

Goals and Priorities in 2002

Goals

- 1. Ensure expeditious progress toward clean air
- 2. Ensure equitable treatment for all communities
- 3. Operate efficiently and in a manner sensitive to businesses

Priorities

1. ENSURE EXPEDITIOUS PROGRESS TOWARD CLEAN AIR

Develop a comprehensive program to achieve emission reductions by adopting and implementing rules, programs, and policies to expeditiously meet federal and California Clean Air Act targets, complying with the 1999 State Implementation Plan settlement, and protecting the economy of the District by avoiding potential federal sanctions. Ensure compliance through a program that includes air monitoring, conducting source emissions tests, promptly processing permits, using community-based deployment of field personnel, providing source education programs and classes, and reaching out to the community, as well as continued strategic use of civil penalties to incentivize compliance and to deter future violations.

Work with the U.S. Congress, California Legislature, U.S. Environmental Protection Agency, and California Air Resources Board to obtain a proportionate fair share of funding for essential programs to reduce emissions. Continue to embrace and involve all stakeholders as partners in reducing air pollution by developing and implementing a program that is technologically advanced, cost-effective, and sensitive to business, environmental and community interests. Stakeholders include, but are not limited to, local and state governments, small business owners/operators, other members of the regulated community, environmental and community leaders, and all residents.

Promote programs to reduce mobile source emissions by reducing emissions from traditional diesel-powered vehicles, supporting the increased use of clean-fuel and other low-emission vehicles and engines, assisting employers, local governments, and the private sector in reducing mobile source emissions, and incentivizing the purchase of less polluting vehicles. Facilitate development of new air quality-enhancing technology by encouraging public/private partnerships to develop new and innovative technologies, reducing financial and technological barriers that limit the use of clean fuels and technologies, supporting projects to reduce emissions from surface coatings and solvents, and working with all stakeholders to accomplish advanced technology goals and review existing regulatory requirements to minimize barriers to the development and commercialization of new lower-emitting technologies.

South Coast Air Quality Management District

Mission Statement:

“The South Coast AQMD believes all residents have a right to live and work in an environment of clean air and is committed to undertaking all necessary steps to protect public health from air pollution with sensitivity to the impacts of its actions on the community and businesses.”



Major Achievements in CY 2001

Improved Air Quality

- No violations of the Carbon Monoxide standard
- No Stage 1 ozone episodes for the 3rd year in a row
- The fewest days of ozone violations in history (36 days).

Helped Facilitate Solutions to Energy Crisis

Worked closely with industry representative, governmental agencies, and other parties to facilitate appropriate controls. Amended RECLAIM and New Source Review rules and expedited power plant permits.

- The Board preliminarily approved five initiatives aimed at stabilizing emission-reduction credit (ERC) prices and reducing compliance costs while still achieving air quality reductions. The actions were intended to modify the extreme influence of power plant demand for ERCs - - which had resulted in unprecedented (NOx) Oxides of Nitrogen price spikes - - yet also assure adequate power supplies. Adopted several changes to the RECLAIM credit trading program to provide alternative emission reduction mechanisms for power plants and to ensure that the program meets its pollution reduction goals.
- Adopted a resolution urging the governor and state legislature to implement policies which expedited permitting of clean power plant projects and allowed operational flexibility in return for specific mitigation actions, and which placed reasonable controls on diesel emissions from standby generators.

- Processed 18 gas turbine permits representing output exceeding 2,300 megawatts. This compares to CY 2000 in which 2 utility boilers and 21 gas turbines totaling a production output of over 2,000 megawatts were permitted. Expeditiously issued permits to power plants to install control equipment to reduce NOx by as much as 2,500 tons per year.



- Approved funding to purchase and install microturbines at public locations such as landfills, schools, and hospitals in Riverside, San Bernardino and Orange counties.
- Authorized issuance of an RFP for development of a hydrogen fueling station template, and required that all future CNG sites co-funded by AQMD be analyzed for hydrogen fueling compatibility. Approved funding of a contract to install a wind-powered hydrogen generation station for fuel cell vehicles near a transit facility in the Coachella Valley which already operates a 100% natural gas fleet of buses.
- Approved incentive co-funding to assist taxicab operators in purchasing clean-fueled taxis serving local airports. The funding comes from the district's voluntary Air Quality Investment Fund, and will support continued implementation of the Clean Fleet Rules as well as reduce exposure to harmful emissions in the vicinity of airport terminals.
- Adopted a Technology Advancement Plan for 2001 and approved the 2000 annual report for AQMD's Technology Advancement Office.

Improved Financial Operations

- Worked closely with businesses to complete a six-year effort (via two separate studies) to significantly improve AQMD's fee schedule.
- Adopted a balanced budget for FY 2000 - 2001.



