the San Gabriel, San Bernardino, and San Jacinto mountains to the north and east. It includes all of Orange County and the nondesert portions of Los Angeles, Riverside, and San Bernardino counties. The Riverside County portion of the SSAB is bounded by the San Jacinto Mountains in the west and spans eastward up to the Palo Verde Valley. The federal nonattainment area (known as the Coachella Valley Planning Area) is a subregion of the Riverside County and the SSAB that is bounded by the San Jacinto Mountains to the west and the eastern boundary of the Coachella Valley to the east (Figure 1-1).

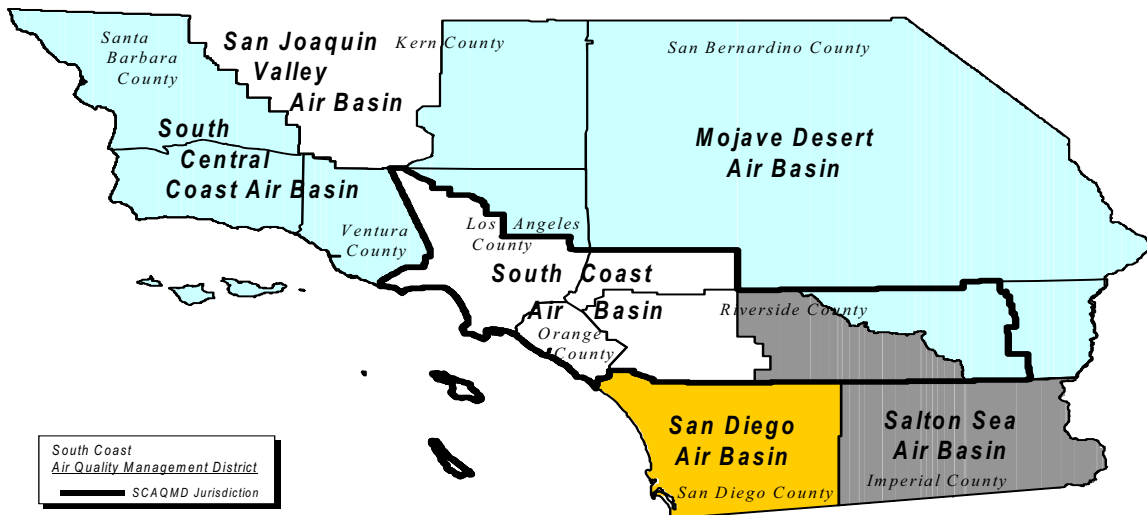


Figure 1-1
Boundaries of the South Coast Air Quality Management District

PROJECT OBJECTIVE

The project objectives of the proposed project include the following:

- Increase the scope of Rule 1415 to regulate high GWP refrigerants;
- Remove all requirements related to refrigeration systems from Rule 1415;
- Create a new rule (proposed Rule 1415.1) that includes all of the control requirements for refrigeration systems deleted from Rule 1415;
- Incorporate all the relevant provisions from CARB's Refrigerant Management Program into proposed Rule 1415.1;
- Eliminate any inconsistencies between PR 1415.1 and the state-wide program; and
- Allow a 45-day repair exemption in Rule 1415 for air conditioning systems to be consistent with requirements in proposed Rule 1415.1.

PROJECT BACKGROUND

The SCAQMD adopted a "Policy on Global Warming and Stratospheric Ozone Depletion." The Policy commits the SCAQMD to consider global impacts in rulemaking and in drafting revisions to the AQMP. In March of 1992, the SCAQMD's Governing Board reaffirmed this policy and adopted amendments to the policy to include the following directives:

- Phase out the use and corresponding emissions of chlorofluorocarbons (CFCs), methyl chloroform (1,1,1-trichloroethane or TCA), carbon tetrachloride, and halons by December 1995;
- Phase out the large quantity use and corresponding emissions of hydrochlorofluorocarbons (HCFCs) by the year 2000;
- Develop recycling regulations for HCFCs;
- Develop an emissions inventory and control strategy for methyl bromide; and
- Support the adoption of a California greenhouse gas emission reduction goal.

In response to the above policy, Rule 1415 – Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems, was adopted on June 7, 1991, and later amended on October 14, 1994, to reduce emissions of Class I and Class II ozone-depleting refrigerants from stationary refrigeration and air conditioning systems. Class I refrigerants are typically CFCs, while Class II refrigerants are all HCFCs, and are listed under section 602 of the Clean Air Act.

Production of CFCs and HCFCs were designated for phase out under the Montreal Protocol, primarily due to concerns about stratospheric ozone depletion. The use of these ozone depleting substances (ODS) as refrigerants is also regulated for the same reason. As a result of the Montreal Protocol's phase-out of ODS, the use of CFCs and HCFCs as refrigerants has been replaced with HFCs and PFCs, generally referred to as ODS substitutes. These ODS substitutes are not ozone depleters, but have much higher GWP,² referred to as greenhouse gases (GHGs). The use of ODS substitutes is increasing and will continue to increase as ODS refrigerants are replaced by these high GWP ODS substitutes, particularly the HFCs. Consequently, without additional control GHG emissions are projected to increase.

² Global warming potential (GWP) is a measure describing how much global warming of a given amount and type a GHG can cause. CO₂ is given as the reference point. Other GHGs' GWP are derived compared to CO₂. For example, the GWP of methane equals 21, which means that one ton of methane would generate the same amount of global warming as 21 tons of CO₂. Using CO₂ as the GWP reference allows GHG emissions to be characterized in CO₂ equivalent (CO₂E).

The increase in GHGs in the atmosphere has been considered responsible for the average rise in the Earth's temperature that has been observed in recent years, which is commonly referred to as global warming. These GHGs make the Earth warmer by trapping heat from the sun in its atmosphere, which increases global temperatures. Many chemical compounds found in the Earth's atmosphere, such as methane, carbon dioxide, nitrous oxide, HCFCs, PFCs, and HFCs, act as GHGs. There is strong evidence that significant amounts of GHGs are added to the atmosphere as a result of human activities, thereby, contributing to global warming. Scientists believe that a warmer Earth may lead to changes in weather patterns, a rise in sea level, and may have significant impacts on plants, wildlife, and humans.

In 2006, the State Legislature passed the California Global Warming Solutions Act of 2006 (AB 32), establishing a comprehensive program to reduce the state's GHG emissions to the 1990 level by year 2020. AB 32 directed CARB to begin developing discrete early action measures to reduce greenhouse gases while also preparing a Scoping Plan to identify the best approach to reach the 2020 target. In addition, AB 32 requires that any GHG emission reduction measures developed be technologically feasible and cost-effective.

In December 2009, CARB approved the Management of High GWP Refrigerants for Stationary Sources regulation, commonly referred to as the Refrigerant Management Program. This program is one of the early action measures adopted by CARB under AB 32 aimed at reducing the state's GHG emissions. The regulation is scheduled to go into effect on January 1, 2011.

The Refrigerant Management Program seeks to reduce emissions of high GWP refrigerants from stationary refrigeration systems. A high-GWP refrigerant is any compound used as a heat transfer fluid or gas, and includes CFCs, HCFCs, HFCs, PFCs, or any compound or blend of compounds with a GWP value equal to or greater than 150, or any ozone depleting substance as defined in Title 40 of the Code of Federal Regulation, Part 82, §82.3. These substances are GHGs which are thousands of times more potent than carbon dioxide (CO₂). The CARB regulation addresses stationary commercial and industrial refrigeration systems that can have high leak rates, but currently have minimal oversight in areas with specific refrigerant rule or regulation. Specifically, facilities with refrigeration systems using more than 50 pounds of high GWP refrigerants; or those who service refrigeration systems; or those who distribute, sell or reclaim high GWP refrigerants, must comply with the regulation.

The CARB regulation requires registration, leak detection and monitoring, leak repair, retrofit or retirement, reporting, and recordkeeping for owners or operators of refrigeration systems subject to the regulation. Reporting and recordkeeping requirements are also applicable to distributors, wholesalers, and reclaimers of high GWP refrigerants. Additionally, required service practices for refrigerant management are applicable to any person who services a refrigeration system that uses a high GWP refrigerant.

The requirements in the CARB Refrigerant Management Program are similar to existing federal regulations under section 608 of the Clean Air Act, particularly in the areas of leak repair, required service practices, and recordkeeping requirements. In addition, the CARB regulation was developed in cooperation with SCAQMD staff and is based largely on SCAQMD Rule 1415. However, there are certain areas where the existing SCAQMD Rule 1415 differs with the CARB regulation.

While current Rule 1415 applicability is limited to ODS refrigerants, such as CFCs and HCFCs, the CARB Refrigerant Management Program includes both ODS and ODS substitute refrigerants (GHGs). In addition, SCAQMD Rule 1415 covers both refrigeration and air conditioning systems while the CARB regulation is limited to refrigeration systems only. Some components of CARB's regulation are more stringent than SCAQMD Rule 1415, e.g., increased frequency of leak inspection, leak detection and monitoring, and reporting requirements, while other components are less stringent, e.g. operations may have longer time periods to repair leaks depending on circumstances.

SCAQMD staff's proposal to create a new Rule 1415.1 to control high GWP refrigerant emissions solely from stationary refrigeration systems would allow the SCAQMD to align its regulation with CARB's Refrigerant Management Program. Proposing separate rules for air conditioning (PAR 1415) and refrigeration systems (PR 1415.1) would minimize confusion with regard to rule applicability, improve clarity, and enhance rule enforceability. PR 1415.1 would incorporate all relevant provisions from SCAQMD Rule 1415 relating to refrigeration systems and the state regulation to reduce emissions of high GWP refrigerants. By proposing Rule 1415.1, SCAQMD staff can implement the state's Refrigerant Management Program. A Memorandum of Understanding with CARB will address inspection frequency and fee reimbursement to SCAQMD.

PROJECT DESCRIPTION

PAR 1415

The following is a summary of the proposed amendments to Rule 1415. Other minor changes are also proposed for clarity and consistency throughout the rule. A copy of Rule 1415 can be found in Appendix A.

Rule Title

Currently, the rule title pertains to stationary refrigeration and air conditioning systems. The words "refrigeration and" would be removed from the rule title.

Subdivision (a) - Purpose

"Class I and Class II" would be replaced by "high-GWP". "Refrigeration" would be removed from the purpose.

Subdivision (b) - Applicability

"Refrigeration" would be replaced by "air conditioning" throughout the proposed rule. "High-GWP" would be added before refrigerant. The sentence "all amendments to this rule adopted as of October 14, 1994 shall take effect as of October 14, 1994" would be removed.

Subdivision (c) - Definitions

New definitions would be added; other definitions would be modified to clarify rule intent, and make the definitions consistent with Proposed Rule 1415.1; and definitions that are no longer relevant would be deleted. Modified definitions include additional refrigerant charge, audit, certified technician, person, reclaim, recycle, refrigerant leak, and self contained recovery equipment.

New definitions include air conditioning system, bubble test, certified reclaimer, certified refrigerant recovery or recycling equipment, chlorofluorocarbon or CFC, component, GWP value, high GWP refrigerant (which includes any ODS defined in Title 40 of the Code of Federal Regulations, Part 82, §82.3), hydrochlorofluorocarbon or HCFC, hydrofluorocarbon or HFC, and perfluorocarbon or PFC.

In addition, staff is proposing to delete the following terms that are no longer applicable: approved recycling equipment, certified auditor, Class I refrigerant, Class II refrigerant, high-pressure refrigeration system, low-pressure refrigeration system, maintenance, refrigeration system, and very high pressure refrigeration system.

Subdivision (d) - Requirements

- Registration and leak inspection requirements in paragraph (d)(2) would be moved to paragraph (d)(1), and requirements that pertain to owners or operators of air conditioning systems would be clarified as follows:
 - Registration Plan requirement in subparagraph (d)(2)(C) would be moved to subparagraph (d)(1)(A). New information to be included during submission of the Registration Plan, consistent with existing data reported in the current Rule 1415 Registration Form would be added.
 - The annual audit requirements in subparagraphs (d)(2)(A) and (d)(2)(B) would be moved to and consolidated under subparagraph (d)(1)(B). Language pertaining to leak detection methods would be modified to reflect current industry practices, such as the use of refrigerant leak detection device, a bubble test, or observation of oil residue. Further, the rule provision in clause (d)(2)(B)(i) requiring a certified technician to conduct leak inspection would be removed to make the rule consistent with state and federal leak inspection requirement.
 - Redundant recordkeeping requirement in clause (d)(2)(B)(ii) would be moved to the Recordkeeping section, paragraph (e)(1).
- Leak repair requirements in paragraph (d)(3) would be moved to paragraph (d)(2).
 - A provision in paragraph (d)(3) would be added to allow leak repair periods of up to 45 days. The 45 days extension to fix a refrigerant leak would apply only in situations where a certified technician is not available, or the part(s) needed to complete the repair is unavailable within 14 days of initial leak detection. The owner or operator of the affected air conditioning system would be required to keep a written record to prove that a certified technician or the required parts are not available.
- Requirements in paragraph (d)(1) would be moved to paragraph (d)(4). In addition, language is proposed in (d)(4)(A) to clarify the U.S. EPA certified technician requirement.
- Language in paragraph (e)(5), under the Recordkeeping section, would be moved to subparagraph (d)(5)(B) under the Requirements section, which would allow an authorized representative of a person employing at least one certified technician to purchase refrigerant. Consequently, similar language in paragraph (e)(5) is proposed for deletion.
- The words “Class I or Class II” would be replaced with “high global warming” in paragraph (d)(6) to clarify rule intent and enhance rule enforceability.

Subdivision (e) – Recordkeeping

Obsolete rule language in (e)(1)(iv) and (e)(8)(D) pertaining to permit number requirement for refrigerant recovery and recycling equipment would be deleted. Such equipment is now exempt from permit requirements pursuant to Rule 219 (d)(11).

PR 1415.1

The following is a summary of PR 1415.1. A copy of PR 1415.1 can be found in Appendix A.

Subdivision (a) - Purpose

The proposed rule would reduce emissions of high GWP refrigerants from stationary refrigeration systems by requiring persons subject to this rule to recover, recycle, or reclaim refrigerant and to minimize refrigerant leaks.

Subdivision (b) - Applicability

The proposed rule would apply to any person who owns or operates a refrigeration system, as defined in this rule. The proposed rule would also apply to any person who installs, replaces, repairs, maintains, services, disposes, audits, or relocates any refrigeration system, regardless of charge size; to any person who services or maintains recycling and recovery equipment; and to any person who recycles, recovers, reclaims, distributes or sells high GWP refrigerant.

Subdivision (c) - Definitions

Definitions for additional refrigerant charge, certified reclaimer, certified technician, reclaim, recover, recycle, refrigerant leak, and refrigeration system from the existing Rule 1415 have been included in PR 1415.1, but have been modified to be consistent with CARB's RMP.

Approved recovery equipment, approved recycling equipment, audit, certified auditor, Class I refrigerant, Class II refrigerant, disposed, high pressure refrigeration system, low pressure refrigeration system, maintenance, person, reclaim, self-contained recovery equipment, and very high pressure refrigeration system are defined in the existing Rule 1415, but are not included because they are not relevant to PR 1415.1.

Forty-seven new definitions would be added to the proposed rule in order to clarify rule intent and enhance rule enforceability. ODS defined in Title 40 of the Code of Federal Regulations, Part 82, §82.3) have been placed under the definition of high GWP refrigerants. These definitions are consistent with those found in the CARB Refrigerant Management Program.

Subdivision (d) - Requirements

- Paragraph (d)(1) would require that owners and operators of refrigeration systems with full charge greater than 50 pounds of high GWP refrigerant submit a Registration Plan to SCAQMD annually. However, registration with SCAQMD would cease once the CARB registration requirements for the refrigeration system become effective. Registration of the refrigeration system with CARB would be required in 2012 for large refrigeration systems (full charge greater than or equal to 2,000 pounds refrigerant); 2014 for medium-sized refrigeration systems (full charge equal to or greater than 200 pounds but less than 2,000 pounds refrigerant); and 2016 for small refrigeration systems (full charge greater than 50 pounds but less than 200 pounds refrigerant). For facilities with multi-size systems, e.g. large and medium-size refrigeration systems operating at the facility, the owner or operator would have the option of registering the medium-size refrigeration system at the same time as registering the large system, which would be required in 2012, even though registration of a medium-size refrigeration system would not be required until the year 2014 if it was the largest or only system operating at the facility.

The proposed registration provision would also include information that facility operators would need to provide about the refrigeration systems during registration, and a provision

requiring initial and annual implementation fees to cover the costs of administering and enforcing the rule based on fee guidelines established by CARB. Fees paid would be based on system operating with the largest full charge at the facility. There would be no implementation fee for small refrigeration systems. Additionally, the proposal would include change of ownership requirements for refrigeration systems previously registered with CARB.

- **Leak Detection and Monitoring Requirements, paragraph (d)(2)**

The proposed requirements would incorporate CARB's regulation on leak inspection and monitoring. Beginning January 1, 2011, owners or operators of large refrigeration systems (full charge greater than or equal to 2,000 pounds of refrigerant) would be required to conduct monthly leak inspections. Quarterly leak inspections would be required for medium-sized refrigeration systems (full charge greater than or equal to 200 pounds but less than 2,000 pounds of refrigerant), while annual leak inspections would be required for small refrigeration systems (full charge greater than 50 pounds but less than 200 pounds of refrigerant). These leak inspection requirements would not apply if the refrigeration system has an automatic leak detection system.

In addition, the proposal would require the installation of an automatic leak detection system for large refrigeration systems beginning in year 2012. Leak inspection methods consistent with industry practices, e.g. refrigerant leak detection device, bubble test, observation of oil residue, are also proposed.

- **Leak Repair Requirements, paragraph (d)(3)**

Consistent with Rule 1415, the proposal would require the repair of a refrigerant leak within 14 days of initial leak detection. In order to be consistent with the CARB regulation, however, PR 1415.1 would also allow longer repair periods of 45 days and 120 days depending on the nature of the refrigeration system, and the circumstances surrounding the leak. A 45-day leak repair period would be allowed if: a certified technician is not available, repair parts are unavailable or if refrigerant leak repair requires an industrial process shutdown. A 120-day leak repair period would be allowed if: the facility is subject to Mandatory GHG Emissions Reporting requirements, the refrigeration system is an industrial process refrigeration appliance, the refrigerant leak repair requires an industrial process shutdown, and written records of required conditions for 120-day leak repair period are maintained.

The proposal would also require the owner or operator to prepare and implement a retrofit and retirement plan if the refrigerant leak cannot be repaired within the allowable repair period of 14, 45, or 120 days.

- **Retrofit or Retirement Plan Requirements, paragraph (d)(4)**

The proposed provision would require the owners or operators of refrigeration systems that continue to leak to establish a schedule to retrofit or retire the system within six months of initial leak detection. This section would also include specific information that would need to be included in the plan pertaining to the facility and to the retrofitted or newly installed refrigeration system.

The retrofit or retirement plan would not need to be submitted to the Executive Officer, but needs to be maintained and kept at the facility.

- Approval of Exemptions, paragraph (d)(5)

The owner or operator of a facility with a refrigeration system may request for an exemption from leak repair and retrofit requirements for up to three years if Executive Officer determines:

- Life Cycle Exemption –leak cannot be repaired, and allowing leak would result in less direct and indirect emissions than replacing leaking system.
- Economic Hardship Exemption – compliance would cause extraordinary economic hardship; and applicant has prepared a compliance report that can be implemented and can achieve compliance as expeditiously as possible.
- Natural Disaster Exemption – failure to repair leak was due to a natural disaster, act of war, act by a public enemy or civil disorder or riot.

Facility owners or operators need to submit a written application to the Executive Officer demonstrating that one or more of the exemption criteria have been met.

Subdivision (e) – Required Service Practices and Prohibitions

Specific service practices and prohibitions pertaining to the installation, service, or repair of all refrigeration systems, regardless of charge size; the operation of certified refrigerant recovery or recycling equipment; and sale, use and disposal of refrigerants would be required. Some of the requirements would include the mandatory use of U.S. EPA certified technician for service or repair of refrigeration systems; recovery and recycling of refrigerant and the use of certified refrigerant recovery and recycling equipment during leak repair; and restrictions on the sale of refrigerants.

The proposed provisions, expanded to include high GWP refrigerants, were developed from Title 40, Part 82 of the Code of Federal Regulations, Subpart F requirements specific to ODS refrigerants. Most of these provisions are already part of the requirements in the current Rule 1415 but limited to ODS refrigerants.

Subdivision (f) – Reporting

Reporting requirements for owners or operators of refrigeration systems, including refrigerant distributors, wholesalers, and reclaimers would be included in PR 1415.1. Specifically, owners or operators of large and medium-sized systems would be required to submit annually a Facility Stationary Refrigeration Report (Annual Report). Reporting would not be required for facilities with small refrigeration systems.

Submission of the Annual Report would begin in year 2012 for large refrigeration systems and year 2014 for medium-sized refrigeration systems. The Annual Report would be required to contain information about the refrigeration system such as equipment type and model, specific data on refrigeration system service and leak repairs, as well as refrigerant purchases and use information.

Refrigerant distributors or wholesalers would also be required to report annually specific information on refrigerants that was purchased for resale, refrigerants sold, or shipped to a certified reclaimer. In addition, certified reclaimers would be required to submit an annual report on the amount of refrigerant received for reclamation or destruction, the amount of refrigerant reclaimed, or the amount of refrigerant shipped outside of California for reclamation or destruction.

Subdivision (g) – Recordkeeping

Recordkeeping for facilities with stationary refrigeration systems, refrigerant wholesalers or distributors, refrigerant reclaimers, and persons owning and operating a certified refrigerant recovery or recycling equipment would be required.

Subdivision (h) – Exemption

- An exemption for tactical support equipment would be included.
- Criteria for fee exemptions would be included.
- Leak repair and retrofit/retirement plan requirements would not apply if during the time the refrigeration system is undergoing or is in system mothballing until the refrigeration system resumes operation at a facility, the owner or operator of a refrigeration system has received an exemption from the Executive Officer pursuant to the emissions life cycle exemption, economic hardship exemption or natural disaster exemption, or the owner or operator of a refrigeration system has submitted a request for an exemption and until a final determination is made by the Executive Officer on a emissions life cycle exemption, economic hardship exemption or natural disaster exemption. Written records would be required to be kept that document that the owner or operator has requested or received an exemption.
- Exemption from the contractor's license requirements would apply if the refrigeration system or refrigerant leak repair is performed by the facility owner or operator or its employees with wages as sole compensation; the refrigeration system service or refrigerant leak repair is performed by the facility owner or operator through one undertaking or by one or more contracts, and the aggregate contract price for labor, materials, and all other items is less than five hundred dollars; or the refrigeration system service or refrigerant leak repair is performed by any political subdivision of the United States government, or the State of California, or by any incorporated town, city, county, irrigated district, reclamation district or other municipal or political corporation.

Subdivision (i) – Violations

Enforcement actions for failure to comply with the provisions of the rule are proposed.

Subdivision (j) – Severability

This section would be added to clarify that in the event any provision of the rule is invalidated by judicial order, the remainder of the rule shall remain in effect.

DIFFERENCES BETWEEN RULE 1415 AND PROPOSED RULE 1415.1

As noted previously, the proposed amendments to Rule 1415 consists primarily of deleting the provisions related to refrigerant systems and incorporating them into PR 1415.1. PR 1415.1 also includes all components of CARB's regulation. Incorporating CARB's regulation into PR 1415.1 means that some provisions from Rule 1415 would be modified, while some new requirements would be added. Table 1-1 shows the original provisions relating to refrigerant systems in existing Rule 1415 compared to similar provisions in PR 1415.1. New provisions in PR 1415.1 that are not currently included in Rule 1415.1 are also shown.

Table 1-1
Differences between PR 1415.1 and the Existing Rule 1415

Rule Section	PR1415.1 Provisions	Rule Section	Rule 1415 Provisions	Comment
	Applicability			
(a) & (b)	<ul style="list-style-type: none"> ▪ Applies to <u>refrigeration systems</u> <u>only</u> with full charge > 50 lbs and using high GWP refrigerants (CFC,, HCFC, HFC, PFC or any compound with GWP = or > 150) 	(a) & (b)	<ul style="list-style-type: none"> ▪ Applies to refrigeration and air conditioning systems > 50 lbs capacity and using CFC and HCFC refrigerants 	PR 1415.1 applies only to refrigeration systems
	Registration			
(d)(1)(B)	<ul style="list-style-type: none"> ▪ Registration begins 2012 for large systems, 2014 for medium size systems, and 2016 for small systems ▪ Implementation fee paid every year 	(d)(2)(C)	<ul style="list-style-type: none"> ▪ Register at start of operation and <u>every 2 years</u> thereafter ▪ Fee paid at time of registration 	PR 1415.1 would require annual fees instead of a one-time registration fee.
	Leak Detection and Monitoring			
(d)(2)(B)(1)	<p>For refrigeration systems with full charge > or = 2,000 lbs of refrigerant, and operates or is intended to be operated year round:</p> <ul style="list-style-type: none"> ▪ Conduct <u>monthly</u> leak inspection if refrigerant circuit is located entirely within an enclosed building or structure, or the compressor, evaporator, condenser, or any other component with a high potential for a leak is located inside an enclosed building or structure. ▪ Monthly leak inspection not required if refrigeration system has automatic leak detection system. ▪ Quarterly leak inspection required if refrigerant circuit is not located entirely within an enclosed building or structure and is not monitored for leaks using an automatic leak detection system. 	(d)(2)(A) & (d)(2)(B)	Annual leak inspection	Would provide greater GHG control than Rule 1415

Table 1-1 (continued)
Differences between the Existing Rule 1415 and PR 1415.1

Rule Section	PR1415.1 Provisions	Rule Section	Rule 1415 Provisions	Comment
	Leak Detection and Monitoring			
(d)(2)(B)(1) continued	<ul style="list-style-type: none"> ▪ By January 1, 2012, automatic leak detection system required if the refrigerant circuit is located entirely within an enclosed building or structure, or the compressor, evaporator, condenser, or any other component with a high potential for a leak is located inside an enclosed building or structure. 			
(d)(2)(B)	<p>For refrigeration systems with full charge > 200 lbs but < 2,000 lbs of refrigerant, and operates or is intended to be operated year round:</p> <ul style="list-style-type: none"> ▪ After January 1, 2011, conduct <u>quarterly</u> leak inspections. Leak inspection not required if refrigeration system has automatic leak detection system. 	(d)(2)(A) & (d)(2)(B)	Annual leak inspection	Would provide greater GHG control than Rule 1415
(d)(2)(B)	<p>For refrigeration systems with full charge > 50 lbs, but less than 200 lbs of refrigerant, and is intended to be operated year round:</p> <ul style="list-style-type: none"> ▪ After January 1, 2011, owner/operator must conduct <u>annual</u> leak inspection of refrigeration system. ▪ Leak inspection not required if refrigeration system has automatic leak detection system. 	(d)(2)(A) & (d)(2)(B)	Annual leak inspection	Would provide greater GHG control than Rule 1415
(d)(2)(C)	<p>Leak monitoring for refrigeration system not operated year-round, or is not intended to operate year-round</p> <ul style="list-style-type: none"> ▪ Conduct leak inspection within 30 days after starting each operation of the refrigeration system, and once every three months thereafter until system is shut down. 	(d)(2)(A) & (d)(2)(B)	Annual leak inspection	Would provide greater GHG control than Rule 1415

Table 1-1 (continued)
Differences between the Existing Rule 1415 and PR 1415.1

Rule Section	PR1415.1 Provisions	Rule Section	Rule 1415 Provisions	Comment
	Leak Detection and Monitoring			
(d)(2)(D)	Requirements when refrigerant is added to all systems with full charge >50 lbs <ul style="list-style-type: none"> ▪ After January 1, 2011, conduct leak inspection each time refrigerant charge <u>equal to or greater than five pounds or one percent of refrigeration system full charge</u>, whichever is greater, is added to the refrigeration system 	(d)(2)(A) & (d)(2)(B)	Annual leak inspection	Would provide greater GHG control than Rule 1415
	Leak Repair Requirements			
(d)(3)(A)	Repair leaks no later than 14calendar days after leak has been discovered except where otherwise provided	(d)(3)	Repair leaks no later than 14calendar days after leak has been discovered or should have been discovered.	Would provide equivalent control compared to Rule 1415
(d)(3)(B)	45-day leak repair period allowed if: <ul style="list-style-type: none"> ▪ A certified technician is not available; or ▪ Repair parts are unavailable; or ▪ Refrigerant leak repair requires an industrial process shutdown 	(d)(3)	Repair leaks no later than 14 calendar days after leak has been discovered or should have been discovered.	Would relax control compared to Rule 1415
(d)(3)(C)	120-day leak repair period allowed if: <ul style="list-style-type: none"> ▪ Facility subject to Mandatory GHG Emissions Reporting requirements; and ▪ Refrigeration system is an industrial process refrigeration appliance; and ▪ Refrigerant leak repair requires an industrial process shutdown; and ▪ Written records of required conditions for 120-day leak repair period are maintained 	(d)(3)	Repair leaks no later than 14calendar days after leak has been discovered or should have been discovered.	Would relax control compared to Rule 1415
(d)(3)(E)	Prepare retrofit plan or retirement plan within 60 days or 135 days of initial leak detection if a leak is still occurring within allowable repair period of 45 days or 120 days, respectively		No provision in the rule	Would relax control compared to Rule 1415.

Table 1-1 (continued)
Differences between the Existing Rule 1415 and PR 1415.1

Rule Section	PR1415.1 Provisions	Rule Section	Rule 1415 Provisions	Comment
	Approval of Exemptions			
(d)(5)	<p>Exemption Criteria</p> <p>The owner or operator of a facility with a refrigeration system may request for an exemption from leak repair and retrofit requirements for up to three years if Executive Officer determines:</p> <ul style="list-style-type: none"> ▪ Life Cycle Exemption –leak cannot be repaired, and allowing leak would result in less direct and indirect emissions than replacing leaking system. ▪ Economic Hardship Exemption – compliance would cause extraordinary economic hardship; and applicant has prepared a compliance report. ▪ Natural Disaster Exemption – failure to repair leak was due to a natural disaster, act of war, act by a public enemy or civil disorder or riot. 		No provision in the rule	Would relax control compared to Rule 1415
	Required Service Practices & Prohibitions			
(e)(1)(D)	<p>Must not add refrigerant to appliance during manufacture or service unless refrigerant:</p> <ul style="list-style-type: none"> ▪ Is a Class I or Class II substance per section 602 of federal CAA; or ▪ Is an alternative under SNAP program; or ▪ has been approved for use by Executive Officer 		No provision in the rule	Would provide greater GHG control than Rule 1415
(e)(4)	No person shall distribute or sell certified refrigerant recovery or recycling equipment unless such equipment meets the levels of evacuation to be achieved by recovery or recycling equipment per Title 40 CFR Part 82, section 82.158		No provision in the rule	Would provide greater GHG control than Rule 1415
(e)(6)	No person shall recycle or dispose of a non-refillable cylinder before the non-refillable cylinder has been evacuated to a vacuum of 15 in Hg		No provision in the rule	Would provide greater GHG control than Rule 1415

Table 1-1 (concluded)
Differences between the Existing Rule 1415 and PR 1415.1

Rule Section	PR1415.1 Provisions	Rule Section	Rule 1415 Provisions	Comment
	Required Service Practices & Prohibitions			
(e)(7)	No person shall refill a non-refillable cylinder or use it as a temporary receiver during service		No provision in the rule	Would provide greater GHG control than Rule 1415
(e)(8)	No person shall refill or modify a non-refillable cylinder in any way that allows the non-refillable cylinder to be refilled.		No provision in the rule	Would provide greater GHG control than Rule 1415
	Reporting Requirements			
(f)(1), (f)(4) & (f)(5)	Facilities, refrigerant wholesalers/distributors, and refrigerant reclaimers have to submit Annual Report to CARB beginning year 2012.		No provision in the rule	No effect when compared to Rule 1415, but would provide enforcement tool.
	Recordkeeping Requirements			
(g)(1), (g)(2) & (g)(3)	The following records must be kept for a minimum of five years, kept at the facility of each owner of a refrigeration system, refrigerant distributor, wholesaler, or certified reclaimer, and be made available to EO representative upon request: <ul style="list-style-type: none"> o Annual Reports submitted o Invoices of all high-GWP refrigerant received and distributed through sale or transfer (name of purchaser, date of sale, qty and refrigerant type purchased, sold, or transferred. 	(e)(9)	Records of leak inspection repairs, invoices of refrigerant sold, and refrigerant reclaimed must be kept for a minimum of three years.	No effect when compared to Rule 1415, but would provide enforcement tool.

LEAKS, LEAK DETECTION AND MONITORING

Typical Types of Leaks

The CARB FSOR for the RMP states that refrigerant leaks may occur in a refrigerant/air conditioning appliance due to a weakened valve, rust in filter dryers or heat pump accumulator, tiny holes in capillary tubing due to friction, a damaged line set that carries refrigerant from the condenser to the evaporator coil, or a failure of the flare connection. The FSOR for the RMP states that other common areas for refrigerant leaks include leaking joints, seals, gaskets and cracked pipes, as well as areas subject to significant vibration. Refrigerant leaks may also be caused when the refrigerant circuit is breached releasing refrigerant to the atmosphere. Large

breaches are typically observed and quickly repaired. The refrigerant leaks can be indicated by an oil stain on or near the refrigerant/air conditioning equipment.

Leak Detection and Monitoring

The CARB FSOR for the RMP states that leak detection and monitoring is necessary to ensure detection of high-GWP refrigerant emissions and allow expedited refrigerant leak repair. The CARB FSOR for the RMP states that leak monitoring and inspection requirements are the primary means of achieving the emission reductions required by Health & Safety Code section 38562.

An automatic leak detection system is a device that continuously monitors the refrigeration system for refrigerant leaks, and alerts the operator when a refrigerant leak is detected. There are two types of automatic leak detection systems available. A direct system uses electronic sensors to detect the presence in air of leaked refrigerant. An indirect system interprets measurements (e.g. temperature or pressure) within the refrigeration system to indicate refrigerant leak. The automatic leak detection systems required by the CARB RMP are based on existing technology as described in American National Standards Institute (ANSI)/American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Standard 15-2001 Safety Standard for Refrigeration Systems. This industry standard requires that the detector must be continuously operated and provide real-time information. The detector itself is not specified, but rather the function of the detector is specified to allow the system designer to select the type of detector based on the application.

Other factors that must be included in the design of a refrigerant monitoring system include the vapor density of the specific refrigerant used and the airflow pattern of the facility in areas with potential refrigerant leaks. Due to the many factors involved, application-specific design for refrigeration systems and the necessary refrigerant leak detection systems is required.

A typical automatic leak detection system consists mainly of refrigerant leak detection sensor(s) and an electronic control system. The sensors are installed in the vicinity of refrigeration system components or parts such as compressor, evaporator, condenser, and other areas with a high potential for refrigerant leak. Sensors are calibrated to a desired detection level (ppm), and send a signal to the control panel when a certain refrigerant concentration is detected. The electronic control system provides indication of the measured parameters and alarm conditions, may also be equipped with relay contacts to shut down the refrigeration system as necessary.

The CARB FSOR for the RMP states that any facility operator who installs an automatic leak detection system with continuous monitoring that directly detects the presence of refrigerant in air, must place sensors or intakes such that the sensors would measure the refrigerant concentrations in air in proximity to principal components of the refrigeration system (e.g., compressor, evaporator, condenser). Automatic leak detection systems that directly detect the presence of refrigerant in air are required by the RMP to meet performance standards including the following: ability to accurately detect the presence of 10 ppm of refrigerant in the atmosphere, and generate an alarm signal when the level of refrigerant in the atmosphere exceeds 100 ppm. Automatic leak detection systems that use an indirect system (i.e. interpreting measurements that indicate a refrigerant leak) are required by the RMP to alert the operator when measurements indicate a loss of 10 percent of the refrigerant charge or 50 pounds, whichever is less.

An automatic leak detection system is typically installed by an electrician. No heavy equipment such as a forklift is required for the installation.

HIGH GLOBAL WARMING POTENTIAL REFRIGERANT EMISSIONS REDUCTIONS

CARB staff estimated high GWP refrigerant emission reductions in the FSOR for the RMP. Detailed calculations can be found in Appendix B – “California Facilities and Greenhouse Gas Emissions Inventory – High-GWP Stationary Source Refrigerant Management Program” of the FSOR for the RMP.

High GWP Refrigerant Baseline Emissions for the RMP

High GWP refrigerant baseline emissions for the RMP were developed by CARB staff from SCAQMD Rule 1415 biennial reports because the reports were the most comprehensive collection of data available specific to actual refrigerant usage and losses. Six years of SCAQMD Rule 1415 data were available with approximately 16,000 records. The primary source for the number of facilities and business type categories was the ARMINES Report – Inventory of Direct and Indirect GHG Emissions from Stationary Air Condition and Refrigeration Sources, with Special Emphasis on Retail Food Refrigeration and Unitary Air Conditioning, Final Report, March 2009 (2009 ARMINES Report). Baseline and no project emission estimates were developed by CARB staff. Baseline emissions represent the existing setting in 2010 before implementing the RMP regulation. No project emissions represent the conditions without implementing the RMP regulation in 2020 with one percent population growth per year.

Because the baseline emissions for the RMP were developed from SCAQMD Rule 1415 data, the baseline emissions were developed as though the entire state was compliant with SCAQMD Rule 1415.³ Therefore, the baseline for the RMP is equivalent to the existing SCAQMD Rule 1415 refrigerant emission for 2010, which is also the baseline for this proposed project (i.e., PAR 1415/PR 1415.1).

High GWP Refrigerant Emissions Reductions from RMP

The CARB FSOR for the RMP states that a primary assumption used to estimate emission reductions is that the RMP would not necessarily reduce the actual number, or percent of leaking refrigerant/air conditioning systems during a given year. Rather, the RMP defines inspection and maintenance best management practices and use of these practices would cause leaks to be detected and repaired more quickly and completely, thus reducing overall refrigerant emissions. In order to calculate emission reductions from baseline to post-rule implementation, the reduction in annual leak rate and emissions were estimated. CARB staff used the United Nations Environment Programme (UNEP) 2006 Report of the Refrigeration, Air Conditioning and Heat Pumps Technical Options Committee; and the Intergovernmental Panel on Climate Change [IPCC] and Technology and Economic Assessment Panel [TEAP] Special Report on Safeguarding the Ozone Layer and the Global Climate Systems, 2005 to estimate lower achievable leak rates. U.S. EPA Vintaging Model technical sheets on specific refrigeration and air conditioning equipment types normal leak rates were also used as supplementary references. CARB staff stated that the UNEP and IPCC TEAP reports indicated that using best management

³ This is a reasonable assumption because even in the absence of an adopted rule, facilities were required to comply with the federal refrigerant control requirements.

practices on old or new refrigeration equipment can reduce the average annual leak rates to 10 percent or less for large equipment and five percent or less for small equipment.

Since, the High GWP refrigerant emissions reductions were developed based on the difference between the existing Rule 1415 leak rates and targeted lower achievable average leak rates with best management practices, the emission reductions are equivalent to the difference between the existing Rule 1415 and the CARB RMP, which is also equivalent to the emissions reductions for this proposed project (i.e., PAR 1415/PR 1415.1). These emission reductions are shown in Table 1-2.

Table 1-2
CARB RMP Refrigeration Equipment Leak Rates, Baseline
Compared to Proposed Project

Refrigeration/Air Conditioning Equipment Type and Charge Category	Rule 1415 Data – Average Annual Leak Rate	Lower Achievable Avg. Annual Leak Rate with Best Management Practices	Reduction of Leak Emissions (Relative %)
Refrigeration Systems			
centralized system (large)	21%	10%	53%
centralized system (medium)	15%	10%	33%
cold storage (large)	27%	10%	64%
cold storage (medium)	36%	10%	72%
process cooling (large)	7%	7%	0%
refrigerant condensing units (small)	14%	5%	65%
Sub-total refrigeration systems, (weighted average)	19%	9%	51%
AC Systems			
centrifugal chiller (large)	2%	2%	0%
centrifugal chiller (medium)	1%	1%	0%
packaged chiller (medium)	7%	3.5%	50%
unitary AC (small)	11%	5%	56%
Sub-total AC systems, (weighted average)	5%	3%	40%
Totals (weighted average)	16%	8%	50%

Source: CARB, FSOR, Appendix B, Table 8

The CARB FSOR for the RMP estimated CO₂ equivalent (CO₂E) emission reductions between 2020 without implementing the RMP regulation (i.e., the no project condition in 2020) and 2020 post RMP regulation. The emission reductions estimated in the CARB FSOR for the RMP are presented in Table 1-3.

High GWP Refrigerant Emissions Reductions from PR 1415.1

The high GWP refrigerant emission reductions from PR 1415.1 were estimated by multiplying the GHG emission reductions expected by the CARB RMP by the percentage of the state population within the SCAQMD's jurisdiction (Table 3-1). Approximately 43 percent of the

state's population is within the SCAQMD's jurisdiction. Therefore, the high GWP refrigerant emission reductions from PR 1415.1 would be 3.5 million metric tons CO₂E (8.1 million metric tons CO₂E x 0.43). Since no new leak detection or monitoring would be required for air conditioning systems, there would be no emission reductions from PAR 1415.

**Table 1-3
CARB RMP and Proposed Project GHG Emissions Reductions from PR 1415.1**

Statewide Commercial Refrigeration Systems with Full Charge Greater Than or Equal to 50 Pounds¹					
Emissions in Million Metric Tons CO₂ Equivalent (MMTCO₂E)					
Equipment Size, lb charged	2010 Number of Facilities	2010 Baseline Emissions	2020 Project Emissions without Rule (No Project)	Projected 2020 CARB GHG Emission Reductions	Project 2020 District GHG Emission Reductions
Small Commercial (50 to <200)	15,500	1.2	1.4	0.9	0.4
Medium Commercial (200 to <2000)	8,500	5.7	7.9	3.3	1.4
Large Commercial (>2,000)	2,000	5.0	6.5	3.9	1.7
Total	26,000	11.9	15.8	8.1	3.5

- 1 Appendix B of CARB's FSOR for Proposed Regulation for the Management of High GWP Refrigerants for Stationary Sources, dated October 23, 2009
- 2 The CARB FSOR for the RMP estimated emissions between 2020 BAU and 2020 Post RMP regulations. CEQA requires that incremental emissions or emission reductions from the project be estimated between existing baseline and the completed proposed project. So CEQA emission reductions from RMP were estimated by subtracting the 2020 Post RMP Emissions from the 2010 baseline emissions.

CHAPTER 2 - ENVIRONMENTAL CHECKLIST

Introduction

General Information

Environmental Factors Potentially Affected

Determination

Environmental Checklist and Discussion

INTRODUCTION

The environmental checklist provides a standard evaluation tool to identify a project's adverse environmental impacts. This checklist identifies and evaluates potential adverse environmental impacts that may be created by the proposed project.

GENERAL INFORMATION

Project Title: Proposed Amended Rule 1415 – Reduction of Refrigerant Emissions from Stationary Air Conditioning Systems and Proposed Rule 1415.1 – Reduction of Refrigerant Emissions from Stationary Refrigeration Systems

Lead Agency Name: South Coast Air Quality Management District

Lead Agency Address: 21865 Copley Drive
Diamond Bar, CA 91765

CEQA Contact Person: James Koizumi, (909) 396-3234

PAR 1415/PR 1415.1 Contact Person: Rizaldy Calungcagin, (909) 396-2315

Project Sponsor's Name: South Coast Air Quality Management District

Project Sponsor's Address: 21865 Copley Drive
Diamond Bar, CA 91765

General Plan Designation: Not applicable

Zoning: Not applicable

Description of Project: PAR 1415 consists of expanding the scope of the rule to include high global warming potential (GWP) refrigerants; and deleting all provisions related to refrigeration systems; and making other minor clarifications. Refrigeration provisions deleted from Rule 1415 would be incorporated into PR 1415.1. PR 1415.1 would also incorporate provisions of the Refrigerant Management Program, a statewide regulation developed by California Air Resources Board to reduce emissions of GWP refrigerants from stationary refrigeration systems.

Surrounding Land Uses and Setting: Commercial and industrial facilities

Other Public Agencies Whose Approval is Required: Not applicable

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The following environmental impact areas have been assessed to determine their potential to be affected by the proposed project. As indicated by the checklist on the following pages, environmental topics marked with an "✓" may be adversely affected by the proposed project. An explanation relative to the determination of impacts can be found following the checklist for each area.

- | | | |
|--|---|--|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Geology and Soils | <input type="checkbox"/> Population and Housing |
| <input type="checkbox"/> Agriculture and Forestry Resources | <input checked="" type="checkbox"/> Hazards and Hazardous Materials | <input type="checkbox"/> Public Services |
| <input checked="" type="checkbox"/> Air Quality and Greenhouse Gas Emissions | <input type="checkbox"/> Hydrology and Water Quality | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Land Use and Planning | <input type="checkbox"/> Solid/Hazardous Waste |
| <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Transportation/Traffic |
| <input type="checkbox"/> Energy | <input type="checkbox"/> Noise | <input checked="" type="checkbox"/> Mandatory Findings |

DETERMINATION

On the basis of this initial evaluation:

- I find the proposed project, in accordance with those findings made pursuant to CEQA Guideline §15252, COULD NOT have a significant effect on the environment, and that an ENVIRONMENTAL ASSESSMENT with no significant impacts has been prepared.
- I find that although the proposed project could have a significant effect on the environment, there will NOT be significant effects in this case because revisions in the project have been made by or agreed to by the project proponent. An ENVIRONMENTAL ASSESSMENT with no significant impacts will be prepared.
- I find that the proposed project MAY have a significant effect(s) on the environment, and an ENVIRONMENTAL ASSESSMENT will be prepared.
- I find that the proposed project MAY have a "potentially significant impact" on the environment, but at least one effect 1)has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL ASSESSMENT is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier ENVIRONMENTAL ASSESSMENT pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier ENVIRONMENTAL ASSESSMENT, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Date: October 29, 2010

Signature: Steve Smith

Steve Smith, Ph.D.
Program Supervisor

ENVIRONMENTAL CHECKLIST AND DISCUSSION

As noted in Chapter 1, SCAQMD Rule 1415 currently regulates ODS emissions from air condition and refrigeration systems. In response to CARB's RMP, SCAQMD staff is proposing to expand the scope of Rule 1415 to include control of high GWP pollutants. Further, the proposed project consists of deleting all provisions related to control of emissions from refrigeration systems from Rule 1415 and incorporating them into PR 1415. In addition, PR 1415.1 would include all provisions from CARB's RMP, which would modify some of the existing provisions from Rule 1415 and add new provisions.

Also as indicated in Chapter 1, CARB prepared an environmental analysis of the RMP pursuant to its certified regulatory program. This analysis of PAR 1415 and PR 1415.1 relies on the environmental analysis prepared by CARB to avoid repetitive analyses of the same environmental issues (CEQA Guidelines §15152).

Analysis of the proposed project indicated that only air quality and hazardous and hazardous materials would be potentially adversely affected. Potential air quality and hazardous and hazardous materials impacts could occur as a result of adding one new provision to PR 1415.1 and modifying two existing provisions.

The new provision (PR 1415.1(d)(2)(B)) would require monthly leak inspections for refrigeration systems with a full charge greater than or equal to 2,000 pounds and quarterly inspections of refrigeration systems with a full charge greater than or equal to 200 pounds but less than 2,000 pounds. The high GWP refrigerant emission reductions from PR 1415.1 would be 3.5 million metric tons CO₂E (see high GWP refrigerant emission reductions in Chapter 1 of this Draft EA).

Although RMP provisions would enhance leak detection provisions, they also have the potential of creating secondary air quality impacts from inspection vehicle emissions. This provision is in CARB's RMP, which SCAQMD is required to incorporate or adopt a more stringent requirement, and has already undergone an environmental analysis approved by CARB. Therefore, this provision will not be further analyzed in this Draft EA.

The following two modifications of existing Rule 1415 provisions are proposed to provide consistency with CARB's regulations in PAR 1415.1. The first modification would extend the time period during which a leak must be repaired from 14 days to 45 (Rule 1415.1(d)(3)(B)) or 120 days (Rule 1415.1(d)(3)(C)). The modifications also include three new exemptions: emissions life cycle, economic hardship and natural disaster. The emissions life cycle exemption would allow the continuation of a refrigerant leak for up to three years if the Executive Officer determines that the application has provided clear and convincing documentation that the refrigerant leak cannot be repaired, and that allowing the refrigerant leak to continue would result in less combined direct or indirect emissions than replacing the leaking refrigeration system. The economic hardship exemption would allow the continuation of a refrigerant leak for a specified time period of no longer than three years if the Executive Officer determines that the applicant has provided clear and convincing documentation that compliance would result in extraordinary economic hardship, and the applicant has prepared a compliance report that can be implemented and can achieve compliance as expeditiously as possible. The natural disaster exemption would allow the continuation of a refrigerant leak for a specified time period of no longer than three years if the Executive Officer determines that the application has provided clear

and convincing documentation that failure to repair the refrigerant leak was due to a natural disaster.

The emissions life cycle exemption would not generate any adverse GWP impacts because the same emissions would be generated whether the refrigeration system is replaced or not replaced. The economic hardship and natural disaster provisions are considered to be a relaxation of existing requirements and will be further analyzed in this Draft EA.

No change would be made to the leak detection and monitoring provisions for air condition systems in PAR 1415. A provision would be added to PAR 1415 to allow air conditioning leak repair periods of up to 45 days. The 45 days extension to fix a refrigerant leak would apply only in situations where a certified technician is not available, or the parts needed to complete the repair are unavailable within 14 days of initial leak detection.

All other provisions in PAR 1415 and PR 1415.1 are considered to be part of the existing setting, i.e. are already in affect pursuant to the existing Rule 1415 or have been analyzed in CARB’s environmental analysis contained in the FSOR for CARB’s RMP regulation.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
I. AESTHETICS. Would the project:				
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

The proposed project impacts on aesthetics will be considered significant if:

- The project will block views from a scenic highway or corridor.
- The project will adversely affect the visual continuity of the surrounding area.
- The impacts on light and glare will be considered significant if the project adds lighting which would add glare to residential areas or sensitive receptors.

Discussion

I.a), b), c) & d) The proposed project would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions. Existing and new air conditioning and refrigeration systems are currently subject to the requirements of the existing Rule 1415. The proposed project would extend the time to make leak repairs and require additional leak inspection, leak detection and monitoring and reporting requirements.