Advanced Technologies

- Allocated ~\$14 million in penalty funds, awarded under civil settlement with a local power plant operator, to the following efforts:
 - natural gas fueling stations in the LADWP service area
 - microturbine installations within the city of Los Angeles
 - an advanced fuel cell demonstration
 - co-sponsor a Cool Schools/Tree People project in the City of Los Angeles
 - enhanced public outreach regarding energy efficiency and air pollution reduction
- Approved action to significantly expand the region's alternative fueling network by co-funding 21 natural gas fueling stations throughout the four-county area in support of the Clean Fleet rules. Approved co-funding for development of an affordable, maintenance-free prototype device for residential refueling of natural gas powered vehicles, in partnership with U.S. Department of Energy, the state, and Technology Partners of Canada. Set aside funding to support in-state LNG production.
- Approved co-funding to develop new medium- and heavy duty natural gas engines, as part of the national "Next Generation of Natural Gas Vehicles" program led by U.S. Department of Energy. AQMD's funds will support three projects to develop and demonstrate ultraclean natural gas trucks and exhaust treatment technologies by 2004, and will leverage co-funding from private contractors and the California Energy Commission.
- Awarded \$17.9 million in grants to school districts for purchase of cleaner-burning school buses. Approved a ranking and selection process for school districts applying for state funds to replace older diesel school buses. Criteria points would consider existing cancer risk and pollution exposure in the community, availability of re-fueling stations, and ranking by state poverty standards. This evaluation would thus prioritize schools according to environmental justice standards, and target underserved areas first.



- Approved emission reduction projects to offset emissions from new peaker power plants in the South Coast, utilizing \$12.5 million in state funds. The state created a statewide offset bank, from which new facilities could purchase offsets if they were operational by the end of summer.
- Amended Rule 1309.1 - Priority Reserve to allow power plants to purchase PM10 ERCs from the district's reserve, with proceeds to be allocated toward particulate trap retrofits for the region's school buses. Previously, the reserve account was only available to essential public service providers such as publicly owned sewage treatment plants. Amendments also were made to allow new and expanding power plants to purchase SOx and CO emission offsets for a limited time and for a set mitigation fee per pound, in support toward relieving the state's energy crisis.
- Adopted Rule 1612.1 - Mobile Source Credit Generation Pilot Program, a pilot program for generating NOx ERCs through diesel replacement efforts. Developed in close collaboration with U.S. EPA and (CARB) California Air Resources Board, the pilot program is aimed at expanding reduction credits available for use in the RECLAIM program.
- Adopted Rule 1634 - Pilot Credit Generation Program for Truck Stops, a voluntary incentive program to reduce diesel exhaust from idling trucks. The pilot effort would produce credits from the installation of electric power to cool and heat truck cabs while parked, instead of idling diesel engines. The rule is intended to reduce air toxic emission impact to communities near truck stops, while also providing much-needed emissions credits to RECLAIM participants.

Reduced Permit Backlog by about 30%

- Reduced permit application inventory 30% through implementation of Permit Streamlining Task Force measures and other improvements.
- Increased engineering program productivity dramatically, increasing the number of permits processed in CY 2001 by 50% over CY 2000, which had increased by 25% over CY 1999.
- Processed 3,800 applications through the temporary Permit Inventory Reduction program.





Implemented Environmental Justice Actions

- AQMD board members and staff held numerous meetings with community members in city halls and recreation centers throughout the four-county region, responding quickly to local concerns.
- Undertook various ethnic community outreach projects.
- Conducted mobile “toxic hot spot” monitoring.
- Created incentives to clean-up or remove diesel engines in the South Coast Basin.

Met all Clean Air Plan Rulemaking Commitments

- Adopted Rule 1132 - Further Control of VOC Emissions from High-Emitting Spray Booth Facilities.
- Adopted Rule 1425 - Film Cleaning and Printing Operations, to reduce emissions of the air toxic perc.
- Adopted Rule 1195 - Clean On-Road School Buses to gradually shift the current diesel fleet to cleaner-burning fuels. Diesel buses have become cleaner over the years, but continue to emit carcinogenic soot and unhealthful levels of NOx. The rule was the seventh and final in the series of Clean Fleet Vehicle Rules. The rule’s passage was accompanied by extensive co-funding mechanisms and tiered accommodation measures to allow for school districts facing financial hardship.



- Amended Rule 1122 - Solvent Degreasers to require that facilities use less-polluting compounds or airless/airtight systems that prevent evaporation of cleaning fluids.
- Amended Rule 1124 - Aerospace Assembly and Component Manufacturing Operations to adjust VOC limits and compliance dates for aerospace coatings and materials.
- Amended Rule 102 - Definition of Terms to reduce the maximum VOC content of pre-certified Clean Air Solvents from 50 to 25 grams per liter.
- Amended Rule 1162 - Polyester Resin Operations, to require additional VOC emission reductions through reformulation.
- Adopted Rule 1178 - Further Reduction of VOC Emissions from Storage Tanks at Petroleum Refineries, which will require doming or other control-oriented upgrade of about 1400 tanks. The Board also committed to monitoring potential rule impacts on gasoline availability during implementation.
- Amended Rule 444 - Open Burning, and Rule 208 - Permit and Burn Authorization for Open Burning, to further control already-regulated emissions from fires related to agricultural and forestry management programs.