Manual leak inspection methods consistent with industry practices, e.g. refrigerant leak detection device, bubble test, observation of oil residue, are currently used to comply with Rule 1415. Off-site of the affected facilities, the manual leak inspection is not expected to appear different than any other inspection of refrigeration equipment. PR 1415.1 would require more frequent inspections. Additional monthly (for large-sized refrigeration systems) or quarterly (for medium-sized refrigeration systems) are not expected to result in aesthetic impacts.

Automated leak detection and monitoring systems would be installed around refrigeration systems in existing structures within the boundaries of affected large facilities; therefore, would not be visible to persons outside of the enclosures (i.e., off-site). Refrigeration systems that are not enclosed are not required to install automated leak detection and monitoring systems.

Leak repair activities are relatively minor consisting of soldering copper tubes; tightening of existing connections; and replacing components such as refrigerant lines, gaskets, solenoid valves and expansion valves. CARB staff did not expect that the RMP would reduce the number or percentage of leaking refrigeration/air conditioning systems, but inspection and maintenance best management practices would cause leaks to be detected and repaired more quickly and completely. Therefore, PR 1415.1 would result in the same repairs made earlier, which would not change the aesthetics of the repair.

PAR 1415/PR 1415.1 would increase the time period over which repairs are made. PAR 1415/PR 1415.1 is not expected to lengthen the amount of work required to make repairs, but to allow more time between when leak is found and when repairs are made. The additional time would be granted because a certified technician is not available, parts are unavailable, or to schedule time for an industrial process to be shutdown. Repairs may also be delayed because the life-cycle, economic hardship or natural disaster exemptions. However, since the same repairs would be made only at a later date no adverse impacts are expected from allowing more time before a leak is repaired.

Implementation of PAR 1415/PR 1415.1 would not result in any new construction of buildings or other structures that would obstruct scenic resources or degrade the existing visual character of a site, including but not limited to, trees, rock outcroppings, or historic buildings. Further, repair, leak inspection, leak detection and monitoring and reporting requirements would not appreciably change the visual profile of the building(s) where refrigerants are used. Similarly, additional light or glare would not be created which would adversely affect day or nighttime views in the area since no light generating equipment would be required to comply with PAR 1415/PR 1415.1.

Based upon these considerations, significant adverse aesthetics impacts are not anticipated and will not be further analyzed in this Draft EA. Since no significant aesthetics impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
II. AGRICULTURE AND FOREST RESOURCES. Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland mapping and Monitoring Program of the California Resources Agency, to non- agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code §12220(g)), timberland (as defined by Public Resources Code §4526), or timberland zoned Timberland Production (as defined by Government Code §51104 (g))?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Project-related impacts on agriculture and forest resources will be considered significant if any of the following conditions are met:

- The proposed project conflicts with existing zoning or agricultural use or Williamson Act contracts.
- The proposed project will convert prime farmland, unique farmland or farmland of statewide importance as shown on the maps prepared pursuant to the farmland mapping and monitoring program of the California Resources Agency, to non-agricultural use.
- The proposed project conflicts with existing zoning for, or causes rezoning of, forest land (as defined in Public Resources Code §12220(g)), timberland (as defined in Public Resources Code §4526), or timberland zoned Timberland Production (as defined by Government Code § 51104 (g)).

- The proposed project would involve changes in the existing environment, which due to their location or nature, could result in conversion of farmland to non-agricultural use or conversion of forest land to non-forest use.

Discussion

II.a), b), c) & d) The proposed project would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions. Extending the repair time from the existing rule to the repair times in PAR 1415/PR 1415.1 is not expected to affect agricultural resources since leak detection and repair activities already occur on site at affected facilities. Automated leak detection and monitoring systems would be installed around refrigeration systems in existing structures within the boundaries of affected large facilities. Refrigeration systems that are not enclosed are not required to install automated leak detection and monitoring systems. The installation of the automatic leak detection and monitoring systems is not expected to require the use of heavy construction equipment. The equipment is light enough that forklifts are not expected to be needed and would be placed on existing paved surfaces. Therefore, the proposed project would not result in any heavy construction of buildings or other structures that would convert farmland to non-agricultural use or conflict with zoning for agricultural use or a Williamson Act contract. Additional leak inspection, leak detection and monitoring, and reporting requirements would not require converting farmland to non-agricultural uses because these activities are expected to occur completely within the confines of affected industrial facilities, commercial facilities or institutions’ boundaries. For the same reasons, PAR 1415/PR 1415.1 would not result in the loss of forest land or conversion of forest land to non-forest use.

Based upon these considerations, significant agricultural resource impacts are not anticipated and will not be further analyzed in this Draft EA. Since no significant agriculture resources impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
III. AIR QUALITY AND GREENHOUSE GAS EMISSIONS.				
Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Violate any air quality standard or contribute to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions that exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Diminish an existing air quality rule or future compliance requirement resulting in a significant increase in air pollutant(s)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
h) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion

III.a) The purpose of the 2007 Air Quality Management Plan (AQMP) is to demonstrate compliance with all state and national ambient air quality standards (AAQs). To demonstrate compliance with all state and national AAQs, the AQMP contains control measures to reduce criteria pollutant emissions and volatile organic compound (VOC) emissions (an ozone precursor).

Existing Rule 1415, PAR 1415 and PR 1415.1 do not regulate criteria pollutants or VOC emissions. Although the proposed project has the potential to generate some secondary criteria pollutant and VOC air quality impacts as a result of minor construction activities, these emissions are not expected to exceed any applicable criteria pollutant or VOC significance thresholds as explained in the following responses. Therefore, the proposed project is not expected to conflict with or obstruct implementation of the applicable air quality plan.

III.b) For a discussion of these items, refer to the following analysis:

Air Quality Significance Criteria

To determine whether or not air quality impacts from adopting and implementing PAR 1415/PR 1415.1 are significant, impacts will be evaluated and compared to the criteria in Table 2-1. The project will be considered to have significant adverse air quality impacts if any one of the thresholds in Table 2-1 are equaled or exceeded.

Construction Impacts

PAR 1415 and PR 1415.1 are not expected to require any heavy-duty construction activities or equipment. Automatic leak detection systems would be required for large enclosed refrigeration systems. Refrigeration system components that are not enclosed would not require automatic leak detection systems. Automatic leak detection systems are typically installed by an electrician. No heavy equipment such as a forklift is required for the installation. Therefore, PAR 1415/PR 1415.1 is expected to have minor construction impacts. Therefore, PAR 1415/PR 1415.1 is not significant for construction impacts to air quality.

Operational Impacts

Leak Detection High GWP Refrigerant Emission Reductions

The existing Rule 1415 requires that all refrigerant and air conditions systems be inspected annually for leaks. The new provision (PR 1415.1(d)(2)(B)) would require monthly leak inspections refrigeration systems with a full charge greater than or equal to 2,000 pounds and quarterly inspections of refrigeration systems with a full charge greater than or equal to 200 pounds but less than 2,000 pounds. Annual inspections would still be required for refrigeration systems greater than 50 pounds and less than 2,000 pounds. The high GWP refrigerant emission reductions from PR 1415.1 would be 3.5 million metric tons CO₂E (see Table 1-3).

Leak Repair Time High GWP Refrigerant Emissions Foregone

The proposed project would include extending the time period during which a leak must be repaired from 14 days to 45 (Rule 1415.1(d)(3)(B)) or 120 days (Rule 1415.1(d)(3)(C)) depending on circumstance. Based on discussions with industry, SCAQMD staff estimates that two percent of centralized systems, cold storage and condensing units may require a 45-day extension for repairs; and 25 percent of process cooling systems may require a 120-day extension for repairs. Since the existing Rule 1415 repair time is shorter (14 days) than the repair time allowed in CARB's regulation (45 days, 120 days, or three years), extending the repair time from the existing rule to PAR 1415/PR 1415.1 would result in GHG emissions foregone. SCAQMD staff estimates that approximately 5,849 metric tons per year of CO₂E emissions foregone would be generated by PR 1415.1 and 497 metric tons per year of CO₂E emissions foregone would result from PAR 1415. Detailed calculations are included in Appendix B.

High GWP Refrigerant Emissions Foregone from Exemptions

PR 1415.1 would also include three new exemptions: emissions life cycle, economic hardship and natural disaster. CARB staff estimates that in a worst-case scenario, these exemptions could be used by one out of every 200 to 400 of 28,720 affected in the state (12,350 affected facilities in SCAQMD). Based on one out of every 200 affected facilities using one of the three exemptions, approximately 4,618 metric tons per year of CO₂E emissions foregone would result from PR 1415.1. Detailed calculations are included in Appendix B.

**Table 2-1
SCAQMD Air Quality Significance Thresholds**

Mass Daily Thresholds ^a		
Pollutant	Construction ^b	Operation ^c
NOx	100 lbs/day	55 lbs/day
VOC	75 lbs/day	55 lbs/day
PM10	150 lbs/day	150 lbs/day
PM2.5	55 lbs/day	55 lbs/day
SOx	150 lbs/day	150 lbs/day
CO	550 lbs/day	550 lbs/day
Lead	3 lbs/day	3 lbs/day
Toxic Air Contaminants (TACs), Odor and GHG Thresholds		
TACs (including carcinogens and non-carcinogens)	Maximum Incremental Cancer Risk \geq 10 in 1 million Hazard Index \geq 1.0 (project increment)	
Odor	Project creates an odor nuisance pursuant to SCAQMD Rule 402	
GHG	10,000 metric tons per year for industrial facilities	
Ambient Air Quality for Criteria Pollutants ^d		
NO2 1-hour average annual average	SCAQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 0.25 ppm (state – peak hour); 0.10 ppm (federal – 98 th percentile) 0.053 ppm (federal)	
PM10 24-hour average annual geometric average annual arithmetic mean	10.4 $\mu\text{g}/\text{m}^3$ (construction) ^e & 2.5 $\mu\text{g}/\text{m}^3$ (operation) 1.0 $\mu\text{g}/\text{m}^3$ 20 $\mu\text{g}/\text{m}^3$	
PM2.5 24-hour average	10.4 $\mu\text{g}/\text{m}^3$ (construction) ^e & 2.5 $\mu\text{g}/\text{m}^3$ (operation)	
Sulfate 24-hour average	25 $\mu\text{g}/\text{m}^3$	
CO 1-hour average 8-hour average	SCAQMD is in attainment; project is significant if it causes or contributes to an exceedance of the following attainment standards: 20 ppm (state) 9.0 ppm (state/federal)	

^a Source: SCAQMD CEQA Handbook (SCAQMD, 1993)

^b Construction thresholds apply to both the South Coast Air Basin and Coachella Valley (Salton Sea and Mojave Desert Air Basins).

^c For Coachella Valley, the mass daily thresholds for operation are the same as the construction thresholds.

^d Ambient air quality thresholds for criteria pollutants based on SCAQMD Rule 1303, Table A-2 unless otherwise stated.

^e Ambient air quality threshold based on SCAQMD Rule 403.

KEY: lbs/day = pounds per day ppm = parts per million $\mu\text{g}/\text{m}^3$ = microgram per cubic meter \geq greater than or equal to

Table 2-2 summarizes cost information provided in Appendix C of the CARB FSOR. The cost of replacing refrigerant is greater than the annual repair cost for each refrigeration size category. Therefore, there is also a cost incentive for facilities to repair leaks rather than apply for one of the three exemptions.

The emissions life cycle, economic hardship and natural disaster exemptions are not proposed in PAR 1415.

**Table 2-2
Annual Repair and Refrigerant Replacement Costs**

Refrigeration System Size	Annual Repair Cost (Parts, Labor, Refrigerant Recovery)	Average Refrigerant Charge (lbs)	Average Annual Leak (lbs)	Cost of Replacing Refrigerant at \$11/lb	Total Annual Cost (Repair plus Refrigerant Replacement)
Small	\$900	122	18 (14%)	\$198	\$1,098
Medium	\$1,550	689	119 (17%)	\$1,309	\$2,859
Large	\$2,450	4,663	1,090 (23%)	\$11,990	\$14,440

Total High GWP Refrigerant Emission Reductions

The proposed project would result in a total high GWP refrigerant emission reduction of 3.5 million metric tons per year of CO₂E. The total reduction of high GWP refrigerant emissions was estimated by subtracting the high GWP refrigerant emissions foregone from the 45- and 120-day exemptions from the high GWP refrigerant emission reduction from leak detection and monitoring. The total high GWP refrigerant emission reductions are summarized in Table 2-3 and detailed in Appendix B.

III.c) Existing Rule 1415 regulates refrigerants that are ODSs. Compliance with ODS requirements has already been achieved. The proposed project would expand the applicable control requirements to include high GWP refrigerants. Criteria pollutant and VOC emissions are not associated with affected equipment. As a result, new or modified provisions in PAR 1415 and PR 1415.1 would not generate any new criteria pollutant or VOC emissions, with the exception of the emissions from inspector vehicle trips as a result of the requirement for more frequent inspections. As already noted, increased inspections were included in CARB’s RMP for which an environmental analysis was prepared and included in CARB’s FSOR for the RMP. Since this Draft EA tiers off of the environmental analysis prepared by CARB, no further analysis of emissions from inspection vehicle trips is required. Therefore, overall the proposed project is not expected to generate significant adverse cumulative criteria pollutant or VOC air quality impacts during operations.

Similarly, since the proposed project is expected to generate a net GHG emissions reduction, cumulative impacts from GHG are also not significant.

**Table 2-3
Total High GWP Refrigerant Emission Reductions**

Refrigeration or Air Conditioning System Type	High GWP Refrigerant Emission Reductions from Leak Detection, Million Metric Ton CO2E/yr	ODS Foregone from 45- and 120-Day Repair Period, Metric Ton CO2E/yr	ODS Foregone from Three-Year Extension, Metric Ton CO2E/yr	Total High GWP Refrigerant Emission Reductions, Million Metric Ton CO2E/yr
Refrigeration Systems				
Small	0.4	109	310	0.4
Medium	1.4	735	2,080	1.4
Large	1.7	5,004	2,228	1.7
Refrigeration Total		5,849	4,618	3.5
Air Conditioning Systems				
Small	-	171	-	-0.0002
Medium	-	97	-	-0.0001
Large	-	229	-	-0.0002
Air Conditioning Total		497		-0.0005
Proposed Project Total	3.5	6,346	4,618	3.5

III.d) PAR 1415/PR 1415.1 is not expected to expose sensitive receptors to substantial pollutant concentrations. Increased vehicle trips to monitor for leaks may be required. A portion of the trips would generate diesel exhaust particulates, which have carcinogenic and chronic noncarcinogenic effects, but these requirements are a part of CARB's Refrigerant Management Program, which is required for adoption/implementation. The FSOR for CARB's Refrigerant Management Program stated that all impacts were less than significant.

The proposed project would result in an overall reduction of refrigerant emissions; therefore, it would result in an overall reduction in any toxic impacts from these refrigerants. The reductions would be seen primarily from large and medium refrigeration systems because of increased frequency of leak detection and monitoring (monthly for large systems and quarterly for medium, which is an increase from the current annual schedule for all size systems in the existing Rule 1415). The leak detection and monitoring frequency would not increase for small systems, which would remain on the annual schedule currently required by the existing Rule 1415.

For small systems, the extended repair time from 14 days to 45 days, 120 days or three years may result in greater refrigerant emissions/concentrations. To qualify for the 120-day repair period a facility must be subject to Mandatory Greenhouse Gas Emissions Reporting under section 95101 of the Health and Safety code. Such facilities include electricity generating facilities, electricity retail providers and power marketers, oil refineries, hydrogen plants, cement plants, cogeneration facilities, and industrial sources that emit over 25,000 MTCO2E per year

from stationary source combustion. Therefore, small systems are not likely to qualify for the 120-day exemption.

Impacts to sensitive receptors are evaluated from near-by affected facilities. Therefore, emission reductions foregone from the proposed project in Table 2-3 are presented by facility in Tables 2-4 and 2-5. Based on the average leak rate, the number of systems, and average repair time of 31 days (45 days – 14 days), approximately 10 pounds per year or 0.3 pound per day of refrigerant could be emitted at a single facility because of repair time extensions in the proposed rule. These emissions are summarized in Table 2-4 and detailed calculations are included in Appendix B.

**Table 2-4
Incremental Increase in Refrigerant Emissions from
45-day Repair Time Extension at Small Facilities**

Equipment Category	2020 No. of Systems	Total ODS Emissions Foregone due to 45-day Repair (MTCO₂E/year)	ODS Emissions Foregone due to 45-day Repair per System (lb CO₂E/year)	ODS Emissions Foregone due to 45-day Repair per System (lb CO₂E/day)
Refrigerant Condensing Units	36,814	109	6.6	0.2
Unitary Air Conditioners	37,631	171	10.0	0.3

Note: the emissions present would be the incremental increase over the current 14-day leak repair period allowed in the current rule. This would be an increase of 31 days (45-days -14-days).

Based on conversations with CARB staff, a three-year extension may apply to one of 200 facilities. Using the average leak rate, the number of systems, and average repair time of 351 days per year (365 days – 14 days), approximately 1,056,657 pounds (528 tons) per year or 3,010 (1.5 tons) pound per day of refrigerant could be emitted at a single facility (large cold storage facility) because of three-year repair time extensions in the proposed rule. These emissions are summarized in Table 2-5 and detailed calculations are included in Appendix B.

EPA has an excerpt from a refrigerant safety article originally printed in the ASHRAE Journal, July 1994, pp 17-16) on the EPA webpage <http://www.epa.gov/ozone/snap/refrigerants/safety.html>. All refrigerants regulated by the proposed project have an ASHRAE Standard 34 rating of A1 or B1. ASHRAE Standard 34 ratings comprise a letter rating for toxicity and a numeric rating for flammability. A rating of “A” means that no toxicity is suspected at concentrations below 400 ppm. A rating of “B” means that evidence of toxicity below 400 ppm is suspected. All refrigerants in the CARB inventory were given an “A” rating except for R-123, which was given a “B” rating. The ASHRAE article states that “test of R-123 indicate that it has a very low acute inhalation toxicity,” “based on the finding of extensive testing, R-123 has been deemed to have low toxicity,” and in regards to time weighted averages “occupational exposures can be held well below even the most stringent of these recommendations.” The EPA excerpt of the ASHRAE article includes figures that show that concentrations from leaks in machinery rooms and from internal service were measured to be below 30 ppm, which is the recommended time weighted average (TWA). The ASHRAE table of toxic and flammability parameters is included in Appendix B of this document. The table has been expanded to include toxic and

flammability parameters from R-404A, R-410A and R-407C, which were included in CARB’s FSOR for the RMP. Concentrations from refrigerants off-site are expected to be less than that on-site because of dispersion. Therefore, off-site exposures are expected to be below TWA values also.

There are no health risk values available from EPA, CARB or OEHHA for refrigerants. Since no health risk values are available from EPA, CARB or OEHHA, and based on the analysis in the ASHRAE article posted on the EPA website, SCAQMD staff does not expect significant health risk impacts from the proposed project.

**Table 2-5
Incremental Increase in Refrigerant Emissions from
Three-Year Repair Time Extension at Affected Facilities**

Equipment Category and Size	No. of Systems	ODS Emissions Foregone due to Three-Year Repair (MTCO₂E/yr)	ODS Emissions Foregone due to Three-Year Repair per Facility (MTCO₂E/yr)	ODS Emissions Foregone due to Three-Year Repair per Facility (lb CO₂E/yr)	ODS Emissions Foregone due to Three-Year Repair per Facility (lb CO₂E/day)
Centralized System - Large	855	294	76	167,310	477
Centralized System - Medium	17,812	1,733	21	47,380	135
Cold Storage - Large	760	1,649	479	1,056,657	3,010
Cold Storage - Medium	2,137	347	36	79,116	225
Process Cooling - Large	323	286	196	431,232	1,229
Refrigeration: Condensing Units - Small	36,814	310	2	4,098	12

III.e) Odor problems depend on individual circumstances. For example, individuals can differ quite markedly from the population average in their sensitivity to odor due to any variety of innate, chronic or acute physiological conditions. This includes olfactory adaptation or smell fatigue (i.e., continuing exposure to an odor usually results in a gradual diminution or even disappearance of the smell sensation).

Increased vehicle trips to monitor for leaks are required. These trips would generate exhaust, which could generate additional odor impacts. However, the addition of one vehicle trips per quarter for medium-sized refrigeration systems or one vehicle trip per month for large-sized refrigeration systems is not expected to generate significant odor impacts from diesel exhaust.

Odor thresholds for R-12, R-22 and R-502 are listed as between 4,800 and 4,900 ppm.⁴ Based on the ASHRAE document cited above (see III.d)), the GHG concentrations from leaks and repair should be below 30 ppm. Therefore, no odor impacts are expected from the proposed project.

II.f) PAR 1415/PR 1415.1 would have no affect on criteria pollutant or VOC emissions. It may result in GHG emissions foregone. However, because the GHG emissions foregone are less than the expected GHG emissions reductions (see III. g) & h)),⁵ it is not expected to diminish an existing air quality rule or a future compliance requirement resulting in a significant increase in an air pollutant.

III. g) & h) Global warming is the observed increase in average temperature of the earth's surface and atmosphere. The primary cause of global warming is an increase of GHG emissions in the atmosphere. The six major types of GHG emissions identified in the Kyoto Protocol and in CARB's RMP regulation are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs). The GHG emissions absorb longwave radiant energy emitted by the earth, which warms the atmosphere. The GHGs also emit longwave radiation both upward to space and back down toward the surface of the earth. The downward part of this longwave radiation emitted by the atmosphere is known as the "greenhouse effect."

The current scientific consensus is that the majority of the observed warming over the last 50 years can be attributable to increased concentration of GHG emissions in the atmosphere due to human activities. Events and activities, such as the industrial revolution and the increased consumption of fossil fuels (e.g., combustion of gasoline, diesel, coal, etc.), have heavily contributed to the increase in atmospheric levels of GHG emissions. As reported by the California Energy Commission (CEC), California contributes 1.4 percent of the global and 6.2 percent of the national GHG emissions (CEC, 2004). Further, approximately 80 percent of GHG emissions in California are from fossil fuel combustion (e.g., gasoline, diesel, coal, etc.).

As stated above, the proposed project would result in a reduction of high GWP refrigerant emissions of 3.5 million metric tons of CO₂E per year. Therefore, PAR 1415/PR 1415.1 is not expected to be significant for adverse GHG impacts or conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of GHGs.

Conclusion

Based on the preceding evaluation of air quality impacts from PAR 1415/PR 1415.1, SCAQMD staff has concluded that proposed project would not generate significant adverse impacts to air quality or GHG impacts. Therefore, these topics will not be further evaluated in this Draft EA and mitigation measures are not required.

⁴ <http://hcrefrigerant.com/msds.htm>.

⁵ On December 5, 2008, the SCAQMD Governing Board adopted the staff proposal for an interim GHG significance threshold for projects where the SCAQMD is lead agency. The board letter, resolution, interim GHG significance threshold, draft guidance document and attachments can be found under the Board Agenda Item 31 (<http://www.aqmd.gov/hb/2008/December/081231a.htm>) on the December 5, 2008, Governing Board meeting agenda.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
IV. BIOLOGICAL RESOURCES.				
Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by §404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Conflicting with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts on biological resources will be considered significant if any of the following criteria apply:

- The project results in a loss of plant communities or animal habitat considered to be rare, threatened or endangered by federal, state or local agencies.
- The project interferes substantially with the movement of any resident or migratory wildlife species.
- The project adversely affects aquatic communities through construction or operation of the project.

Discussion

IV.a), b), c), & d) The proposed project would expand the scope of Rule 1415 to include emissions and anticipated emission reductions from high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions. Extending the repair time from the existing rule to the repair times in PAR 1415/PR 1415.1 is not expected to affect biological resources since repair activities occur on site at affected facilities. Automated leak detection and monitoring systems would be installed around refrigeration systems in existing structures within the boundaries of affected large facilities. Refrigeration systems that are not enclosed are not required to install automated leak detection and monitoring systems. The installation of the automatic leak detection and monitoring systems is not expected to require the use of heavy construction equipment. The equipment is light enough that forklifts are not expected to be needed and would be placed on existing paved surfaces. Since, no major construction-related activities would be associated with the implementation of PAR 1415/PR 1415.1, no construction impacts are expected. Operations relating to PAR 1415/PR 1415.1 would occur within the boundaries of existing facilities. As a result, implementing PAR 1415/PR 1415.1 is not expected to adversely affect in any way habitats that support riparian habitat, are federally protected wetlands, or are migratory corridors. Similarly, since implementing PAR 1415/PR 1415.1 would not require construction of any structures, special status plants, animals, or natural communities are not expected to be adversely affected.

IV.e) & f) It is not envisioned that PAR 1415/PR 1415.1 would conflict with local policies or ordinances protecting biological resources or local, regional, or state conservation plans because the proposed project does not require construction of any structures or new development in undeveloped areas. Additionally, PAR 1415/PR 1415.1 would not conflict with any adopted Habitat Conservation Plan, Natural Community Conservation Plan, or any other relevant habitat conservation plan for the same reason.

The SCAQMD, as the Lead Agency for the proposed project, has found that, when considering the record as a whole, there is no evidence that PAR 1415/PR 1415.1 would have potential for any new adverse effects on wildlife resources or the habitat upon which wildlife depends. Accordingly, based upon the preceding information, the SCAQMD has, on the basis of substantial evidence, rebutted the presumption of adverse effect contained in §753.5 (d), Title 14 of the California Code of Regulations.

Based upon these considerations, significant adverse biological resources impacts are not anticipated and will not be further analyzed in this Draft EA. Since no significant adverse biological resources impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
V. CULTURAL RESOURCES. Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource as defined in §15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource, site, or feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Disturb any human remains, including those interred outside formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts to cultural resources will be considered significant if:

- The project results in the disturbance of a significant prehistoric or historic archaeological site or a property of historic or cultural significance to a community or ethnic or social group.
- Unique paleontological resources are present that could be disturbed by construction of the proposed project.
- The project would disturb human remains.

Discussion

V.a), b), c), & d) The proposed project would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions. Extending the repair time from the existing rule to the repair times in PAR 1415/PR 1415.1 is not expected to affect cultural resources since repair activities occur on site at affected facilities. Automated leak detection and monitoring systems would be installed around refrigeration systems in existing structures within the boundaries of affected large facilities. Refrigeration systems that are not enclosed are not required to install automated leak detection and monitoring systems. The installation of the automatic leak detection and monitoring systems is not expected to require the use of heavy construction equipment. The equipment is light enough that forklifts are not expected to be needed and would

be placed on existing paved surfaces. Since no major construction-related activities would be associated with the implementation of PAR 1415/PR 1415.1, no impacts to historical or cultural resources are anticipated to occur as a result of implementing the proposed project. Further, PAR 1415/PR 1415.1 is not expected to require physical changes to the environment, which may disturb paleontological or archaeological resources or disturb human remains interred outside of formal cemeteries.

Based upon these considerations, significant adverse cultural resources impacts are not expected from implementing PAR 1415/PR 1415.1 and will not be further assessed in this Draft EA. Since no significant cultural resources impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
VI. ENERGY. Would the project:				
a) Conflict with adopted energy conservation plans?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the need for new or substantially altered power or natural gas utility systems?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Create any significant effects on local or regional energy supplies and on requirements for additional energy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Create any significant effects on peak and base period demands for electricity and other forms of energy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Comply with existing energy standards?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts to energy and mineral resources will be considered significant if any of the following criteria are met:

- The project conflicts with adopted energy conservation plans or standards.
- The project results in substantial depletion of existing energy resource supplies.
- An increase in demand for utilities impacts the current capacities of the electric and natural gas utilities.
- The project uses non-renewable resources in a wasteful and/or inefficient manner.

Discussion

VI.a) & e) The proposed project would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR

1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions.

Extending the repair time from the existing rule to the repair times in PAR 1415/PR 1415.1 is not expected to affect energy use. The same energy use would be required to correct leaks, but over a potentially longer time period. Automated leak detection systems would be installed around refrigeration systems within the boundaries of affected large facilities. The installation of the automatic monitoring systems is not expected to require the use of heavy construction equipment. The equipment is light enough that forklifts are not expected to be used. Since no major construction-related activities would be associated with the implementation of PAR 1415/PR 1415.1, there would be no construction energy impacts from PAR 1415/PR 1415.1.

Additional leak inspecting, leak detecting and monitoring, and reporting requirements is expected to create little or no additional demand for energy since these operations would be carried out using handheld or automatic detectors or monitors which are expected to use minimal energy use. The requirement for automatic leak detection system for refrigeration systems is included in the RMP adopted by CARB. Since CARB's regulation has already undergone an environmental analysis, no further review is required. Other than leak detection and monitoring equipment no environmental impacts were identified by CARB, PAR 1415/PR 1415.1 would not conflict with energy conservation plans, use non-renewable resources in a wasteful manner, or result in the need for new or substantially altered power or natural gas systems. Since PAR 1415/PR 1415.1 would not require the installation of air pollution control equipment or the construction of other structures, the proposed project would not conflict with adopted energy conservation plans. Additionally, facility operators who operate refrigeration or air conditioning equipment are expected to comply with any relevant existing energy conservation plans and standards to minimize operating costs.

VI.b), c), & d) Leak detecting and monitoring equipment would use minimal amounts of energy and because leak detection and monitoring was part of the project that has already undergone an environmental analysis by CARB, PAR 1415/PR 1415.1 is not expected to create any significant adverse effects on peak and base period demands for electricity, natural gas, or other forms of energy, or adversely affect energy producers or energy distribution infrastructure.

Based on the preceding discussion, PAR 1415/PR 1415.1 would not create any significant effects on peak and base period demands for electricity and other forms of energy and it is expected to comply with existing energy standards. Therefore, PAR 1415/PR 1415.1 is not expected to generate significant adverse energy resources impacts and will not be discussed further in this Draft EA. Since no significant energy impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
VII. GEOLOGY AND SOILS. Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts on the geological environment will be considered significant if any of the following criteria apply:

- Topographic alterations would result in significant changes, disruptions, displacement, excavation, compaction or over covering of large amounts of soil.

- Unique geological resources (paleontological resources or unique outcrops) are present that could be disturbed by the construction of the proposed project.
- Exposure of people or structures to major geologic hazards such as earthquake surface rupture, ground shaking, liquefaction or landslides.
- Secondary seismic effects could occur which could damage facility structures, e.g., liquefaction.
- Other geological hazards exist which could adversely affect the facility, e.g., landslides, mudslides.

Discussion

VII.a) The proposed project would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PAR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PAR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions. Extending the repair time from the existing rule to the repair times in PAR 1415/PR 1415.1 is not expected to affect geology and soils since these activities occur on site at affected facilities, which are expected to be paved. Automated leak detection systems would be installed around refrigeration systems enclosed in structures within the boundaries of affected large facilities. The installation of the automatic monitoring systems is not expected to require the use of heavy construction equipment. Other than leak detection and monitoring equipment, there are no provisions in PAR 1415/PR 1415.1 that would require the construction of new or modified structures or the construction of air pollution control equipment that would call for the disruption or overcovering of soil, changes in topography or surface relief features, the erosion of beach sand, or a change in existing siltation rates. For these reasons, PAR 1415/PR 1415.1 would not expose persons or property to geological hazards such as earthquakes, landslides, mudslides, ground failure, or other natural hazards.

VII.b) Other than leak detection and monitoring equipment, PAR 1415/PR 1415.1 does not require the installation of air pollution control equipment or the construction of other structures. Since PAR 1415/PR 1415.1 would not involve major construction activities, no soil disruption from excavation, grading, or filling activities; changes in topography or surface relief features; erosion of beach sand; or changes in existing siltation rates are anticipated from the implementation of the proposed project.

VII.c) Other than leak detection and monitoring equipment, since no major construction activities would be necessary, no excavation, grading, or filling activities will be required to comply with the proposed project. Further, all compliance activities, i.e., installation of leak detection and monitoring equipment would occur in existing structures at affected industrial or commercial facilities. Further, the proposed project would not require the drilling or removal of underground products (e.g., water, crude oil, etc.) that could produce subsidence effects. For these reasons, subsidence impacts are not anticipated. Since no groundwork or earth moving activities would be required as part of implementing PAR 1415/PR 1415.1, no new landslides effects or changes to unique geologic features would occur.

VII.d) & e) Other than leak detection and monitoring equipment, PAR 1415/PR 1415.1 would not require the installation of control equipment or the construction of any structures that would involve earth-moving activities. Further, all compliance activities, i.e., installation of leak

detection and monitoring equipment would occur in existing structures at affected industrial or commercial facilities. Therefore, no persons or property would be exposed to new impacts from expansive soils or soils incapable of supporting water disposal. Further, PAR 1415/PR 1415.1 does not involve installation of septic tanks or other alternative waste water disposal systems.

Based upon these considerations, significant geology and soils impacts are not expected from the implementation of PAR 1415/PR 1415.1 and will not be further analyzed in this Draft EA. Since no significant geology and soils impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
VIII. HAZARDS AND HAZARDOUS MATERIALS. Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, and disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions, or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code §65962.5 and, as a result, would create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public use airport or a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Significantly increased fire hazard in areas with flammable materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts associated with hazards will be considered significant if any of the following occur:

- Non-compliance with any applicable design code or regulation.
- Non-conformance to National Fire Protection Association standards.
- Non-conformance to regulations or generally accepted industry practices related to operating policy and procedures concerning the design, construction, security, leak detection, spill containment or fire protection.
- Exposure to hazardous chemicals in concentrations equal to or greater than the Emergency Response Planning Guideline (ERPG) 2 levels.

Discussion

VIII.a), b) & c) The proposed project would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions.

Automated leak detection systems would be installed around refrigeration systems within the boundaries of affected large facilities. The installation of the automatic monitoring systems is not expected to require the use of heavy construction equipment. Since no major construction-related activities would be associated with the implementation of PAR 1415/PR 1415.1, there would be no significant construction hazardous/hazardous material impacts from PAR 1415/PR 1415.1.

The proposed project is expected to reduce of high GWP refrigerant emissions from large and medium systems since the refrigerant emission reductions from leak detection and monitoring are greater than the emissions foregone from extending leak repair time. As analyzed in Air

Quality III.d), small facilities may generate additional refrigerant emissions because of the 45-day repair time extension. Any facility qualifying for one of the three-year exemptions may also generate additional refrigerant emissions. However, since refrigerants do not have health values established by EPA, CARB or OEHHA, the refrigerant emissions are not considered hazardous emissions.

EPA has an excerpt from a refrigerant safety article originally printed in the ASHRAE Journal, July 1994, pp 17-16) on their webpage <http://www.epa.gov/ozone/snap/refrigerants/safety.html>. All refrigerants regulated by the proposed project have an ASHRAE Standard 34 rating of A1 or B1. ASHRAE Standard 34 ratings comprise a letter rating for toxicity and a numeric rating for flammability. A rating of “A” means that no identified toxicity is suspected at concentrations below 400 ppm. A rating of “B” means that evidence of toxicity below 400 ppm is suspected. A rating of “one” means that no lower flammable limit (LFL) is expected based on a modified ASTM E681-85 test. A rating of “two” means that the LFL is less than 0.10 kilograms per cubic meter and heat of combustion is less than 19,000 kilojoules per kilogram. Since all refrigerants regulated by the proposed project were given a “one” rating, the proposed project is not expected to generate any hazards from flammability. All refrigerants in the CARB inventory were given an “A” rating except for R-123, which was given a “B” rating. The ASHRAE article states that “test of R-123 indicate that it has a very low acute inhalation toxicity,” “based on the finding of extensive testing, R-123 has been deemed to have low toxicity,” and in regards to time weighted averages “occupational exposures can be held well below even the most stringent of these recommendations.” The EPA excerpt of the ASHRAE article includes figures that show that concentrations from leaks in machinery rooms and from internal service were measured to be below 30 ppm, which is the commended TWA. The ASHRAE table of toxic and flammability parameters is included in Appendix B of this document. The table has been expanded to include toxic and flammability parameters from R-404A, R-410A and R-407C, which were included in CARB’s staff report for the RMP. Concentrations from refrigerants off-site are expected to be less than that on-site because of dispersion. Therefore, off-site exposures are expected to below TWA values also.

Based on the above analysis, the proposed project is not expected to create a significant hazard to the public or the environment through the routine transport, use and disposal of hazardous material, since no increase in transport, use or disposal of hazardous material is expected. The proposed project is not expected to create a significant hazard to the public or the environment through reasonably foreseeable upset conditions involving the release of hazardous materials into the environment; or emit hazardous emissions, or handle hazardous or acutely hazardous materials, substances or waste within one-quarter mile of an existing or proposed school; since refrigerants were not to be flammable and health risks are expected to be less than significant.

VIII.d) Government Code §65962.5 typically refers to a list of facilities that may be subject to Resource Conservation and Recovery Act (RCRA) permits. Since the proposed project regulate the use of refrigerants within closed systems, it is not expected to directly impact facilities affected by Government Code §65962.5. Facilities that are subject to Resource Conservation and Recovery Act (RCRA) permits may have refrigeration or air conditioning units; however, affected facilities would be expected to continue to manage any and all hazardous materials and hazardous waste, in accordance with federal, state and local regulations. Additional leak detection and monitoring and extending leak repair time periods are not expected to interfere with existing hazardous waste management programs.

VIII.e) As stated above and in III. Air Quality and Greenhouse Gas Emissions, extending repair time periods may temporarily generate GHG emissions from refrigerants at individual affected facilities, these emissions are not considered hazardous.

The only additional equipment required is automatic leak detection systems, which are only required for large systems that are enclosed by a structure; thus the proposed project would not increase the heights of any structures at affected facilities. Therefore, the proposed project is not expected to generate hazards that adversely affect public/private airports located in close proximity to the affected sites since these devices are not expected to exceed the height of existing structures at affected facilities.

VIII.f) Since PAR 1415/PR 1415.1 is not expected to involve the use of hazardous material or activities, PAR 1415/PR 1415.1 is not expected to impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan.

VIII.g) All activities relating to PAR 1415/PR 1415.1 are expected to occur within existing affected industrial or commercial sites in urban areas where wildlands are typically not prevalent. Since PAR 1415/PR 1415.1 is not expected to involve the use of flammable materials (see VIII a), b) & c) above), risk of loss or injury associated with wildland fires is not expected as a result of implementing PAR 1415/PR 1415.1. Therefore, PAR 1415/PR 1415.1 is not expected to be significant for exposing people or structures to risk of loss, injury or death involving wildland fires.

Based upon these considerations, significant hazards and hazardous materials impacts are not expected from the implementation of PAR 1415/PR 1415.1 and will not be further analyzed this Draft EA. Since no significant hazards and hazardous materials impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
IX. HYDROLOGY AND WATER QUALITY. Would the project:				
a) Violate any water quality standards, waste discharge requirements, exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board, or otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g. the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in substantial erosion or siltation on- or off-site or flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Place housing or other structures within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map, which would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam, or inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
g) Require or result in the construction of new water or wastewater treatment facilities or new storm water drainage facilities, or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Potential impacts on water resources will be considered significant if any of the following criteria apply:

Water Demand:

- The existing water supply does not have the capacity to meet the increased demands of the project, or the project would use more than 262,820 gallons per day of potable water.
- The project increases demand for total water by more than five million gallons per day.

Water Quality:

- The project will cause degradation or depletion of ground water resources substantially affecting current or future uses.
- The project will cause the degradation of surface water substantially affecting current or future uses.
- The project will result in a violation of National Pollutant Discharge Elimination System (NPDES) permit requirements.
- The capacities of existing or proposed wastewater treatment facilities and the sanitary sewer system are not sufficient to meet the needs of the project.
- The project results in substantial increases in the area of impervious surfaces, such that interference with groundwater recharge efforts occurs.
- The project results in alterations to the course or flow of floodwaters.

Discussion

IX. The proposed project would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions. No additional water or wastewater is expected to be used to repair refrigeration systems. Leak repair activities are relatively minor consisting of soldering copper tubes; tightening or existing connections; and replacing components such as refrigerant lines, gaskets, solenoid valves and expansion valves. Since the refrigerant systems do not use water and the repairs described above do not require no new water use or wastewater generation is expected. In addition, CARB staff did not expect that the RMP would reduce the number or percentage of leaking refrigeration/air conditioning systems, but inspection and maintenance best management practices would cause leaks to be detected and repaired more quickly and completely. Therefore, PR 1415.1 would result in the same repairs made earlier. Leak detecting and monitoring, and reporting requirements would require visual operation or sensors that would not use water or generate wastewater.

IX. b), h) & i) The only construction required by the proposed project would be the installation of automatic leak detection and monitoring systems in existing structures within the boundaries of affected facilities. Refrigerant systems that are not enclosed would not be required to install automatic leak detection and monitoring systems. The construction is not expected to require the use of heavy construction equipment. The monitors and control panels for the automatic leak detection and monitoring systems are expected to be placed around refrigerant systems by an electrician on existing paved surfaces. The systems are light enough that forklifts are not expected to be required. Since no water use would be required to install the installation of automatic leak detection and monitoring systems, there would be no impacts to water use or wastewater generation from construction.

As described in IX.a) above, since leak repair activities, and leak detecting and monitoring, and reporting activities would not use water the proposed project would not substantially deplete groundwater supplies or interfere substantially with groundwater recharge, affect available water supplies or require a determination by a wastewater treatment provider.

IX.c), & d) Automated leak detection and monitoring systems would be installed around refrigeration systems in existing structures within the boundaries of affected large facilities. As described IX.b) above, leak detecting and monitoring systems would be installed within existing structures on existing paved surfaces. With the exception of installation of leak detection and monitoring equipment, since the proposed project does not involve major construction activities, no new increases to storm water runoff, drainage patterns, groundwater characteristics, or flow are expected.

CARB staff did not expect that the RMP would reduce the number or percentage of leaking refrigeration/air conditioning systems, but inspection and maintenance best management practices would cause leaks to be detected and repaired more quickly and completely. As described in IX.a) above, these repairs are not expected to use or generate any wastewater. Therefore, these impact areas are not expected to be affected by PAR 1415/PR 1415.1.

IX.e), & f) The proposed project regulates affected facilities that use 50 pounds or more of refrigerants, which refers to primarily to industrial or commercial facilities. For this reason, extending the repair time from the existing rule to the repair times in PAR 1415/PR 1415.1 is not expected to affect hydrology or water quality. PAR 1415/PR 1415.1 is not expected to generate the construction of new housing or contribute to the construction of new building structures because no facility modifications or changes are expected to occur at existing affected facilities. Further, PAR 1415/PR 1415.1 is not expected to require additional workers at affected facilities or sites; existing workers/contractor are expected to be able to handle the extended leak repair time; and additional leak inspection, leak detection and monitoring, and reporting requirements. Therefore, PAR 1415/PR 1415.1 is not expected to generate construction of any new structures in 100-year flood areas as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood delineation map. Further, PAR 1415/PR 1415.1 is not expected to expose persons or structures to significant new flooding risks, or make worse any existing flooding risks than currently exists because no new structure would be necessary to implement PAR 1415/PR 1415.1. Finally, PAR 1415/PR 1415.1 would not affect in any way any potential flood hazards inundation by seiche, tsunami, or mud flow that may already exist relative to existing affected facilities.

IX.g) As indicated in the discussion in IX above, leak detection and repair of air conditioners or refrigeration systems is not expected to result in significant water or wastewater volumes and compositions. As a result, PAR 1415/PR 1415.1 is not expected to result in the construction of new water or wastewater treatment facilities.

PAR 1415/PR 1415.1 would not cause an increase in storm water discharge, since no major construction activities are required or expected. Further, no new areas at existing affected facilities are expected to be paved, so the proposed project would not increase storm water runoff during operation. Therefore, no new storm water discharge treatment facilities or modifications to existing facilities would be required as a result of implementing PAR 1415/PR 1415.1. Accordingly, PAR 1415/PR 1415.1 is not expected to generate any significant adverse impacts relative to construction of new storm water drainage facilities.

Based upon these considerations, significant hydrology and water quality impacts are not expected from the implementation of PAR 1415/PR 1415.1 and will not be further analyzed in this Draft EA. Since no significant hydrology and water quality impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
X. LAND USE AND PLANNING.				
Would the project:				
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Land use and planning impacts will be considered significant if the project conflicts with the land use and zoning designations established by local jurisdictions.

Discussion

X.a) The proposed project would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PAR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PAR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions. Extending the repair time from the existing rule to the repair times in PAR 1415/PR 1415.1 and therefore, would not be expected to affect land use and planning since these activities occur on-site at affected facilities, which are required to comply with local zoning. Additional leak inspecting, leak detecting and monitoring, and reporting requirements would not affect land use and planning impacts for the same reasons. With the exception of installing leak detection and monitor equipment in existing structures within affected facilities, PAR 1415/PR 1415.1 would not involve the construction of any air pollution control equipment or structures; therefore, it would not result in physically dividing an established community.

X.b) There are no provisions in PAR 1415/PR 1415.1 that would affect land use plans, policies, or regulations. Land use and other planning considerations are determined by local governments and no land use or planning requirements would be altered by PAR 1415/PR 1415.1 requirements for repair, leak inspecting, leak detecting and monitoring.

Based upon these considerations, significant land use and planning impacts are not expected from the implementation of PAR 1415/PR 1415.1 and will not be further analyzed in this Draft EA. Since no significant land use and planning impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XI. MINERAL RESOURCES. Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Project-related impacts on mineral resources will be considered significant if any of the following conditions are met:

- The project would result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state.
- The proposed project results in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan.

Discussion

XI.a) & b) The proposed project would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions. There are no provisions in PAR 1415/PR 1415.1 that would result in the loss of availability of a known mineral resource of value to the region and the residents of the state, or of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan. Some examples of mineral resources are gravel, asphalt, bauxite, and gypsum, which are commonly used for construction activities or industrial processes. Repair and leak detection and monitoring requirements of PAR 1415/PR 1415.1 would have no effects on the use of important minerals, such as those described above. Therefore, no new demand on mineral resources is expected to occur and significant adverse mineral resources impacts from implementing PAR 1415/PR 1415.1 are not anticipated.

Based upon these aforementioned considerations, significant mineral resources impacts are not expected from the implementation of PAR 1415/PR 1415.1 and will not be further analyzed in this Draft EA. Since no significant mineral resources impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XII. NOISE. Would the project result in:				
a) Exposure of persons to or generation of permanent noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public use airport or private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts on noise will be considered significant if:

- Construction noise levels exceed the local noise ordinances or, if the noise threshold is currently exceeded, project noise sources increase ambient noise levels by more than three decibels (dBA) at the site boundary. Construction noise levels will be considered significant if they exceed federal Occupational Safety and Health Administration (OSHA) noise standards for workers.
- The proposed project operational noise levels exceed any of the local noise ordinances at the site boundary or, if the noise threshold is currently exceeded, project noise sources increase ambient noise levels by more than three dBA at the site boundary.

Discussion

XII.a) The proposed project would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions.

Leak repair activities are relatively minor consisting of soldering copper tubes; tightening or existing connections; and replacing components such as refrigerant lines, gaskets, solenoid

valves and expansion valves. CARB staff did not expect that the RMP would reduce the number or percentage of leaking refrigeration/air conditioning systems, but inspection and maintenance best management practices would cause leaks to be detected and repaired more quickly and completely. PAR 1415/PR 1415.1 is not expected to lengthen the amount of work required to make repairs, but to allow more time between when leak is found and when repairs are made. The additional time would be granted because a certified technician is not available, parts are unavailable, or to schedule time for an industrial process to be shutdown. Repairs may also be delayed because the life-cycle, economic hardship or natural disaster exemptions. However, since the same repairs would be made only at a later date no adverse impacts are expected from allowing more time before a leak is repaired. Therefore, extending the repair time from the existing rule to the repair times in PAR 1415/PR 1415.1 is not expected to increase exposure of persons to or generate permanent noise levels in excess of standards established in the local general plan or noise ordinance or applicable standards of other agencies.

Automated leak detection and monitoring systems would be installed around refrigeration systems within the boundaries of affected large facilities. The installation of the automatic monitoring systems is not expected to require the use of heavy construction equipment. Since heavy construction equipment would not be required, no significant construction noise impacts are expected.

Leak detection and monitoring would involve the use of visual inspection or automated leak detection systems which are not considered excessively noisy. Increasing the frequency of leak detection and monitoring operations to monthly and quarterly is not expected to expose persons to the generation of excessive noise levels above current facility levels. Therefore, the existing noise levels are unlikely to change and raise ambient noise levels in the vicinities of the affected facilities to above a level of significance in response to implementing PAR 1415/PR 1415.1. Further, Occupational Safety and Health Administration (OSHA) and California-OSHA have established noise standards to protect worker health at distribution and retail locations.

XII.b) PAR 1415/PR 1415.1 is not anticipated to expose persons to or generate excessive construction groundborne vibration or groundborne noise levels since no major construction activities are expected. As stated above the same leak repair activities are expected under the proposed project only with repair time period extensions. The extended repair time periods are not expected to lengthen the actual repair activities, but allow additional time to find certified technician, parts that are not locally available or schedule time for an industrial process to be shutdown. Repairs may also be delayed because the life-cycle, economic hardship or natural disaster exemptions. The same repairs are expected but would only be made at a later date. Automatic leak detection and monitoring equipment is not expected to generate vibrations or excessive noise. In addition, the equipment would be placed in existing structures within affected facilities. Therefore, the proposed project requirements would not involve the installation of or operation of equipment that would generate excessive vibrations and noise.

XII.c) No increase in periodic or temporary ambient noise levels in the vicinity of affected facilities above levels existing prior to PAR 1415/PR 1415.1 is anticipated because the proposed project would not require construction-related activities but would increase the frequency of existing activities currently performed by affected facility owners/operators, which do not involve excessive noise. See also the response to item XII.a).

XII.d) Even if affected sites are located near public/private airports, no new noise impacts would be expected since leak inspecting, leak detecting and monitoring, and reporting requirements are not considered noise intensive activities. Thus, PAR 1415/PR 1415.1 is not expected to expose persons residing or working in the vicinity of public or private airports to excessive noise levels.

Based upon these considerations, significant noise impacts are not expected from the implementation of PAR 1415/PR 1415.1 and will not be further evaluated in this Draft EA. Since no significant noise impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XIII. POPULATION AND HOUSING.				
Would the project:				
a) Induce substantial growth in an area either directly (for example, by proposing new homes and businesses) or indirectly (e.g. through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Displace substantial numbers of people or existing housing, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts of the proposed project on population and housing will be considered significant if the following criteria are exceeded:

- The demand for temporary or permanent housing exceeds the existing supply.
- The proposed project produces additional population, housing or employment inconsistent with adopted plans either in terms of overall amount or location.

Discussion

XIII.a) The proposed project would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions. The proposed project is not anticipated to generate any significant effects, either direct or indirect, on the district's population or population distribution as no additional workers are anticipated to be required to comply with PAR 1415/PR 1415.1. Human population within the jurisdiction of the SCAQMD is anticipated to grow regardless of

implementing PAR 1415/PR 1415.1. As such, PAR 1415/PR 1415.1 would not result in changes in population densities or induce significant growth in population.

XIII.b) Extending the repair time from the existing rule to the repair times in PAR 1415/PR 1415.1 is not expected to affect population and housing since the same workers that repair leaks now are expected to be used under PAR 1415/PR 1415.1.

PAR 1415/PR 1415.1 is not expected to substantially alter existing leak inspecting, leak detecting and monitoring, and reporting requirements operations. The proposed project is expected to increase the frequency of leak inspecting, leak detecting and monitoring, and reporting requirements, but these activities are expected to be completed by the same people who currently complete leak inspecting, leak detecting and monitoring, and reporting requirements. Consequently, PAR 1415/PR 1415.1 is not expected to result in the creation of any industry that would affect population growth, directly or indirectly induce the construction of single- or multiple-family units, or require the displacement of persons or housing elsewhere in the district.

Based upon these considerations, significant population and housing impacts are not expected from the implementation of PAR 1415/PR 1415.1 and will not be further evaluated in this Draft EA. Since no significant population and housing impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XIV. PUBLIC SERVICES. Would the proposal result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the following public services:				
a) Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts on public services will be considered significant if the project results in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, or the need for new or physically altered government facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response time or other performance objectives.

Discussion

XIV. a), b), c) & d) Extending the repair time from the existing rule to the repair times in PAR 1415/PR 1415.1 is not expected to affect public services since these activities occur on-site at affected facilities, but would only potentially be lengthened in time, and would not require increase of public services.

PAR 1415/PR 1415.1 would increase the frequency of leak inspecting, leak detecting and monitoring, and reporting requirements at affected facilities from annually to monthly and quarterly. Similar activities are already required by Rule 1415, and the increased frequency of these tasks is expected to be completed by the same people that currently carry out these or similar operations. In addition, leak inspecting, leak detecting and monitoring, and reporting are typically support operations that do not have any direct impact on public services provided by fire protection departments, police protection departments, schools, parks and other public facilities. Therefore, impacts to fire protection, police protection, schools, parks and other facilities are expected to be minimal.

Based upon these considerations, significant public services impacts are not expected from the implementation of PAR 1415/PR 1415.1 and will not be further evaluated in this draft EA. Since no significant public services impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XV. RECREATION.				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities that might have an adverse physical effect on the environment or recreational services?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts to recreation will be considered significant if:

- The project results in an increased demand for neighborhood or regional parks or other recreational facilities.
- The project adversely affects existing recreational opportunities.

Discussion

XV.a) & b) The proposed project would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions.

As discussed under Land Use and Planning X.a), there are no provisions in PAR 1415/PR 1415.1 that would affect land use plans, policies, or regulations. Land use and other planning considerations are determined by local governments. No land use or planning requirements would be altered by the adoption of PAR 1415/PR 1415.1, which extends the length of time over which repairs can be made; and increases the frequency of leak inspecting, leak detecting and monitoring, and reporting requirements at affected facilities from annually to monthly and quarterly. Further, PAR 1415/PR 1415.1 would not increase the demand for or use of existing neighborhood and regional parks or other recreational facilities or require the construction of new or expansion of existing recreational facilities that might have an adverse physical effect on the environment because it would not directly or indirectly increase or redistribute population.

Based upon these considerations, significant recreation impacts are not expected from the implementation of PAR 1415/PR 1415.1 and will not be further evaluated in this Draft EA. Since no significant recreation impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XVI. SOLID/HAZARDOUS WASTE.				
Would the project:				
a) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Comply with federal, state, and local statutes and regulations related to solid and hazardous waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

The proposed project impacts on solid/hazardous waste will be considered significant if the following occurs:

- The generation and disposal of hazardous and non-hazardous waste exceeds the capacity of designated landfills.

Discussion

XVI.a) & b) PAR 1415 would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions.

It is prohibited to dispose of liquid wastes in landfills. As discussed in the Hydrology and Water Quality IX.a), no liquid wastes are expected to be generated by PAR 1415/PR 1415.1.

Extending the repair time from the existing rule to the repair times in PAR 1415/PR 1415.1 is not expected to generate additional solid or hazardous waste since the only impacts is the potential additional time allowed to make repairs. The same repairs are expected to be made of in the same amount of time, but additional time would be permitted to allow facility operators to schedule a certified technician, receive parts that were unavailable locally or to schedule time for an industrial process to be shutdown. Since similar activities are already done at affected facilities, PAR 1415/PR 1415.1 would not result in the alteration of the composition of a waste stream.

PAR 1415/PR 1415.1 would require the installation of automatic leak detection and monitoring systems at large facilities. No solid or hazardous waste is expected in the installation of the automatic leak detection and monitoring systems. No major construction is expected to comply with PAR 1415/PR 1415.1. Therefore, no construction related solid or hazardous waste is expected from PAR 1415/PR 1415.1.

PAR 1415/PR 1415.1 would require additional leak inspecting, leak detecting and monitoring, and reporting requirements. Since similar activities are already done at affected facilities, PAR 1415/PR 1415.1 would not result in the alteration of the composition of a waste stream. PAR 1415/PR 1415.1 would not change any requirements specific to cleanup, storage or disposal of waste. Based on existing leak inspecting, leak detecting and monitoring, and reporting operations, these tasks are not expected to generate solid or hazardous waste. Therefore, implementing PAR 1415/PR 1415.1 is not expected to generate significant new adverse hazardous waste impacts.

Therefore, there are no significant adverse solid and hazardous waste impacts associated with PAR 1415/PR 1415.1. As a result, no net increase in the amount or character of solid or hazardous waste streams is expected to occur. Further, PAR 1415/PR 1415.1 is not expected to increase the volume of solid or hazardous wastes from affected facilities, require additional waste disposal capacity, or generate waste that does not meet applicable local, state, or federal regulations.

Based upon these considerations, PAR 1415/PR 1415.1 is not expected to increase the volume of solid or hazardous wastes that cannot be handled by existing municipal or hazardous waste disposal facilities, or require additional waste disposal capacity. Further, implementing PAR 1415/PR 1415.1 is not expected to interfere with any affected distributors' or retailers' ability to comply with applicable local, state, or federal waste disposal regulations. Therefore, no significant recreation impacts are expected from the implementation of PAR 1415/PR 1415.1 and will not be further evaluated in this Draft EA. Since no solid/hazardous waste impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XVII. TRANSPORTATION/TRAFFIC.				
Would the project:				
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g. sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Significance Criteria

Impacts on transportation/traffic will be considered significant if any of the following criteria apply:

- Peak period levels on major arterials are disrupted to a point where level of service (LOS) is reduced to D, E or F for more than one month.
- An intersection’s volume to capacity ratio increase by 0.02 (two percent) or more when the LOS is already D, E or F.
- A major roadway is closed to all through traffic, and no alternate route is available.
- The project conflicts with applicable policies, plans or programs establishing measures of effectiveness, thereby decreasing the performance or safety of any mode of transportation.
- There is an increase in traffic that is substantial in relation to the existing traffic load and capacity of the street system.
- The demand for parking facilities is substantially increased.
- Water borne, rail car or air traffic is substantially altered.
- Traffic hazards to motor vehicles, bicyclists or pedestrians are substantially increased.
- The need for more than 350 employees
- An increase in heavy-duty transport truck traffic to and/or from the facility by more than 350 truck round trips per day
- Increase customer traffic by more than 700 visits per day.

Discussion

XVII.a) & b) PAR 1415 would expand the scope of Rule 1415 to include emissions of high GWP refrigerants, remove obsolete provisions and limit the rule applicability to stationary air conditioning systems. PR 1415.1 would include rule requirements, previously in Rule 1415, for controlling refrigerant emissions from stationary refrigeration systems. PR 1415.1 also includes provisions in the CARB Refrigerant Management Program pertaining to the control of high GWP refrigerant emissions.

Extending the repair time from the existing rule to the repair times in PAR 1415/PR 1415.1 may require more trips over an extended period of time, since workers would have to return for more days. However, the numbers of trips each day is expected to be the same or less, since the same activities would need to be performed on a single day.

A single truck trip is expected to be required to install an automatic leak detection system at large facilities. Since only one truck is needed per facility, this is not expected to impact traffic or transportation.

Additional leak inspecting, leak detecting and monitoring, and reporting requirements would not affect daily transportation demands. Currently, the existing Rule 1415 requires annual leak inspecting, leak detecting and monitoring. PAR 1415/PR 1415.1 would require monthly leak inspecting, leak detecting and monitoring at affected large-sized facilities and quarterly leak inspecting, leak detecting and monitoring at affected medium-sized facilities. However, only a single truck is expected at each facility; therefore, no change to traffic or transportation is expected. Therefore, since no substantial increase in operational-related trips are anticipated, implementing PAR 1415/PR 1415.1 is not expected to significantly adversely affect circulation patterns on local roadways or the level of service at intersections near affected facilities or other sites that use these products.

XVII.c) Since the only construction necessary is the installation of automatic leak detection and monitoring systems within existing structures within the boundaries of affected facilities, the height and appearance of the existing structures is not expected to be affected by complying with PAR 1415/PR 1415.1. Refrigeration systems that are not enclosed are not required to install automatic leak detection and monitoring systems. Therefore, implementation of PAR 1415/PR 1415.1 is not expected to adversely affect air traffic patterns. Further, PAR 1415/PR 1415.1 would not affect in any way air traffic in the region because similar activities are already required by the existing rule. PAR 1415/PR 1415.1 would only change frequencies of these activities.

XVII.d) PAR 1415/PR 1415.1 does not require construction of structures or roadways. Further, implementing PAR 1415/PR 1415.1 would not involve modifications to existing roadways. Consequently, implementing the proposed project will not create roadway hazards or incompatible roadway uses.

XVII.e) PAR 1415/PR 1415.1 is not expected to affect or require changes to emergency access at or in the vicinity of the affected facilities since PAR 1415/PR 1415.1 would not require construction or physical modifications of any kind. Installation of automatic leak detection systems are expected to be placed around refrigeration equipment, where vehicle traffic is not expected. Therefore, PAR 1415/PR 1415.1 is not expected to adversely affect emergency access.

XVII.f) PAR 1415/PR 1415.1 would not require construction outside of existing structures at affected facilities or modifications at affected facilities that would conflict with alternative transportation, such as bus turnouts, bicycle racks, etc. Consequently, implementing PAR 1415/PR 1415.1 would not create any conflicts with these modes of transportation.

Based upon these considerations, PAR 1415/PR 1415.1 is not expected to generate significant adverse transportation/traffic impacts and, therefore, this topic will not be considered further in this Draft EA. Since no significant transportation/traffic impacts were identified, no mitigation measures are necessary or required.

	Potentially Significant Impact	Less Than Significant With Mitigation	Less Than Significant Impact	No Impact
XVIII. MANDATORY FINDINGS OF SIGNIFICANCE.				
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Does the project have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

XVIII.a) As discussed in the “Biological Resources” section, PAR 1415/PR 1415.1 is not expected to significantly adversely affect plant or animal species or the habitat on which they rely because the proposed project would only alter the frequency of activities currently required by the existing rule. Refrigerants are used at new or existing institutional, industrial, or commercial sites, however, these sites have already been greatly disturbed and as such, would not typically support habitats or include important examples of the major periods of California history or prehistory. Additionally, special status plants, animals, or natural communities are not expected to be found within close proximity to the institutional, commercial or industrial locations where refrigerants and air conditioning systems are used.

XVIII.b) PAR 1415/PR 1415.1 does not generate project-specific adverse impacts from other environmental topics besides air quality and greenhouse gas emissions, and hazards and

hazardous materials. Cumulative impacts are not considered to be "cumulatively considerable" as defined by CEQA guidelines §15065(a)(3) for these environmental topics. For example, the environmental topics checked 'No Impact' (e.g., agriculture and forest resources, biological resources, energy, geology and soils, hydrology and water quality, land use and planning, mineral resources, noise, population and housing, public services, recreation, solid/hazardous waste and transportation and traffic) would not be expected to make any contribution to potential cumulative impacts whatsoever.

For the environmental topics checked 'Less than Significant Impact' (e.g., air quality and greenhouse gas emissions and hazards and hazardous materials), the analysis indicated that proposed project impacts would not exceed any project-specific significance thresholds. This conclusion is based on the fact that the analyses for each of these environmental areas concluded that the incremental effects of the proposed project would be minor and, therefore, not considered to be cumulatively considerable. Also, in the case of air quality and greenhouse gas emissions impacts, the net effect of implementing the proposed project with other proposed rules and regulations, and AQMP control measures is an overall reduction in district-wide emissions contributing to the attainment of state and national ambient air quality standards.

Therefore, it is concluded that the proposed project has no potential for significant cumulative or cumulatively considerable impacts in any environmental areas.

XVIII.c) Based on the foregoing analyses, PAR 1415/PR 1415.1 is not expected to cause significant adverse effects on human beings. Based on the preceding analyses, no significant adverse impacts to aesthetics, agriculture and forest resources, air quality and greenhouse gas emissions, biological resources, cultural resources, energy, geology and soils, hazards and hazardous materials, hydrology and water quality, land use and planning, mineral resources, noise, population and housing, public services, recreation, solid/hazardous waste and transportation and traffic are expected as a result of the implementation of PAR 1415/PR 1415.1.

As discussed in items I through XVIII above, the proposed project is not expected to have the potential to cause significant adverse environmental impacts to any environmental topic.

APPENDIX A

**PROPOSED AMENDED RULE 1415 AND
PROPOSED RULE 1415.1**

PROPOSED AMENDED RULE 1415. REDUCTION OF REFRIGERANT EMISSIONS FROM STATIONARY REFRIGERATION AND AIR CONDITIONING SYSTEMS

(a) Purpose

The purpose of this rule is to reduce emissions of Class I and Class II high-global warming potential refrigerants from stationary ~~refrigeration and~~ air conditioning systems by requiring persons subject to this rule to reclaim, recover, or recycle refrigerant and to minimize refrigerant leakage

(b) Applicability

This rule is applicable to any person who owns or operates an refrigeration air conditioning system, as defined in this rule This rule is also applicable to any person who installs, ~~replaces, repairs, maintains, services, disposes, audits, or relocates, or disposes of~~ an refrigeration air conditioning system; to any person who services or maintains recycling and recovery equipment; and to any person who recycles, recovers, reclaims, or sells high-global warming potential refrigerant ~~All amendments to this rule adopted as of October 14, 1994 shall take effect as of October 14, 1994~~

(c) Definitions

For purposes of this rule, the following definitions shall apply:

- (1) ADDITIONAL REFRIGERANT CHARGE ~~is~~means the quantity, in pounds, of refrigerant ~~(in pounds) charged~~added to an air conditioning refrigeration system in order to bring the system to a full ~~capacity~~ charge and ~~replace refrigerant which has leaked~~ Additional refrigerant charge does not include an initial refrigerant charge
- (2) AIR CONDITIONING SYSTEM means any stationary, non-residential appliance, which holds more than 50 pounds of high global warming potential refrigerant, and provides cooling to a space to an intended temperature of not less than 68°F for the purpose of cooling objects or occupants Computer-room air conditioner is included in this definition

- (3) AUDIT means inspection and maintenance of an air conditioning system conducted to identify leaks and ensure proper operation pursuant to manufacturer's specification
- (4) BUBBLE TEST means applying a soap solution or spraying on with an aerosol around a potential leak source, and observing for bubbles
- (5) CERTIFIED RECLAIMER is a person who holds a current, valid, and applicable reclaimer certificate in accordance with Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82164
- ~~(62)~~ APPROVED CERTIFIED REFRIGERANT RECOVERY OR RECYCLING EQUIPMENT is equipment for refrigerant recovery or recycling that meets the definition ~~is certified~~ by the US Environmental Protection Agency pursuant to ~~the requirements of Part 82 of~~ Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82152
- ~~(3)~~ APPROVED RECYCLING EQUIPMENT ~~is any refrigerant recycling equipment that is certified by Underwriters Laboratories, or another independent testing organization as approved by the Executive Officer's designee, and is certified by the Environmental Protection Agency pursuant to the requirements of Part 82 of Title 40 of the Code of Federal Regulations~~
- ~~(4)~~ AUDIT ~~is an annual inspection of the refrigeration systems containing Class I refrigerants conducted to:~~
- ~~(A)~~ identify leaks pursuant to a District approved method (Section (2)(A)); and
- ~~(B)~~ ensure proper operation pursuant to manufacturer's specification
- ~~(5)~~ CERTIFIED AUDITOR ~~for the purpose of this Rule is a person that:~~
- ~~(A)~~ has the following current, valid, and applicable US Environmental Protection Agency certificate provided in accordance with Part 82 of Title 40 of the Code of Federal Regulations:
- 1(i) ~~a Type II Technician certificate for high or very high pressure refrigeration systems and a Type III Technician certificate for low pressure refrigeration systems; or~~
- (ii) ~~a Universal Technician certificate, or~~

- ~~_(B) — until June 30, 1995, has successfully completed a District approved course in conducting inspections and generating records for compliance with this rule, and has a current, valid, written certification from the Executive Officer's designee-~~
- ~~(6) — CERTIFIED RECLAIMER is a person who holds a current, valid, and applicable reclaimer certificate in accordance with Part 82 of Title 40 of the Code of Federal Regulations-~~
- ~~(77)~~ CERTIFIED TECHNICIAN is a person who ~~on and after November 14, 1994 has the following~~ has a current, valid, and applicable US Environmental Protection Agency technician certificate provided issued in accordance with ~~Part 82 of~~ Title 40 of the Code of Federal Regulations, Part 82, §8240 or §82161 ÷
- ~~_(i) — a Type II Technician certificate for high or very high pressure refrigeration systems; or~~
- ~~(ii) — a Type III Technician certificate for low pressure refrigeration systems; or~~
- ~~(iii) — a Universal Technician certificate-~~
- ~~(8) — CLASS I REFRIGERANT is any compound or any combination of compounds designated by US Environmental Protection Agency as a CLASS I refrigerant pursuant to 42 USC 7671(a) —~~
- ~~(9) — CLASS II REFRIGERANT is any compound or any combination of compounds designated by US Environmental Protection Agency as a CLASS II refrigerant pursuant to 42 USC 7671(a) —~~
- (8) CHLOROFLUOROCARBON or CFC is a class of compounds primarily used as refrigerants, consisting of only chlorine, fluorine, and carbon
- (9) COMPONENT is a part of an air conditioning system or appliance (including condensing units, compressors, condensers, evaporators, receivers) and all of its connections and subassemblies, without which the air conditioning system or appliance will not properly function or will be subject to failures
- (1019) DISPOSE is to discard refrigerant in any manner, except destruction by incineration or by a treatment method specifically approved by the US

Environmental Protection Agency for handling such refrigerant without releasing it to the atmosphere

(11) GLOBAL WARMING POTENTIAL VALUE or GWP VALUE means the 100-yr GWP value first published by the Intergovernmental Panel on Climate Change (IPCC) in its Second Assessment Report (SAR) (IPCC, 1995); or if a 100-yr GWP value was not specified in the IPCC SAR, it means the GWP value published by the IPCC in its Fourth Assessment A-3 Report (AR4) (IPCC, 2007); or if a 100-yr GWP value was not specified in the IPCC AR4, then the GWP value will be determined by the Executive Officer based on data, studies and/or good engineering or scientific judgment Both the 1995 IPCC SAR values and the 2007 IPCC AR4 values are published in table 214 of the 2007 IPCC AR4 The SAR GWP values are found in column "SAR (100-yr)" of Table 214; the AR4 GWP values are found in column "100 yr" of Table 214

(12) HIGH GLOBAL WARMING POTENTIAL REFRIGERANT means any compound used as a heat transfer fluid or gas that is:

- (A) a chlorofluorocarbon; or
- (B) a hydrochlorofluorocarbon; or
- (C) a hydrofluorocarbon; or
- (D) a perfluorocarbon; or
- (E) any compound or blend of compounds, with a global warming potential value equal to or greater than 150; or
- (F) any ozone depleting substance as defined in Title 40 of the Code of Federal Regulation, Part 82, §823

~~(11) High pressure refrigeration system is a refrigeration system that uses a refrigerant with a boiling point between -50 and 10 degrees Centigrade at atmospheric pressure (299 inches of mercury)-~~

~~(12) Low pressure refrigeration system is a refrigeration system that uses a refrigerant with a boiling point above 10 degrees Centigrade at atmospheric pressure (299 inches of mercury)-~~

~~(13) MAINTENANCE is an annual service of the refrigeration system containing Class II refrigerants conducted to:~~

~~(A) — ensure proper operation pursuant to manufacturer's specification;
and~~

~~(B) — assess the overall integrity of the refrigeration system to detect
leaks~~

(13) HYDROCHLOROFLUOROCARBON or HCFC is a class of compounds
primarily used as refrigerants, consisting of only hydrogen, chlorine,
fluorine, and carbon

(14) HYDROFLUOROCARBON or HFC is a class of compounds primarily
used as refrigerants, consisting of only hydrogen, fluorine, and carbon

(15) PERFLUOROCARBON or PFC is a class of compounds consisting only
of carbon and fluorine

(1614) PERSON is any individual, firm, business establishment, association,
organization, partnership, business trust, corporation, company, contractor,
supplier, installer, user or owner, or any state or local government agency
or public district or any other officer or employee thereof PERSON also
means the United States or its agencies to the extent authorized by Federal
law individual, whether acting as principal, agent, employee, or in any
other capacity, including any governmental entity or charitable
organization

(1715) RECLAIM is to reprocess refrigerant to a level equivalent to new product
specifications in accordance with applicable requirements of the US
Environmental Protection Agency contained in ~~Part 82 of~~ Title 40, ~~of the~~
Code of Federal Regulations, Part 82, Subpart F, §82152

(1816) RECOVER is to remove refrigerant, in any condition, from a system and
to store it in an external container, without necessarily testing or
processing it in any way

(1917) RECYCLE is to extract refrigerant from an appliance and to clean the
refrigerant for reuse by oil separation and single or multiple passes through
moisture-absorption devices, such as replaceable core filter-driers which
reduce moisture, acidity, and particulate matter, without meeting all of the
requirements for reclamation

(2018) REFRIGERANT LEAK is any discharge of refrigerant into the
atmosphere from a ~~refrigeration~~ an air conditioning system, refrigerant

recovery ~~equipment,~~—or recycling equipment,___—into—the atmosphere~~refrigerant cylinder, or other container~~

~~(19) REFRIGERATION SYSTEM is any non-vehicular equipment used for cooling or freezing, which holds more than 50 pounds of, any combination of Class I and/or Class II refrigerant, including, but not limited to, refrigerators, freezers, or air conditioning equipment or systems-~~

~~(2120) SELF-CONTAINED RECOVERY EQUIPMENT is any refrigerant recovery equipment that is capable of removing the refrigerant from an air conditioning ~~refrigeration~~ system without the assistance of components contained in the ~~refrigeration~~air conditioning system~~

~~(21) Very high pressure refrigeration system is a refrigeration system that uses a refrigerant with a boiling point below 50 degrees Centigrade at atmospheric pressure (29.9 inches of mercury)-~~

(d) Requirements

(1) A person shall not operate an air conditioning system subject to this rule unless all of the following requirements are met:

(A) A Registration Plan for the entire facility is submitted to the District at start of operation, and every two years thereafter. Such plan shall contain the following information:

(i) facility name and address;

(ii) name and title of contact person;

(iii) type of business;

(iv) number of air conditioning systems in operation;

(v) manufacturer name, model and serial number for each of the air conditioning systems;

(vi) type of refrigerant in each air conditioning system;

(vii) full charge of refrigerant in each air conditioning system, in pounds;

(viii) date of last audit and/or maintenance performed for each air conditioning system; and

(ix) amount of additional refrigerant charge every year for each system, in pounds

(B) The owner or operator shall conduct an audit of the air conditioning system no later than one year after beginning operation, and every year thereafter, to determine whether such system is operating pursuant to manufacturer's specifications and does not have refrigerant leaks. At a minimum, the annual audit shall include the following:

(i) A leak inspection using one or more of the following methods:

(I) Refrigerant leak detection device used in accordance with the manufacturer's specifications;

(II) A bubble test;

(III) Observation of oil residue; or

(IV) An alternate method approved by the Executive Officer

(ii) A determination of the amount of refrigerant leak for each air conditioning system by recording the total capacity of refrigerant charge in each air conditioning system, the quantity of any additional refrigerant charge for each air conditioning system, and the date of each charge. The quantity of additional refrigerant charge shall be determined by weighing the refrigerant charging container before and after each charge, using equipment that is accurate to the nearest pound

(iii) An examination for deficiencies which may cause refrigerant leakage

(2) Any person who owns or operates an air conditioning system that has a refrigerant leak shall ensure that the leak is repaired no later than 14 calendar days after the leak has been discovered or should have been discovered. The owner or operator shall maintain a log of repair activities beginning at the time the leak is discovered and ending at the time when the leak has been repaired. The air conditioning system shall be verified

by a certified technician to be leak free before any refrigerant is added to the system

(3) The owner or operator of an air conditioning system has 45 days after initial leak detection to repair a refrigerant leak if one or more of the following conditions exists:

(A) A certified technician is not available to complete the repair. A written record shall be kept to document that no certified technician is available within 14 days of the initial leak detection; or

(B) The parts necessary to repair a refrigerant leak are unavailable within 14 days of the initial leak detection. A written statement verifying that the parts are unavailable from the refrigeration system or component manufacturer or distributor shall be obtained.

(4) ~~On and after January 1, 1992, n~~No person shall install, service, repair, modify, or dispose of any refrigeration air conditioning system, ~~or perform any related repairs or modifications~~ that may cause the release of Class I or Class II high-global warming potential refrigerants unless that person meets all of the following requirements:

(A) The person has a current, valid, and applicable US Environmental Protection Agency technician certificate issued in accordance with Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82161

(BA) Recovers, recycles, or reclaims the refrigerant, using approved certified refrigerant recovery or recycling ~~or recovery~~ equipment for that type of refrigeration air conditioning unit, and employs procedures for which the recycling or certified refrigerant recovery or recycling equipment was approved by the US Environmental Protection Agency. ~~Recovery and recycling. Such~~ equipment shall be used as specified by the certified refrigerant recovery or recycling equipment manufacturer, unless the manufacturer's specifications are in conflict with the equipment approved procedures approved by the US Environmental Protection Agency for the certified refrigerant recovery or recycling equipment. Refrigerant may be returned to the refrigeration air conditioning

system from which it is recovered ~~from~~, or to another refrigeration air conditioning system owned by the same person, without being recycled or reclaimed

- (~~CB~~) Satisfies job site evacuation of ~~Class I and Class II high global warming potential~~ refrigerants during recycling, recovering, reclaiming, or disposing in accordance with ~~applicable regulations of the US Environmental Protection Agency as contained in Part 82, Subpart F, Section 82156, of Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82156 then in effect including, but not limited to, "Required Levels of Evacuation for Air Conditioning and Refrigeration Equipment"~~ De minimis refrigerant releases associated with a good faith attempt to recycle or recover refrigerants are allowed provided that required practices or requirements in accordance with regulations then in effect of the US Environmental Protection Agency contained in Part 82, Subpart F, Section 82156 and Section 82158, and Part 82, Subpart B of Refrigerant releases shall be considered de minimis only if they occur when the required practices or requirements in Part 82, Subpart F, §§82156 and 82158, and Part 82, Subpart B of Title 40 of the Code of Federal Regulation, are followed;
- (~~DC~~) Has at least one piece of approved certified, self-contained recovery equipment available at their place of business;
- (~~ED~~) ~~On or after October 14, 1994, a~~Any person who owns or operates an approved a certified refrigerant recovery or recycling or recovery equipment:
- (i) Shall not operate any approved certified refrigerant recycling or recovering equipment, except for the maintenance or repair of such equipment, unless the equipment has been tested for and been determined to have no leaks within the past six months as determined by a method approved by the Executive Officer's ~~designee~~ Leaks in recycling, recovering, or charging equipment shall be repaired within 2 working days after the leak is first

detected, unless ~~the equipment does not leak if~~ its use is promptly discontinued and the equipment does not leak after its use is discontinued;

- (ii) Shall not alter the design of a approved certified recovery and recycling equipment in a manner that would affect the equipment's ability to meet the certification standards set by the US Environmental Protection Agency without resubmitting the altered design to an approved equipment testing facility for approval certification testing. Until such altered equipment is tested by a US Environmental Protection Agency approved equipment testing facility, and is shown to meet the certification standards set forth by the US Environmental Protection Agency, the equipment so altered shall not be considered approved certified, and shall not be used; and,
- (iii) Shall provide proof of certification for the recovery and recycling equipment from the US Environmental Protection Agency to the Executive Officer's ~~designee~~ upon request

~~(E) — On and after November 14, 1994 has the following current, valid and applicable US Environmental Protection Agency certificate provided in accordance with Part 82 of Title 40 of the Code of Federal Regulations:~~

- ~~(i) — a Type II Technician certificate for high or very high pressure refrigeration systems; or~~
- ~~(ii) — a Type III Technician certificate for low pressure refrigeration systems; or~~
- ~~(iii) — a Universal Technician certificate~~

~~(2) — No person shall operate a refrigeration system unless all of the following applicable requirements are met:~~

~~(A) — An annual audit has been conducted for refrigeration systems containing Class I refrigerant by a Certified Auditor to determine whether the system is operating pursuant to manufacturer's~~

~~specifications and does not have refrigerant leaks. This audit shall commence no later than July 1, 1992, and every 12 months thereafter. At minimum, the annual audit shall require the following:~~

~~(i) A leak test shall be conducted for refrigeration systems operating above atmospheric pressure using one of the following methods:~~

~~(I) Electronic halogen detector used in accordance with manufacturer's specifications;~~

~~(II) Fluorescent tracer dyes injected into the system according to manufacturer's specifications, and scanned with an ultraviolet lamp; or~~

~~(III) An alternate method approved by the Executive Officer's designee.~~

~~(ii) A leak test shall be conducted for refrigeration systems operating below atmospheric pressure by using one of the following methods:~~

~~(I) Pressurizing the system by using an inert gas mixture with an indicator or by raising the temperature of the Evaporator; or~~

~~(II) An alternate method approved by the Executive Officer's designee.~~

~~(iii) Amount of refrigerant leak shall be determined, for each refrigeration system, by recording the total capacity of refrigerant charge in each refrigeration system, the quantity of any additional refrigerant charge to each refrigeration system, as defined in (c)(1), and the date of each charge. The quantity of additional refrigerant charge shall be determined by weighing the refrigerant charging container before and after each charge, using equipment that is accurate to the nearest pound.~~

~~(iv) An examination for deficiencies which may cause refrigerant leakage.~~

~~(B) — An annual maintenance program for refrigeration systems containing Class II refrigerants has been established to ensure that the system is operating pursuant to the manufacturer's specification and that it does not have any refrigerant leaks. This program shall consist of all of the following:~~

~~(i) — An inspection for leaks by a certified technician which includes an examination for deficiencies which may cause refrigerant leakage.~~

~~(ii) — A written record of the quantity of any additional refrigerant charge to each refrigeration system. The quantity of additional refrigerant charge shall be determined by weighing the refrigerant charging container before and after each charge, using equipment that is accurate to the nearest pound.~~

~~(C) — A Registration Plan for the entire facility has been submitted to the District by January 1, 1996 and every two years thereafter. This Registration Plan shall contain:~~

~~(i) — number of refrigeration systems in operation;~~

~~(ii) — type of refrigerants in each refrigeration system;~~

~~(iii) — amount of refrigerant in each refrigeration system;~~

~~(iv) — date of last annual audit or maintenance performed for each refrigeration system; and~~

~~(v) — amount of refrigerant charged every year.~~

~~(3) — On and after January 1, 1992, any person who owns or operates a refrigeration system that has a refrigerant leak as defined in paragraph (c)(18) shall ensure that the leak is repaired no later than 14 calendar days after the leak has been discovered or should have been discovered. The owner or operator shall maintain a log of repair activities beginning at the time the leak is discovered and ending at the time when the leak has been repaired. The refrigeration system shall be verified by a certified technician to be leak free before any refrigerant is added to the system.~~

~~(45)~~ ~~On or after November 14, 1994, a~~ No person shall sell, distribute, offer for sale or distribution, ~~or purchase~~ any ~~Class I or Class II~~ high-global warming potential refrigerant for use as a refrigerant to any person unless:

(A) The buyer is a certified technician pursuant to Part 82 of Title 40 of the Code of Federal Regulations; or

~~(B)~~ The buyer is an authorized representative of a person employing at least one certified technician, and the buyer has provided evidence that at least one technician is properly certified; or

~~(CB)~~ The refrigerant is sold only for eventual resale to certified technicians or to refrigeration air conditioning system manufacturers; or

~~(DC)~~ The refrigerant is contained in an refrigeration air conditioning system

~~(D)~~ ~~The refrigerant is charged into a refrigeration system by a certified technician~~

~~(56)~~ ~~Effective October 18, 1994 until May 15, 1995, a~~ No person shall sell, offer for sale, supply, or distribute, ~~or offer for sale~~ any ~~Class I or Class II~~ high-global warming refrigerant consisting wholly or in part of used refrigerant unless the refrigerant has been reclaimed by a certified reclaimer

~~(67)~~ No person reclaiming refrigerants shall release into the atmosphere more than 15 percent of the refrigerant received for reclamation

(e) Recordkeeping

(1) ~~On and after January 1, 1992, a~~ Any person owning or operating any refrigeration air conditioning system is required to maintain the following records for each refrigeration air conditioning system:

(A) ~~A report~~ Documents demonstrating compliance with paragraphs (d)(~~12~~) and ~~repairs required by paragraph (d)(23)~~, which includes the following information:

(i) Date of annual audit ~~and annual maintenance program~~;

- (ii) All work completed for each refrigeration air conditioning system to prevent or repair leaks, including results of leak testing and leak determinations;
 - (iii) Name(s) of the person who completed the inspection and repair, ~~and~~including the name, address, and telephone number of the company the person is representing;
 - ~~(iv) The permit number of the recycling or recovery equipment;~~
 - (iv) The log of repair activities; and
 - (v) Technician certificate ~~type~~number
- (B) A log of the quantity of each additional refrigerant charged to the refrigeration air conditioning system and the date of each charge
- (C) A log of malfunctions of the refrigeration air conditioning system, other than that determined in ~~section~~paragraphs (d)(~~12~~) and (d)(~~23~~), including the following:
- (i) The cause of the malfunction; and
 - (ii) The type of repairs required and the date the repairs were completed
- (D) If refrigerant is recycled off-site, a transportation bill-of-lading (or other transportation document as approved by the Executive Officer's ~~designee~~) indicating the name and location of the facility from which the refrigerant is shipped, the quantity of refrigerant transported, destination (company name, phone number, and location) and date of transportation
- (E) The quantity (in pounds) of ~~Class I or Class II~~ high-global warming refrigerants purchased or used in the District in a calendar year and the name and address of the refrigerant supplier
- (2) ~~On and after July 1, 1991, a~~Any person who receives refrigerant for recycling or reclaiming from off-site locations shall maintain copies of all transportation documents as required in ~~section~~subparagraph (e)(1)(D) for each shipment of refrigerant received
- (3) Records and reports required under ~~section~~subparagraphs (e)(1)(A), (e)(1)(B), and (e)(1)(C) shall be generated by a ~~Certified Auditor or a~~

certified technician Annual audits and maintenance records shall be in a format approved in writing by the Executive Officer ~~'s designee~~

- (4) All persons who sell or distribute any ~~Class I or Class II~~ high-global warming refrigerant shall retain invoices, pursuant to paragraph (e)(9), that indicate the name of the purchaser, the date of sale, and the quantity of refrigerant purchased
- (5) A refrigerant distributor or wholesaler selling high-global warming potential refrigerant to a P ~~purchasers of any Class I or Class II refrigerant~~ who employs ~~certified technicians shall provide evidence that at least one a certified~~ technician ~~is properly certified to the wholesaler who sells them refrigerant shall obtain written documentation that the purchaser employs that least one certified technician~~ - The distributor or wholesaler shall keep this information on file for a minimum of five years ~~and may sell refrigerant to the purchaser or authorized representative even if such purchaser or authorized representative is not a properly certified technician The purchaser must notify the wholesaler in the event that the purchaser no longer employs at least one properly certified technician~~
- (6) Reclaimers shall maintain records of the names and addresses of persons sending them material for reclamation and the quantity of the material (the combined mass in pounds of refrigerant and contaminants) sent to them for reclamation
- (7) Reclaimers shall maintain records of the quantity of material sent to them for reclamation, the mass in pounds of refrigerant reclaimed, and the mass in pounds of waste product
- (8) ~~On and after October 14, 1994, a~~ Any person owning and operating an approved certified refrigerant recovery or recycling or recovery equipment shall maintain ~~the following~~ records as required by to determine compliance with paragraph clause (d)(~~34~~)(~~ED~~)(i), which includes the following information:
 - (A) Date of semi-annual inspection;
 - (B) All work completed for each recycling or recovery system to prevent or repair leaks, including results of leak testing and leak determinations; and

(C) Name(s) of the person who completed the inspection and repair, and including the name, address, and telephone number of the company the person is representing; ~~and~~

~~(D) — The permit number of the recycling or recovery equipment~~

(9) Records and reports as required under ~~sections~~paragraphs (e)(1), (e)(2), (e)(4), (e)(5), (e)(6), (e)(7), and (e)(8) shall be maintained for a minimum of not less than 53 years, ~~after their creation shall be kept at the facility where the air conditioning system is in operation,~~ and shall be made available to the Executive Officer's ~~designee~~ upon request

**PROPOSED RULE 1415.1 REDUCTION OF REFRIGERANT EMISSIONS
FROM STATIONARY REFRIGERATION SYSTEMS**

(a) Purpose

The purpose of this rule is to reduce emissions of high global warming potential refrigerants from stationary refrigeration systems by requiring persons subject to this rule to recover, recycle, or reclaim refrigerant and to minimize refrigerant leaks.

(b) Applicability

This rule applies to any person who owns or operates a refrigeration system, as defined in this rule. This rule also applies to any person who installs, repairs, maintains, services, relocates, or disposes of any refrigeration system, regardless of charge size; to any person who services or maintains recycling and recovery equipment; and to any person who recycles, recovers, reclaims, distributes or sells high global warming potential refrigerant.

(c) Definitions

For purposes of this rule, the following definitions shall apply:

- (1) **ADDITIONAL REFRIGERANT CHARGE** means or is the quantity, in pounds, of refrigerant added to a refrigeration system in order to bring the system to a full charge. Additional refrigerant charge does not include an initial refrigerant charge.
- (2) **AUTOMATIC LEAK DETECTION SYSTEM** means or is a calibrated device that uses continuous monitoring for detecting leakage of refrigerants, and alerts the operator when a refrigerant leak is detected. An automatic leak detection system may be either:
 - (A) A direct system that automatically detects the presence in air of refrigerant leaked from a refrigeration system; or
 - (B) An indirect system that automatically interprets measurements (e.g. temperature or pressure) within a refrigeration system that indicate a refrigerant leak and alerts the operator to the presence of a refrigerant leak.

- (3) CERTIFIED RECLAIMER means or is a person who holds a current, valid, and applicable reclaimer certificate in accordance with Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82.164.
- (4) CERTIFIED REFRIGERANT RECOVERY OR RECYCLING EQUIPMENT means or is equipment for refrigerant recovery or recycling that meets the definition by the U.S. Environmental Protection Agency pursuant to Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82.152.
- (5) CERTIFIED TECHNICIAN means or is a person who has a current, valid, and applicable U.S. Environmental Protection Agency technician certificate issued in accordance with Title 40 of the Code of Federal Regulations, Part 82, §82.40 or §82.161.
- (6) CHANGE OF OWNERSHIP means or is a transfer of the title of a facility subject to this rule.
- (7) CHLOROFLUOROCARBON or CFC means or is a class of compounds primarily used as refrigerants, consisting of only chlorine, fluorine, and carbon.
- (8) COMMERCIAL REFRIGERATION means or is a refrigeration appliance typically utilized in the retail food and cold storage warehouse sectors. Retail food refrigeration includes, but is not limited to, the refrigeration equipment found in supermarkets, convenience stores, restaurants and other food service establishments. Cold storage includes, but is not limited to, the equipment used to store meat, produce, dairy products, and other perishable goods.
- (9) COMPONENT means or is a part of a refrigeration system or appliance (including condensing units, compressors, condensers, evaporators, receivers) and all of its connections and subassemblies, without which the refrigeration system or appliance will not properly function or will be subject to failures.
- (10) CONTINUOUS MONITORING means or is measuring the ambient concentration of refrigerant using electronic or mechanical sensors, or interpreting measurements (e.g. temperature or pressure) within a refrigeration system that indicate a refrigerant leak in real time.

- (11) **DIRECT EMISSIONS** mean high global warming potential refrigerant emissions from a facility that are emitted by refrigeration systems under the operational control of a facility owner or operator. Direct emissions are calculated as the total weight in pounds of each type of high global warming potential refrigerant that was charged into a refrigeration system minus the total weight in pounds of each type of high global warming potential refrigerant that was recovered from a refrigeration system, as reported in the annual Facility Stationary Refrigeration Report pursuant to paragraphs (f)(1), (f)(2), and (f)(3).
- (12) **ENCLOSED BUILDING OR STRUCTURE** means or is a building or structure with a roof and walls that prevent wind from entering the facility.
- (13) **EQUIPMENT TYPE** means or is commercial refrigeration, industrial process refrigeration, or other refrigeration appliance.
- (14) **FACILITY** for the purpose of this rule means or is any property, plant, building, structure, stationary source, stationary equipment or grouping of stationary equipment or stationary sources located on one or more contiguous or adjacent properties, in actual physical contact or separated solely by a public roadway or other public right-of-way, and under common operational control, that includes one or more refrigeration systems or appliance subject to this rule. Operators of military installations may classify such installations as more than a single facility based on distinct and independent functional groupings within contiguous military properties.
- (15) **FACILITY IDENTIFICATION NUMBER** means or is a unique identification number provided by the Executive Officer for each facility with one or more refrigeration systems in operation.
- (16) **FOLLOW-UP VERIFICATION TEST** means or is a test that involves checking the repairs within 30 days of the refrigeration system returning to normal operating characteristics and conditions. "Follow-up verification test" for a refrigeration system from which the refrigerant charge has been evacuated means a test conducted after the refrigeration system or portion of the refrigeration system has resumed operation at normal operating characteristics and conditions of temperature and pressure, except in cases where sound professional judgment dictates that these tests will be more

meaningful if performed prior to the return to normal operating characteristics and conditions. “Follow-up verification test” for a refrigeration system from which the refrigerant charge has not been evacuated means a reverification test conducted after the initial verification test and usually within 30 days of returning to normal operating characteristics and conditions. Where a refrigeration system is not evacuated, it is only necessary to complete any required changes to return the refrigeration system to normal operating characteristics and conditions.

- (17) “FULL CHARGE”, “OPTIMAL CHARGE”, or “CRITICAL CHARGE” means or is the amount of refrigerant required in the refrigerant circuit for normal operating characteristics and conditions of a refrigeration system, as determined by one of the following methods:
- (A) Use of the equipment manufacturer’s specifications of the full charge; or
 - (B) Use of calculations based on component sizes, density of refrigerant, volume of piping, seasonal variances, and other relevant considerations; or
 - (C) The midpoint of an established range for full charge based on the best available data regarding the normal operating characteristics and conditions for the system.
- (18) GLOBAL WARMING POTENTIAL means or is the capacity to heat the atmosphere, calculated as the ratio of the time-integrated radiative forcing from the instantaneous release of 1 kilogram (kg) of a substance relative to that of 1 kg of CO₂. Global warming potential shall be calculated according to the factors for a 100-year time horizon.
- (19) GLOBAL WARMING POTENTIAL VALUE or GWP VALUE means or is the 100-yr GWP value first published by the Intergovernmental Panel on Climate Change (IPCC) in its Second Assessment Report (SAR) (IPCC, 1995); or if a 100-yr GWP value was not specified in the IPCC SAR, it means the GWP value published by the IPCC in its Fourth Assessment A-3 Report (AR4) (IPCC, 2007); or if a 100-yr GWP value was not specified in the IPCC AR4, then the GWP value will be determined by the Executive Officer based on data, studies and/or good engineering or

scientific judgment. Both the 1995 IPCC SAR values and the 2007 IPCC AR4 values are published in table 2.14 of the 2007 IPCC AR4. The SAR GWP values are found in column “SAR (100-yr)” of Table 2.14.; the AR4 GWP values are found in column “100 yr” of Table 2.14.

- (20) HIGH GLOBAL WARMING POTENTIAL REFRIGERANT means or is any compound used as a heat transfer fluid or gas that is:
 - (A) A chlorofluorocarbon; or
 - (B) A hydrochlorofluorocarbon; or
 - (C) A hydrofluorocarbon; or
 - (D) A perfluorocarbon; or
 - (E) Any compound or blend of compounds, with a global warming potential value equal to or greater than 150; or
 - (F) Any ozone depleting substance as defined in Title 40 of the Code of Federal Regulation, Part 82, §82.3
- (21) HYDROCHLOROFLUOROCARBON or HCFC means or is a class of compounds primarily used as refrigerants, consisting of only hydrogen, chlorine, fluorine, and carbon.
- (22) HYDROFLUOROCARBON or HFC means or is a class of compounds primarily used as refrigerants, consisting of only hydrogen, fluorine, and carbon.
- (23) INDIRECT EMISSIONS are emissions that are a consequence of the activities of a facility, but occur at sources owned or controlled by another person, related to energy consumed for electricity, heat, steam, and cooling.
- (24) INDUSTRIAL PROCESS REFRIGERATION means complex customized appliances used in the chemical, pharmaceutical, petrochemical and manufacturing industries that are directly linked to the industrial process. Industrial process refrigeration includes, but is not limited to, industrial ice machines, appliances used directly in the generation of electricity, and ice rinks. Where one appliance is used for both industrial process refrigeration and other applications, it will be considered industrial process

refrigeration equipment if 50 percent or more of its operating capacity is used for industrial process refrigeration.

- (25) **INDUSTRIAL PROCESS SHUTDOWN** means that an industrial process or facility temporarily ceases to operate or manufacture whatever is being produced at that facility.
- (26) **INITIAL REFRIGERANT CHARGE** means or is the quantity, in pounds, of high global warming potential refrigerant added to a refrigeration system or appliance in order to bring the system to a full charge upon initial installation of a refrigeration system or appliance.
- (27) **INITIAL VERIFICATION TEST** means or is a leak test that is conducted as soon as practicable after the repair is completed. Initial verification test, with regard to leak repairs that require the evacuation of the refrigeration system or portion of the refrigeration system, means a test conducted prior to the replacement of the full charge and before the refrigeration system or portion of the refrigeration system has reached normal operating characteristics and conditions of temperature and pressure. Initial verification test, with regard to repairs conducted without the evacuation of the full charge, means a test conducted as soon as practicable after the conclusion of the repair work.
- (28) **INTENDED TO BE OPERATED YEAR ROUND** means a refrigeration system at a facility that is not a seasonal facility.
- (29) **LEAK INSPECTION** means or is an inspection of a refrigeration system to detect a leak of a high global warming potential refrigerant.
- (30) **LOW TEMPERATURE REFRIGERATION SYSTEM** means or is a commercial or industrial refrigeration system used for frozen products.
- (31) **MEDIUM TEMPERATURE REFRIGERATION SYSTEM** means or is a commercial or industrial refrigeration system used for chilled products.
- (32) **NEWLY CONSTRUCTED** means or is a facility that is not yet operational, or that has been operational for less than 6 months.
- (33) **NON-REFILLABLE CYLINDER** means or is a cylinder with a refrigerant capacity of two pounds or greater that is designed not to be refilled and is used in the servicing, maintenance or filling of a refrigeration system, appliance, motor vehicle air conditioning system, or heat pump equipment.

- (34) **NORMAL OPERATING CHARACTERISTICS AND CONDITIONS** mean or are refrigeration system operating temperatures, pressures, fluid flows, speeds, and other characteristics, including full charge of the refrigeration system that would be expected for a given process load and ambient condition during operation. Normal operating characteristics and conditions are marked by the absence of atypical conditions affecting the operation of the refrigeration system.
- (35) **OTHER REFRIGERATION** means or is any stationary, non-residential appliance that is used for an application other than industrial process refrigeration, commercial refrigeration, or air conditioning, or is used for two or more applications including industrial process refrigeration, commercial refrigeration, or air conditioning.
- (36) **PERFLUOROCARBON or PFC** means or is a class of compounds consisting only of carbon and fluorine.
- (37) **PERSON** means or is any individual, firm, association, organization, partnership, business trust, corporation, company, contractor, supplier, installer, user or owner, or any state or local governmental agency or public district or any other officer or employee thereof. **PERSON** also means the United States or its agencies to the extent authorized by Federal law.
- (38) **RECLAIM** means or is to reprocess refrigerant to a level equivalent to new product specifications in accordance with applicable requirements of the U.S. Environmental Protection Agency contained in Title 40, Code of Federal Regulations, Part 82, Subpart F, §82.152.
- (39) **RECOVER** means or is to remove refrigerant in any condition from a system and to store it in an external container without necessarily testing or processing it in any way.
- (40) **RECYCLE** means or is to extract refrigerant from an appliance and to clean the refrigerant for reuse by oil separation and single or multiple passes through moisture-absorption devices, such as replaceable core filter-driers which reduce moisture, acidity, and particulate matter, without meeting all of the requirements for reclamation.

- (41) REFRIGERANT CIRCUIT means the parts of a refrigeration system that are normally connected to each other (or are separated by isolation valves) and are designed to contain a high global warming potential refrigerant. A single refrigerant circuit is defined by all piping and components that use refrigerant from a common reservoir of a high global warming potential refrigerant.
- (42) REFRIGERANT DISTRIBUTOR OR WHOLESALER means or is a person to whom a product is delivered or sold for purposes of export, subsequent resale, or delivery to a certified technician, employer of a certified technician, appliance manufacturer, or another refrigerant distributor or wholesaler. Refrigerant distributor or wholesaler includes any person who imports refrigerant from outside of this state to distribute or sell refrigerant to a certified technician, employer of a certified technician, appliance manufacturer, or another refrigerant distributor or wholesaler, or who acts as an agent or broker in buying refrigerant.
- (43) REFRIGERANT LEAK means or is any discharge of refrigerant into the atmosphere from a refrigeration system, refrigerant recovery or recycling equipment, refrigerant cylinder, or other container.
- (44) REFRIGERANT LEAK DETECTION DEVICE means or is a device that can be calibrated to accurately detect and measure the ambient concentration of refrigerant at a minimum concentration level of 10 parts per million of vapor of a specific refrigerant or selection of refrigerants.
- (45) REFRIGERATION SYSTEM means or is a stationary, non-residential equipment that is an industrial process refrigeration, a commercial refrigeration, or other refrigeration appliance with a single refrigerant circuit that requires more than 50 pounds of any combination of high global warming potential refrigerant to maintain normal operating characteristics and conditions. Refrigeration system does not include an air-conditioning appliance. A single refrigeration system is defined by a single refrigerant circuit.
- (46) RESIDENTIAL means or is a residential dwelling containing four or fewer dwelling units on one lot or parcel.

- (47) RETIRE means or is the permanent removal from service of a refrigeration system or component rendering it unfit for use by the current or any future owner or operator.
- (48) RETROFIT means or is the replacement of the refrigerant used in a refrigeration system with a refrigerant approved under the SNAP program pursuant to Title 40 of the Code of Federal Regulation, Part 82, Subpart G, §82.170, or a refrigerant approved by the Executive Officer, and related refrigeration system changes required to maintain the refrigeration system operation and reliability following refrigerant replacement.
- (49) SEASONAL ADJUSTMENT means or is the need to add refrigerant to a refrigeration system due to a change in ambient conditions caused by a change in season, followed by the subsequent removal of refrigerant in the corresponding change in season, where both the addition and removal of refrigerant occurs within one consecutive 12-month period after the initial installation of a refrigeration system or a repair of a refrigeration system requiring evacuation or partial evacuation of the refrigerant circuit.
- (50) SEASONAL FACILITY means or is a facility where the purpose of the refrigeration system(s) at a facility ceases to be required during certain seasons of the year.
- (51) STATIONARY means or is meeting at least one of the following conditions:
 - (A) Is installed in a building, structure, or facility.
 - (B) Is attached to a foundation, or if not so attached, will reside at the same location for more than 12 consecutive months.
 - (C) Is located at the same single location on a permanent basis (at least two consecutive years) and that operates at that single location at three months each year.
- (52) SYSTEM IDENTIFICATION NUMBER means or is a unique identification number for each refrigeration system at a facility. It is comprised of the facility identification number followed by a hyphen, followed by a three digit number starting at 001 sequentially assigned to each unique refrigeration system at a facility. For example, if a facility has a facility identification number of ARB000001, then the system

identification number for the first refrigeration system would be ARB000001-001.

- (53) **SYSTEM MOTHBALLING** means or is the intentional shutting down of a refrigeration system for a period of time greater than 60 days by the owners or operators of that facility, where the refrigerant has been evacuated from the refrigeration system or the affected component of the refrigeration system, at least to atmospheric pressure.
- (54) **TACTICAL SUPPORT EQUIPMENT** means or is equipment that meets military specifications, owned by the U.S. Department of Defense, the U.S. military services, or its allies, and used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.
- (55) **TOPPING OFF** means or is adding refrigerant to a refrigeration system or appliance in order to bring the system to a full charge.

(d) Requirements

(1) Registration

- (A) The owner or operator of a refrigeration system subject to this rule shall submit to the District, at start of operation and every year thereafter, a Registration Plan for the entire facility. Such plan shall contain the following information:
 - (i) facility name and address;
 - (ii) name and title of contact person;
 - (iii) type of business;
 - (iv) number of refrigeration systems in operation;
 - (v) manufacturer name, model and serial number for the refrigeration system;
 - (vi) type of refrigerant in each refrigeration system;
 - (vii) full charge of refrigerant in each refrigeration system, in pounds;
 - (viii) date of last annual audit or maintenance performed for each refrigeration system; and

(ix) amount of additional refrigerant charge every year, in pounds.

(B) The owner or operator of a refrigeration system shall comply with the provision in (d)(1)(A) until such time that registration of the refrigeration system with the California Air Resources Board (CARB) is required pursuant to the CARB Refrigeration Management Program registration schedule as follows:

(i) Refrigeration System with a Full Charge Greater Than or Equal to 2000 Pounds.

Beginning January 1, 2012, the owner or operator of such refrigeration system shall submit registration to CARB by providing the information specified in subparagraph (d)(1)(C). Refrigeration systems that begin operation before January 1, 2012 shall be registered with CARB Executive Officer on or before March 1, 2012. Refrigeration systems that begin operation on or after January 1, 2012, shall be registered with CARB Executive Officer by March 1 of the year following commencement of operation.

(ii) Refrigeration System with a Full Charge Greater Than or Equal to 200 Pounds but Less Than 2,000 Pounds.

Beginning January 1, 2014, the owner or operator of such refrigeration system shall submit registration to CARB by providing the information specified in subparagraph (d)(1)(C). Refrigeration systems that begin operation before January 1, 2014 shall be registered with the CARB Executive Officer on or before March 1, 2014. Refrigeration systems that begin operation on or after January 1, 2014, shall be registered with CARB Executive Officer by March 1 of the year following commencement of operation.

(iii) Refrigeration System with a Full Charge Greater Than 50 Pounds but Less Than 200 Pounds.

Beginning January 1, 2016, the owner or operator of such refrigeration system shall submit registration to CARB by providing the information specified in subparagraph (d)(1)(C). Refrigeration systems that begin operation before January 1, 2016 shall be registered with CARB Executive Officer on or before March 1, 2016. Refrigeration systems that begin operation on or after January 1, 2016, shall be registered with CARB Executive Officer by March 1 of the year following commencement of operation.

- (C) A person submitting registration to CARB pursuant to the provisions of subparagraph (d)(1)(B) shall provide the following information:
 - (i) Facility Information
 - (I) Name of operator.
 - (II) Operator Federal Tax Identification Number.
 - (III) Facility North American Industry Classification System (NAICS) Business Type Code based on the 2007 NAICS United States structure.
 - (IV) Facility Standard Industrial Classification (SIC) Code.
 - (V) Name of facility, including a facility identifier such as store number, if applicable.
 - (VI) Facility mailing address including a street address, city, state, and zip code.
 - (VII) Facility physical location address including a street address, city, state, and zip code.
 - (VIII) Facility contact person name, phone number, and e-mail address.
 - (ii) Refrigeration System Information (provided for each refrigeration system)

- (I) System identification number (assigned by the facility owner or operator).
 - (II) Equipment information such as equipment type, manufacturer, model or description, model year and serial number. The serial number(s) of the affected equipment or component must be recorded when present and accessible. When the affected equipment or component is part of an assembly without a serial number, or does not have an individual serial number, or is not accessible after assembly, the physical location of the affected equipment must be recorded in enough detail to permit positive identification.
 - (III) Physical location of the refrigeration through schematic or floor plan with equipment locations clearly noted.
 - (IV) Temperature classification (e.g. low temperature refrigeration system, medium temperature refrigeration system, or other);
 - (V) Full charge of the refrigeration system, in pounds.
 - (VI) Type of high global warming potential refrigerant(s) used.
- (D) If there is a change of ownership of a facility that is required to be registered pursuant to subparagraph (d)(1)(B), the new owner or operator shall register the refrigeration system with CARB by March 1 of the calendar year after the change of ownership has occurred.
- (E) Before any change of ownership, the owner or operator of a refrigeration system subject to subparagraph (d)(1)(B) shall ensure that the refrigeration system is free of refrigerant leaks through a leak inspection performed by a certified technician. In addition, a person selling a refrigeration system that is required to have been registered with CARB shall inform the buyer of the registration

requirements, and submit a change of ownership notification to the CARB Executive Officer. The change of ownership notification shall include the following information:

- (i) Seller Information
 - (I) Facility identification number;
 - (II) Name of owner or operator; and
 - (III) Name of facility, including a facility identifier such as store number; and
- (ii) Buyer Information
 - (I) Name of owner or operator;
 - (II) Name of facility, including a facility identifier such as store number;
 - (III) Facility mailing address including a street address, city, state, and zip code; and
 - (IV) Facility contact person including phone number and e-mail address.

(F) The owner or operator of a refrigeration system subject to this rule shall pay a registration fee for the entire facility as follows:

- (i) Refrigeration systems that are required to be registered with the District pursuant to (d)(1)(A) shall pay a plan filing fee pursuant to Rule 306 – Plan Fees.
- (ii) Refrigeration systems that are required to be registered with CARB pursuant to (d)(1)(B)(i) and (d)(1)(B)(ii) shall pay to CARB an initial implementation fee at time of registration and an annual implementation fee in accordance with the fee schedule established by CARB. If a facility has more than one refrigeration system, the amount of fee shall be based on the refrigeration system with the largest full charge that is operating at the facility.

(2) Leak Detection and Monitoring

- (A) Prior to January 1, 2011, the owner or operator of a refrigeration system that operates or is intended to be operated year round shall conduct an annual audit of the refrigeration system to determine whether such system is operating pursuant to manufacturer's specifications and does not have refrigerant leaks. At a minimum, the annual audit shall require a leak inspection conducted by a certified technician.
- (B) Beginning January 1, 2011, the owner or operator of a refrigeration system that operates or is intended to be operated year round shall comply with the following requirements:
 - (i) Refrigeration Systems with a Full Charge Greater Than or Equal to 2,000 Pounds.
 - (I) A monthly leak inspection of the refrigeration system shall be conducted if the refrigerant circuit is located entirely within an enclosed building or structure, or the compressor, evaporator, condenser, or any other component of the refrigeration system with a high potential for a refrigerant leak is located inside an enclosed building or structure. However, a monthly leak inspection is not required if the refrigeration system is equipped with an automatic leak detection system.
 - (II) A quarterly leak inspection of the refrigeration system shall be conducted if the refrigerant circuit is not located entirely within an enclosed building or structure and is not monitored for leaks using an automatic leak detection system.
 - (III) By January 1, 2012, an automatic leak detection system shall be installed for the refrigeration system if the refrigerant circuit is located entirely within an enclosed building or structure, or the compressor, evaporator, condenser, or any other component of the refrigeration system with a high potential for a

refrigerant leak is located inside an enclosed building or structure.

- (ii) Refrigeration Systems with a Full Charge Greater Than or Equal to 200 Pounds but Less Than 2,000 Pounds.

A quarterly leak inspection shall be conducted for the refrigeration system. A leak inspection is not required if an automatic leak detection system is used to monitor the refrigeration system.

- (iii) Refrigeration Systems with a Full Charge Greater Than 50 Pounds but Less Than 200 Pounds.

An annual leak inspection shall be conducted for the refrigeration system. A leak inspection is not required if an automatic leak detection system is used to monitor the refrigeration system.

- (C) Beginning January 1, 2011, the owner or operator of a refrigeration system that does not operate or is not intended to be operated year round shall conduct a leak inspection within 30 days after starting each operation of the refrigeration system, and once every three months thereafter, until the refrigeration system is shut down. A leak inspection is not required after starting operation if there has been a leak inspection of the refrigeration system conducted within the preceding 90 days.

- (D) Beginning January 1, 2011, the owner or operator of a refrigeration system subject to this rule shall conduct a leak inspection each time an additional refrigerant charge equal to or greater than 5 pounds or one percent of the refrigeration system full charge, whichever amount is greater, is added to such refrigeration system.

- (E) All refrigerant leak inspections shall be conducted using one or more of the following methods:

- (i) Refrigerant leak detection device used in accordance with the manufacturer's specifications; or
- (ii) A bubble test; or

- (iii) Observation of oil residue; or
- (iv) An alternate method approved by the Executive Officer.

In addition, any time oil residue is observed indicating a refrigerant leak, a leak inspection shall be conducted using a leak detection device or a bubble test to confirm a refrigerant leak.

- (F) The owner or operator of a refrigeration system equipped with an automatic leak detection system that directly detects the presence of high global warming potential refrigerant in the air shall comply with the following requirements:
 - (i) Sensors or intakes of the automatic leak detection system shall be placed in the proximity of the compressor, evaporator, condenser, and other areas with a high potential for a refrigerant leak.
 - (ii) An annual audit and calibration of the automatic leak detection system shall be conducted using the manufacturer's recommended procedures to ensure that the system accurately detects a concentration level of 10 parts per million of vapor of the specific refrigerant used in the refrigeration system, and alerts the operator when a refrigerant concentration of 100 parts per million of vapor of the specific refrigerant used in the refrigeration system is reached.
- (G) The owner or operator of a refrigeration system equipped with an automatic leak detection system that automatically interprets measurements (e.g. temperature and pressure) within a refrigeration system to indicate a refrigerant leak shall annually audit and calibrate the system, so that it automatically alerts the operator when measurements indicate a loss of refrigerant of 50 pounds or 10 percent of the refrigeration system full charge, whichever is less.
- (H) If an automatic leak detection system alerts the owner or operator of a refrigerant leak, the owner or operator shall ensure that a leak

inspection of the refrigeration system is conducted within 24 hours after the system alert.

(3) Leak Repair

- (A) Any person who owns or operates a refrigeration system that has a refrigerant leak shall ensure that the leak is repaired no later than 14 calendar days after the leak has been discovered, except in situations when a longer time period is allowed as provided in subparagraphs (d)(3)(B) and (d)(3)(C). The owner or operator shall maintain a log of repair activities beginning at the time the leak is discovered and ending at the time when the leak has been repaired. The refrigeration system shall be verified by a certified technician to be leak free before any refrigerant is added to the system.
- (B) The owner or operator of a refrigeration system has 45 days to repair a refrigerant leak if one or more of the following conditions exists:
 - (i) A certified technician is not available to complete the repair. A written record shall be kept to document that no certified technician is available within 14 days of the initial leak detection; or
 - (ii) The parts necessary to repair a refrigerant leak are unavailable within 14 days of the initial leak detection. A written statement verifying that the parts are unavailable from the refrigeration system or component manufacturer or distributor shall be obtained; or
 - (iii) The refrigerant leak repair requires an industrial process shutdown that results in a process temporarily ceasing to manufacture the intermediate or final product that is produced when the industrial process refrigeration appliance is in operation.
- (C) The owner or operator of a refrigeration system has 120 days to repair a refrigerant leak if all of the following conditions exist:

- (i) The facility owner or operator is an entity subject to Mandatory Greenhouse Gas Emissions Reporting requirements pursuant to section 95101 of the California Code of Regulations; and
 - (ii) The refrigeration system is an industrial process refrigeration appliance; and
 - (iii) The refrigerant leak repair requires an industrial process shutdown; and
 - (iv) Written records are maintained to document that all the conditions in clauses (d)(3)(C)(i) thru (d)(3)(C)(iii) are met.
- (D) The owner or operator of a refrigeration system shall ensure that an initial verification test and a follow-up verification test, as defined in subdivision (c), are conducted by a certified technician upon completion of refrigerant repairs. For a refrigeration system that has been evacuated during the refrigerant repair leak, the follow-up verification shall be conducted when the system is operating at normal operating conditions. If the system was not evacuated during leak repair, the follow-up verification test requirement is satisfied once required changes are made to return the refrigeration system to normal operating conditions.
- (E) If verification tests indicate that a refrigerant leak has not been successfully repaired within the allowable time period specified in subparagraphs (d)(3)(A), (d)(3)(B), or (d)(3)(C), and no exemption has been granted by the Executive Officer pursuant to paragraph (d)(5), then the owner or operator shall comply with the following applicable requirements:
- (i) For refrigeration systems that fail to meet the 14-day leak repair allowance in subparagraph (d)(3)(A), the owner or operator shall successfully repair the refrigerant leak within 45 days of the initial refrigerant leak detection, or prepare a retrofit or retirement plan pursuant to paragraph (d)(4) within 60 days of the initial refrigerant leak detection.

- (ii) For refrigeration systems that fail to meet the 45-day leak repair allowance in subparagraph (d)(3)(B), the owner or operator shall prepare a retrofit or retirement plan pursuant to paragraph (d)(4) within 60 days of the initial refrigerant leak detection.
 - (iii) For refrigeration systems that fail to meet the 120-day leak repair allowance in subparagraph (d)(3)(C), the owner or operator shall prepare a retrofit or retirement plan pursuant to paragraph (d)(4) within 135 days of the initial refrigerant leak detection.
- (4) Retrofit or Retirement Plan
 - (A) The plan shall establish a schedule to retrofit or retire a leaking refrigeration system no later than six months after the initial detection of the refrigerant leak. All work shall be completed during this six-month period.
 - (B) A retrofit or retirement plan shall include the following information:
 - (i) The system identification number of the refrigeration system being retired or retrofitted;
 - (ii) Equipment type, manufacturer, model number or description;
 - (iii) Physical location of the refrigeration system through schematic or floor plan with locations clearly noted;
 - (iv) Temperature classification of the refrigeration system;
 - (v) Full charge of the refrigeration system including the type of high global warming potential refrigerant(s) used;
 - (vi) A plan to dispose of the retired refrigeration system if the refrigeration system is to be retired and replaced;
 - (vii) A timetable which includes, at a minimum, the start date and completion date of installation, construction, or retrofit of the refrigeration system; and

(viii) A signature by a representative of the facility, including the date signed.

(5) Approval of Exemptions

(A) The owner or operator of a refrigeration system may submit a request to the Executive Officer for an exemption from the requirements of paragraphs (d)(3) and (d)(4) provided that the owner or operator demonstrates that one or more of the criteria below have been satisfied:

(i) Emissions Life Cycle Exemption

The Executive Officer may allow the continuation of a refrigerant leak for up to three years if the Executive Officer determines that the applicant has provided clear and convincing documentation that the refrigerant leak cannot be repaired, and that allowing the refrigerant leak to continue will result in less combined direct and indirect emissions than replacing the leaking refrigeration system. The documentation shall include information quantifying the lifecycle direct and indirect emissions, including energy use, and must include a calculation of these emissions based on the average lifetime of the refrigeration system or facility. The applicant shall also provide a mitigation plan that includes a list of proposed actions to minimize emissions. The plan shall include an analysis of options to minimize usage, reduce leaks or venting, and recycle or destroy high global warming potential refrigerant.

(ii) Economic Hardship Exemption

The Executive Officer may allow the continuation of a refrigerant leak for a specified time period of no longer than three years if the Executive Officer determines that the applicant has provided clear and convincing documentation that all of the following criteria are met:

(I) Compliance would result in extraordinary economic hardship, such as closure of the entire facility or a

large portion of the facility, or loss of a large portion of the revenue from the facility; and

- (II) The applicant has prepared a compliance report that can be implemented and can achieve compliance as expeditiously as possible. The compliance report shall reasonably detail when compliance will be achieved and the method by which compliance will be achieved.

(iii) Natural Disaster Exemption

The Executive Officer may allow the continuation of a refrigerant leak for a specified time period of no longer than three years if the Executive Officer determines that the applicant has provided clear and convincing documentation that failure to repair the refrigerant leak was due to a natural disaster such as an earthquake or flood, an act of war or an act by a public enemy, or a civil disorder or riot.

- (B) Any exemption granted may be extended for one or more additional periods of up to three years if the Executive Officer determines that the demonstrations made pursuant to clauses (d)(5)(A)(i), (d)(5)(A)(ii), or (d)(5)(A)(iii) remains valid.

- (C) The owner or operator requesting an exemption as provided in subparagraph (d)(5)(A) shall submit a written application demonstrating that one or more of the exemption criteria have been met. Within 30 days of receipt of the exemption application, the Executive Officer shall determine whether the application is complete, and shall notify the applicant of this determination. If the exemption application is determined to be incomplete, the Executive Officer shall notify the applicant and specify the information needed to make the application complete. Within 90 days after an application is determined to be complete, the Executive Officer shall determine whether and under what conditions an exemption will be granted. The applicant and the Executive Officer may agree to a longer time period for the Executive Officer to take action on the exemption application.

- (D) The exemption shall cease to be effective upon the failure of the person to whom the exemption was granted to comply with any term or condition of the exemption.
 - (E) If the Executive Officer determines that an exemption no longer meets the criteria specified in subparagraph (d)(5)(A), the Executive Officer may revoke the exemption or modify it as necessary to insure that the exemption continues to meet the criteria.
 - (F) If an application for an exemption is denied or an existing exemption is revoked, the owner or operator of a refrigeration system shall comply with the following:
 - (i) From the time a notice of denial or revocation is issued, the refrigerant leak shall be repaired within the allowable repair period in paragraph (d)(3); or
 - (ii) Within 30 days of a notice of such denial or revocation, the owner or operator of the facility shall prepare a retrofit or retirement plan pursuant to paragraph (d)(4). The plan shall establish a schedule to retrofit or retire a leaking refrigeration system no later than six months after a notice of denial or revocation, and all work shall be completed during this six-month period.
- (e) Required Service Practices and Prohibitions
- (1) No person shall install, maintain, service, repair, relocate, or dispose of any refrigeration system, regardless of charge size, that may cause the release of high global warming potential refrigerants unless that person meets all of the following applicable requirements:
 - (A) The person has a current, valid, and applicable U.S. Environmental Protection Agency technician certificate issued in accordance with Title 40 of the Code of Federal Regulations, Part 82, Subpart F, §82.161.
 - (B) The certified technician conducting leak repair holds a current and active California contractor's license in the C-38-Refrigeration Contractor licensing classification, or is an employee of a

contractor with the same qualifications. If the refrigeration system requiring service is also used in an air conditioning application, the refrigerant leak may be repaired by a certified technician holding a current and active California contractor's license in the C-20-Warm Air Heating, Ventilating and Refrigeration Contractor licensing classification, or by an employee of a contractor with the same qualifications.

- (C) The person recovers, recycles, or reclaims the refrigerant, using certified refrigerant recovery or recycling equipment for that type of refrigeration system, and employs procedures for which the certified refrigerant recovery or recycling equipment was approved by the U.S. Environmental Protection Agency. Attempts to recover refrigerant shall be made even if the person believes that all refrigerant has been removed or has previously leaked from the refrigeration system. Refrigerant may be returned to the refrigeration system from which it is recovered, or to another refrigeration system owned by the same person, without being recycled or reclaimed.
- (D) The refrigerant added to a refrigeration system during manufacture or service is:
 - (i) A Class I or Class II substance, as identified by section 602 of the federal Clean Air Act; or
 - (ii) An alternative that has been found acceptable under the SNAP program pursuant to Title 40 of the Code of Federal Regulations, Part 82, Subpart G, §82.170; or
 - (iii) Approved by the Executive Officer for the specific refrigeration end-use in which it is being employed.
- (E) No refrigerant charge is added to any refrigeration system known to have a refrigerant leak, except that it is permissible to add additional refrigerant charge required to maintain operations during leak repair.
- (F) Job site evacuation of refrigerants during recycling, recovering, reclaiming, or disposing is done in accordance with Title 40 of the

Code of Federal Regulations, Part 82, Subpart F, §82.156. De minimis refrigerant releases associated with a good faith attempt to recycle or recover refrigerants are allowed. Refrigerant releases shall be considered de minimis only if they occur when the required practices or requirements contained in Part 82, Subpart F, §§82.156 and 82.158, and Part 82, Subpart B of Title 40 of the Code of Federal Regulation are followed.

- (2) Any person who owns or operates a certified refrigerant recovery or recycling equipment shall:
 - (A) Ensure the equipment has been tested for and been determined to have no leaks within the past six months. Leaks in recycling, recovering, or charging equipment shall be repaired within 2 working days after the leak is first detected, unless the equipment does not leak if its use is discontinued, and use is discontinued.
 - (B) Not alter the design of a certified recovery and recycling equipment in a manner that would affect the equipment's ability to meet the certification standards set by the U.S. Environmental Protection Agency without resubmitting the altered design to an approved equipment testing facility for certification testing. Until such altered equipment is tested by a U.S. Environmental Protection Agency approved equipment testing facility, and is shown to meet the certification standards set forth by the U.S. Environmental Protection Agency, the altered equipment shall not be considered approved, and shall not be used.
 - (C) Use the refrigerant recovery and recycling equipment used as specified by the certified refrigerant recovery or recycling equipment manufacturer, unless the manufacturer's specifications are in conflict with the procedures approved by the U.S. Environmental Protection Agency for the certified refrigerant recovery or recycling equipment.
 - (D) Provide proof of certification for the recovery and recycling equipment from the U.S. Environmental Protection Agency to the Executive Officer upon request.

- (3) No person shall sell, supply, offer for sale or distribute any high global warming potential refrigerant for use as a refrigerant unless:
 - (A) The buyer is a certified technician; or
 - (B) The buyer is an authorized representative of a person employing at least one certified technician, and the buyer has provided evidence that at least one technician is properly certified; or
 - (C) The refrigerant is sold only for eventual resale to a certified technician, an employer of a certified technician, or an refrigeration system manufacturer; or the refrigerant is being sent for reclamation; or
 - (D) The refrigerant is contained in a refrigeration appliance.
- (4) No person shall sell, supply, offer for sale or distribute any high global warming potential refrigerant for use as a refrigerant unless such refrigerant is a Class I or Class II substance identified by section 602 of the federal Clean Air Act; or is an alternative that has been found acceptable under the SNAP program pursuant to Title 40 of the Code of Federal Regulations, Part 82, Subpart G, §82.170; or is approved by the Executive Officer for the specific refrigeration end-use in which it is being employed.
- (5) No person shall sell, offer for sale, supply, or distribute, any high-global warming refrigerant consisting wholly or in part of used refrigerant unless the refrigerant has been reclaimed by a certified reclaimer.
- (6) No person shall distribute or sell a refrigerant recovery or recycling equipment unless such equipment meets the levels of evacuation to be achieved by recovery or recycling equipment as specified in Title 40 of the Code of Federal Regulations, Part 82, §82.158.
- (7) No person reclaiming refrigerants shall release into the atmosphere more than 1.5 percent of the refrigerant received for reclamation.
- (8) No person shall recycle or dispose of a non-refillable cylinder unless the refrigerant from such cylinder has been evacuated to a vacuum of 15 inches of mercury, relative to standard atmospheric pressure of 29.9 inches of mercury.

- (9) No person shall refill a non-refillable cylinder or use it as a temporary receiver during service.
 - (10) No person shall repair or modify a non-refillable cylinder in any way that allows the non-refillable cylinder to be refilled.
- (f) Reporting
- (1) A person operating a refrigeration system with a full charge greater than or equal to 200 pounds of a high global warming potential refrigerant shall submit annually to CARB a Facility Stationary Refrigeration Report (Annual Report) that contains the information specified in subparagraphs (f)(2)(A) and (f)(2)(B). Each Annual Report shall provide this information for the previous calendar year and shall be submitted as follows:
 - (A) By March 1, 2012, the owner or operator of a facility with a refrigeration system that begins operation before January 1, 2012, and with a full charge greater than or equal to 2,000 pounds of a high global warming potential refrigerant, shall submit an Annual Report for the 2011 calendar year. By March 1, 2013, and each calendar year thereafter, the owner or operator shall submit an Annual Report providing information for the previous calendar year.
 - (B) The owner or operator of a facility with a refrigeration system that begins operation on or after January 1, 2012, and with a full charge greater than or equal to 2,000 pounds of a high global warming potential refrigerant shall submit an Annual Report for the previous calendar year by March 1 of the year following commencement of operation. Subsequent Annual Reports for the previous calendar year shall be submitted by March 1 of each year thereafter.
 - (C) By March 1, 2014, the owner or operator of a facility with a refrigeration system that begins operation before January 1, 2014, and with a full charge greater than or equal to 200 pounds but less than 2,000 pounds of a high global warming potential refrigerant, shall submit an Annual Report for the 2013 calendar year. By March 1, 2015, and each calendar year thereafter, the owner or

operator shall submit an Annual Report providing information for the previous calendar year.

- (D) The owner or operator of a facility with a refrigeration system that begins operation on or after January 1, 2014, and with a full charge greater than or equal to 200 pounds but less than 2,000 pounds of a high global warming potential refrigerant, shall submit an Annual Report for the previous calendar year by March 1 of the year following commencement of operation. Subsequent Annual Reports for the previous calendar year shall be submitted by March 1 of each year thereafter.
- (2) The Annual Report required in paragraph (f)(1) shall include the following information:
 - (A) Refrigeration System

The following data shall be provided for each refrigeration system:

 - (i) System identification number;
 - (ii) Equipment type;
 - (iii) Equipment manufacturer;
 - (iv) Equipment model or description, model year, and serial number. The serial number(s) of the affected equipment or component must be recorded when present and accessible. When the affected equipment or component is part of an assembly without a serial number, or does not have an individual serial number, or is not accessible after assembly, the physical location of the affected equipment must be recorded in enough detail to permit positive identification;
 - (v) Physical location of a refrigeration system through schematic or floor plan with equipment locations clearly noted;
 - (vi) Temperature classification;
 - (vii) Full charge of the refrigeration system, in pounds;
 - (viii) Type of high global warming potential refrigerant used; and

(ix) Date of initial installation.

(B) Refrigeration System Service and Leak Repair

The following information shall be provided for each automatic leak detection system audit, leak inspection, and refrigeration system service or refrigerant leak repair that required an additional refrigerant charge of five pounds or more, or an additional refrigerant charge equal to or greater than one percent of the full charge, whichever amount is greater:

- (i) Date leak detected, if applicable;
- (ii) Date of service provided or leak repair completed;
- (iii) Cause of refrigerant leak, if applicable;
- (iv) Description of service provided or leak repair completed;
- (v) Date(s) of initial verification test(s), if applicable;
- (vi) Date(s) of follow-up verification test(s), if applicable;
- (vii) Total additional refrigerant charge (in pounds) of each type of high global warming potential refrigerant, if applicable;
- (viii) Purpose for additional refrigerant charge (leak repair, topping off, initial refrigerant charge, or seasonal adjustment), if applicable;
- (ix) Name of certified technician completing leak repair, if applicable; and
- (x) The certified technician's identification number and certification type issued by an approved technician certification program pursuant to Title 40 of the Code of Federal Regulation, Part 82, §82.161, if applicable.

(C) Refrigerant Purchases and Use Information

The following information shall be provided on refrigerant purchase and use:

- (i) The total weight in pounds of each type of high global warming potential refrigerant that was purchased during the calendar year;

- (ii) The total weight in pounds of each type of high global warming potential refrigerant that was charged into a refrigeration system during the calendar year;
 - (iii) The total weight in pounds of each type of high global warming potential refrigerant that was recovered from a refrigeration system during the calendar year;
 - (iv) The total weight in pounds of each type of high global warming potential refrigerant that was stored in inventory at the facility, or stored at a different location for use by the facility, on the last day of the calendar year; and
 - (v) The total weight in pounds of high global warming potential refrigerant that was shipped by the owner or operator for reclamation and destruction during the calendar year.
- (3) A person operating a refrigeration system with a full charge greater than 50 pounds but less than 200 pounds of a high global warming potential refrigerant is not required to submit annual reports. However, the owner or operator of such refrigeration system shall report the information specified in paragraph (f)(2) within 60 days of receipt of a request from CARB or the District.
- (4) By March 1, 2012, and every year thereafter, a refrigerant distributor or wholesaler shall submit an annual report to CARB providing information for the previous calendar year. The annual report shall cover all California facilities under the operational control of the refrigerant distributor or wholesaler, and shall include the following information:
- (A) Name and mailing address of the refrigerant distributor or wholesaler;
 - (B) Contact person name, phone number, and e-mail address for the refrigerant distributor or wholesaler;
 - (C) The total statewide annual aggregated weight in pounds of each type of high global warming potential refrigerant that was purchased or received for the purpose of subsequent resale or delivery for any purpose other than reclamation or destruction;

- (G) The total statewide annual aggregated weight in pounds of each type of high global warming potential refrigerant that was sold or distributed, excluding all sales to facilities outside of California or to a refrigerant distributor or wholesaler for eventual resale;
 - (H) The total statewide annual aggregated weight in pounds of high global warming potential refrigerant that was shipped to a certified reclaimer;
 - (I) Name of all refrigerant distributor or wholesaler facilities under the operational control of the refrigerant distributor or wholesaler;
 - (J) Address of each refrigerant distributor or wholesaler facility under the operational control of the refrigerant distributor or wholesaler; and
 - (K) Contact person name, phone number, and e-mail address for each refrigerant distributor or wholesaler facility under the operational control of the refrigerant distributor or wholesaler.
- (5) By March 1, 2012, and every year thereafter, a person reclaiming any high global warming potential refrigerant in California shall submit an annual report to CARB providing information for the previous calendar year. The annual report shall cover all California facilities under the operational control of the certified reclaimer, and shall include the following information:
- (A) Name and mailing address of the certified reclaimer;
 - (B) Contact person name, phone number, and e-mail address for the certified reclaimer;
 - (C) The total statewide annual aggregated weight in pounds of high global warming potential refrigerant that was received by the certified reclaimer for reclamation or destruction;
 - (D) The total statewide annual aggregated weight in pounds of each type of high global warming potential refrigerant that was reclaimed in California;

- (E) The total statewide annual aggregated weight in pounds of high global warming potential refrigerant that was shipped out of California for reclamation;
 - (F) The total statewide annual aggregated weight in pounds of high global warming potential refrigerant that was destroyed or shipped out of California for destruction;
 - (G) Name and address of all certified reclaimer facilities under the operational control of the certified reclaimer; and
 - (H) Contact person name, phone number, and e-mail address for each certified reclaimer facility under the operational control of the certified reclaimer.
- (g) Recordkeeping
- (1) Any person owning or operating any refrigeration system subject to this rule shall maintain records for each refrigeration system for a minimum of five years. The following records shall be kept at the facility where the refrigeration system is in operation, and shall be made available to the Executive Officer upon request:
 - (A) All registration information for the refrigeration systems;
 - (B) Documentation of all leak detection systems, leak inspections, annual audit and calibration of automatic leak detection system;
 - (C) Records of refrigeration system service and leak repairs, including documentation of any conditions allowing leak repair of more than 14 days after leak detection pursuant to subparagraphs (d)(3)(B) and (d)(3)(C);
 - (D) Any retrofit or retirement plans, or records on application for exemption submitted pursuant to paragraph (d)(4), if applicable;
 - (E) Name(s) of the person(s) who completed the inspection and repair, including the name, address, and telephone number of the company the person is representing, and technician certificate number;
 - (F) A log of the quantity of each additional high global warming refrigerant charged to the refrigeration system and the date of each charge;

- (G) The quantity (in pounds) of high-global warming refrigerants purchased or used in the District in a calendar year, including invoices of all refrigerant purchases;
 - (H) Annual Reports submitted pursuant to paragraph (f)(1);
 - (I) Records of all shipments of refrigerants for reclamation or destruction, which include the following information:
 - (i) Name and address of refrigerant shipment destination;
 - (ii) Weight in pounds of refrigerant shipped;
 - (iii) Date of shipment; and
 - (iv) Purpose of shipment, e.g. reclamation, destruction, etc.
 - (J) Records of all refrigeration systems component data, measurements, calculations and assumptions used to determine full charge.
- (2) A refrigerant distributor, wholesaler, or certified reclaimer shall maintain records for a minimum of five years. The following records shall be kept at the facility of each distributor, wholesaler, or certified reclaimer, and shall be made available to the Executive Officer upon request, as follows:
- (A) Annual reports submitted pursuant to paragraphs (f)(4) and (f)(5);
 - (B) Invoices of all high-global warming refrigerants received through sale or transfer and all high-global warming refrigerants distributed through sale or transfer. These invoices must indicate the name of the purchaser, the date of sale, and the quantity and the type of high-global warming refrigerant purchased, sold, or transferred;
 - (C) Documents required pursuant to subparagraph (e)(3)(B); and
 - (D) Records of all shipments of refrigerant received for reclamation.
- (3) Any person owning and operating a certified refrigerant recovery or recycling equipment shall maintain records to determine compliance with the requirements of paragraph (e)(2), which includes the following information:
- (A) Date of semi-annual inspection;

- (B) All work completed for each recycling or recovery system to prevent or repair leaks, including results of leak testing and leak determinations; and
- (C) Name(s) of the person(s) who completed the inspection and repair, including the name, address, and telephone number of the company the person is representing.

(h) Exemption

- (1) The provisions of this rule do not apply to tactical support equipment.
- (2) An owner or operator shall not pay fees as required in clause (d)(1)(F)(ii) for any calendar year if during the previous calendar year all of the refrigeration systems at the facility have been maintained using the following advanced strategies and practices to reduce refrigerant charges and emissions of ozone-depleting substances and greenhouse gases:
 - (A) The facility uses only refrigerants with zero ozone-depleting potential; and
 - (B) The facility uses only refrigerants found acceptable by the U.S EPA SNAP program pursuant to Title 40 of the Code of Federal Regulation, Part 82, Subpart G, §82.170 for the specific end use; and
 - (C) The facility achieves an average hydrofluorocarbon full charge equal to or less than 1.25 lbs. of refrigerant per 1000 Btu per hour total evaporator cooling load; and
 - (D) If the facility is not newly constructed, the facility achieves a facility-wide annual refrigerant leak rate, as defined in Title 40 of the Code of Federal Regulation, Part 82, §82.152, of 10% or less; and
 - (E) The owner or operator swears under penalty of perjury that the criteria specified in subparagraphs (h)(2)(A) thru (h)(2)(D) have been met.
- (2) The requirements in paragraphs (d)(3) and (d)(4) shall not apply to the following conditions:

- (A) During the time the refrigeration system is undergoing or is in system mothballing, as defined in subdivision (c), and until the refrigeration system resumes operation at a facility; or
- (B) The owner or operator of a refrigeration system has received an exemption from the Executive Officer pursuant to paragraph (d)(5); or
- (C) The owner or operator of a refrigeration system has submitted a request for an exemption and until a final determination is made by the Executive Officer pursuant to paragraph (d)(5).

Written records must be kept pursuant to subdivision (g) to document that the owner or the operator has requested or received an exemption.

- (3) The contractor's license requirements in subparagraph (e)(1)(B) shall not apply if one or more conditions apply:
 - (A) The refrigeration system service or refrigerant leak repair is performed by the facility owner or operator or its employees with wages as sole compensation; or
 - (B) The refrigeration system service or refrigerant leak repair is performed by the facility owner or operator through one undertaking or by one or more contracts, and the aggregate contract price for labor, materials, and all other items is less than five hundred dollars (\$500); or
 - (C) The refrigeration system service or refrigerant leak repair is performed pursuant to a contract entered into before January 1, 2011 by any political subdivision of the United States government, or the State of California, or by any incorporated town, city, county, irrigation district, reclamation district, or other municipal or political corporation.

(i) Violations

- (1) Each day or portion thereof that any leak inspection or leak repair is not completed after the date such leak inspection or leak repair is required to be completed, or each day or portion thereof that any registration, report, or plan required by this rule remains unsubmitted, is submitted late, or

contains incomplete or inaccurate information, shall constitute a single, separate violation of this rule.

- (2) Failure to pay the full amount of any fee required by this rule shall constitute a single, separate rule violation for each day or portion thereof that the fee has not been paid after the date the fee is due.

(j) Severability

If any provision of this rule is held by judicial order to be invalid, or inapplicable to any person or circumstance, such order shall not affect the validity of the remainder of this rule, or the validity or applicability of such provision to other persons or circumstances. In the event any of the exceptions to this rule is held by judicial order to be invalid, the persons or circumstances covered by the exception shall instead be required to comply with the remainder of this rule.

APPENDIX B

ASSUMPTIONS AND CALCULATIONS

Table B-1
Leak Repair Excess Emissions from Extending the Existing Rule 14-Day Time Period to 45- and 120-Day Time Periods

EQUIPMENT CATEGORY	2020 No. of Systems	Avg Charge lbs	% ODS	Annual Leak Rate %	ODS Leaked lbs/yr	Avg. GWP of ODS Refrigerant	ODS Emissions MTCO ₂ E/yr	ODS Emissions MTCO ₂ E/day	ODS Excess Emissions due to 45/120-day MTCO ₂ E/yr
PAR 1415.1 - REFRIGERATION SYSTEMS									
Centralized System - Large	855	2,486	0.422	10.0%	89,695	1,500	61,082	167	104
Centralized System - Medium	17,812	704	0.422	10.0%	529,174	1,500	360,368	987	612
Cold Storage - Large	760	7,546	0.652	10.0%	373,910	2,020	342,905	939	582
Cold Storage - Medium	2,137	565	0.652	10.0%	78,739	2,020	72,210	198	123
Process Cooling - Large	323	3,640	0.618	6.8%	49,083	2,669	59,476	163	4,318
Refrig: Cond. Units - Small	36,814	122	0.325	5.0%	72,984	1,944	64,414	176	109
Total Refrigeration Systems	58,701				1,193,585			2,631	5,849
PAR 1415 - AIR CONDITIONING SYSTEMS									
Centrifugal Chiller - Large	2,366	3,978	0.843	2.4%	191,787	1,550	134,960	370	229
Centrifugal Chiller - Medium	747	1,007	0.843	1.4%	9,031	1,550	6,355	17	11
Packaged Chiller - Medium	4,669	526	0.843	3.5%	72,462	1,550	50,991	140	87
Unitary A/C - Small	37,631	100	0.784	5.0%	147,513	1,500	100,457	275	171
Total Air Conditioning Systems	45,413							802	497
Total All Systems	104,114							3,433	6,346

Table B-1 (concluded)
Leak Repair Excess Emissions from Extending the Existing Rule 14-Day Time Period to 45- and 120-Day Time Periods

Notes:

- No. of Systems = number of refrigeration systems for the category
- Avg Charge = average number of pounds of refrigerant for a given equipment category
- Percent ODS = ODS portion of total charge
- Annual Leak Rate = average annual leak rate expected from implementing best management practices (target leak rate)
- ODS Leaked = amount of ODS refrigerant that leaked during the year in lbs/yr = (No. of Systems x Ave. Charge x % ODS x Annual Leak Rate)
- Ave. GWP of Refrigerant = average GWP of refrigerants used in refrigeration systems for each category
- ODS Emissions MTCO₂E/yr (metric tons CO₂Equivalent/yr) = ODS Leaked (lbs/yr) x Ave. GWP of Refrigerant x 0.000454 MT/lb)
- ODS Emissions MTCO₂E/day = ODS Emissions MTCO₂E/yr divided by 365 days/yr
- ODS Emissions due to 45/120-day Repair (MTCO₂E/yr) = ODS Emissions MTCO₂E/day x No. of Additional Repair Days x Est. % of Facilities Availing of Extension

Assumptions:

- Centralized systems, cold storage, and condensing units: 31 additional repair days (45 days - 14 days) and two percent of facilities availing of extension
- Process Cooling: 106 additional repair days (120 days - 14 days) and 25 percent of facilities availing of extension

Table B-2
Leak Repair Excess Emissions from Extending the Existing Rule 14-Day Time Period for Exemptions

EQUIPMENT CATEGORY	2020 No. of Systems	ODS Emissions MTCO ₂ E/day	ODS Excess Emissions due to Three-Year Repair MTCO ₂ E/yr	ODS Excess Emissions due to Three-Year Repair per Facility MTCO ₂ E/yr	ODS Excess Emissions due to Three-Year Repair per Facility lb CO ₂ E/yr	ODS Excess Emissions due to Three-Year Repair per Facility lb CO ₂ E/day
Centralized System - Large	855	167	294	76	167,310	477
Centralized System - Medium	17,812	987	1,733	21	47,380	135
Cold Storage - Large	760	939	1,649	479	1,056,657	3,010
Cold Storage - Medium	2,137	198	347	36	79,116	225
Process Cooling - Large	323	163	286	196	431,232	1,229
Refrig: Cond. Units - Small	36,814	176	310	2	4,098	12
Total Refrigeration Systems		2,631	4,618			

Assumes that one of 200 facilities would require an exemption

Table B-3
Leak Repair Excess Emissions from Extending the Existing Rule 14-Day Time Period to a 45-Days Time Period

Equipment Category	2020 No. of Systems	ODS Emissions MTCO ₂ E/day	ODS Excess Emissions due to 45-day Repair MTCO ₂ E/year	ODS Excess Emissions due to 45-day Repair lb CO ₂ E/year	ODS Excess Emissions due to 45-day Repair lb CO ₂ E/day
Refrigeration Condensing Units	36,814	176	109	7.2	0.2
Unitary Air Conditioning	37,631	275	171	11.0	0.4
Total			280	18.3	0.6

Table B-4A
Safety Indicators for Common Chiller Refrigerants

Parameter	R-11	R-123	R-12	R-134a	R-22
Acute (short term) toxicity LC50, 4 hr rat (ppm)	26,200	32,000	760,000	>500,000	220,000
Cardiac sensitization, dog (ppm)	5,000	20,000	50,000	75,000	50,000
Anesthetic effect (ppm)	10,000	5,000	>200,000	>200,000	200,000
NIOSH IDLH (ppm)	10,000	4,000	50,000	50,000	50,000
Short-term exposure limit (ppm)	1,000	1,000	50,000	75,000	50,000
Subchronic toxicity NOEL, rat (ppm)	10,000	1,000	10,000	50,000	10,000
Mutagenicity or Carcinogenicity					
Ames assay	negative	negative	negative	negative	negative
Mouse micronucleus assay	negative	negative	negative	negative	negative
Carcinogenic	no	no	no	no	weakly
Teratogenicity rats or rabbits	none	none	none	none	none
Chronic (long term) toxicity					
Occupational exposure limit (ppm)	C1000 (PEL, TLV-C)	10-30 (manufacturer)	1,000 (PEL, TLV-TWA)	1,000 (manufacturer)	1,000 (PEL, TLV-TWA)
Flammability					
LFL-UFL (%vol in air)	none	none	none	none	none
Heat of combustion (MJ/kg)	0.9	2.1	-0.8	4.2	2.2
ANSI / ASHRAE 34 Safety Classification	A1	B1	A1	A1	A1

Source: <http://www.epa.gov/ozone/snap/refrigerants/safety.html>

Table B-4B
Safety Indicators for Additional Refrigerants Listed in the CARB FSOR

Parameter	R-404A			R-410A		R-407C		
	R-22	R-125	R-290	R23	R-125	R-32	R-125	R-134a
Acute (short term) toxicity LC50, 4 hr rat (ppm)	220,000	800,000		520,000	100,000	520,000	800,000	>500,000
Cardiac sensitization, dog (ppm)	50,000	75,000					75,000	75,000
Anesthetic effect (ppm)	200,000							>200,000
NIOSH IDLH (ppm)	50,000							50,000
Short-term exposure limit (ppm)	50,000							75,000
Subchronic toxicity NOEL, rat (ppm)	10,000	50,000		50,000	50,000	50,000	50,000	50,000
Mutagenicity or Carcinogenicity								
Ames assay	negative							negative
Mouse micronucleus assay	negative							negative
Carcinogenic	weakly	none				none	none	no
Teratogenicity rats or rabbits	none							none
Chronic (long term) toxicity								
Occupational exposure limit (ppm)	1,000 (PEL, TLV-TWA)	1,000 ppm TWA (8hr)	1,000 ppm TWA (8h)	none	1,000 ppm TWA (8hr)	1,000 ppm TWA (8hr)	1,000 ppm TWA (8hr)	1,000 (manufacturer)
Flammability								
LFL-UFL (%vol in air)	none	none	none	none		none		none
Heat of combustion (MJ/kg)	2.2							4.2
ANSI / ASHRAE 34 Safety Classification	A1			A1		A1		

R-22 and R-134a values from <http://www.epa.gov/ozone/snap/refrigerants/safety.html>
HCHC-22 data from EPA, HFC-125 and R-290 data from <http://www.refrigerants.com/MSDS/r402A.pdf>
<http://www.refrigerants.com/msds/r407c.pdf>
HFC 134a from EPA, R32 and HCH 125 from <http://www.refrigerants.com/MSDS/r410A.pdf>

Table B-5
Average Annual Repair Cost of Refrigerant Leak

Refrigeration System Size	Annual Repair Cost (Parts, Labor, Refrigerant Recovery)	Average Refrigerant Charge (lbs)	Average Annual Leak (lbs)	Cost of Replacing Refrigerant (@\$11/lb)	Total Annual Cost (Repair plus Refrigerant Replacement)
Small	\$900	122	18 (14%)	\$198	\$1,098
Medium	\$1,550	689	119 (17%)	\$1,309	\$2,859
Large	\$2,450	4,663	1,090 (23%)	\$11,990	\$14,440

Source: Appendix C - Economic Impact Estimates: Refrigerant Management Program, October 23, 2009

- Most leaks are relatively small and slowly reduce the amount of refrigerant available to the refrigeration system
- Refrigerant loss is one of the most expensive types of maintenance problem in a refrigeration system; average cost of refrigerant replacement is about \$11 per pound.
- Costs of refrigerants are expected to rise as ODS refrigerants (CFC and HCFC) are phased out. Future legislation may also restrict production and import of ODS replacement refrigerants (HFCs).
- Early leak detection would mean less refrigerant required to bring system back to normal levels; thus reducing refrigerant replacement cost
- According to several refrigeration service contractors, most leaks are fixed within a short period of time (one-three days). About half the time refrigeration leaks are repaired on the same day contractors visit the facility. A second trip is necessary when replacement parts are not readily available during the first visit. In addition, most contractors talked to indicated that they have not had leak repairs exceed 14-days.
- On very few occasions, leak repair may take four to six weeks to complete when a major component (e.g., evaporator) has to be ordered from a manufacturer located outside the United States. One contractor recalled that only once in his 20 years of experience where leak repair exceeded 14 days. He indicated that a very conservative estimate of this situation happening may be anywhere from 1 to 2 for every 100 customers, although it may even be lower. Further, contractors I consulted did not service a facility that would not authorize the repair of a leak because they are unable to pay for the cost of repair.
- CARB provided a summary of leak repairs performed by a large supermarket chain during 2005-2007. Repair logs showed no replacement of a major component such as evaporator, condenser, or compressor. Rather, the report contains common sources of leaks from non-major components of the refrigeration system. The following are the more common leaks reported:
 - Evaporator coil – one of the main sources of leaks reported. A faulty evaporator coil most likely is caused by a leaking capillary tube. These capillary tubes are very small copper tubes and because of vibration of the system, tend to rub against each other causing a hole in the capillary tube. The leaking tube is likely to be repaired immediately by soldering.

- Refrigerant line – Leaks could come from the liquid line, suction line, or discharge line. These lines have flare connections that are susceptible to refrigerant leakage. Flare connections can easily be repaired but other times the flare fitting and connection have to be replaced to prevent future leaks. Normally, parts are readily available and repair can be made immediately.