Improved Compliance

- Completed approximately 39,000 inspections at various facilities and responded to resolve approximately 7,200 community complaints. These numbers closely mirror the year-end data for CY 2000 and include an increased focus on RECLAIM program-related inspections.
- Approved \$28 million in combined funding to help pay for implementation of the Clean Fleet Vehicle Rules, especially targeting projects which lower or eliminate soot emissions from diesel engines. Funding sources included the Carl Moyer Program, Priority Reserve monies, and the State Emissions Mitigation fund.
- Obtained an Order for Abatement resolving chronic dust emissions from a grain manufacturer that was the subject of long-standing community concerns.





AQMD

South Coast
Air Quality
Management
District



AQMD

Cleaning the air we breathe...

South Coast Air Quality Management District
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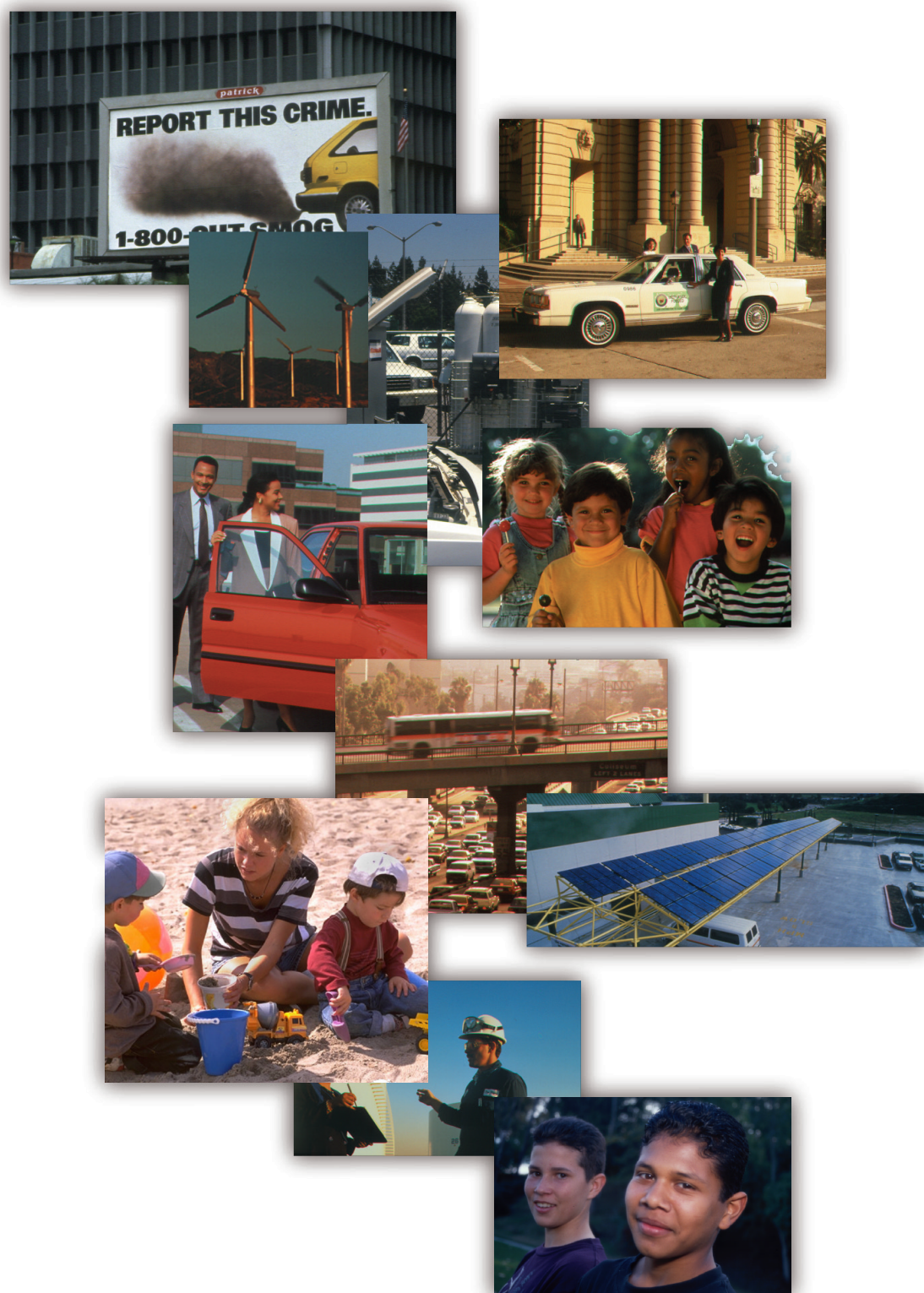


DRAFT

Achievements
in CY 2001

Goals and
Priorities 2002

*Cleaning
the air
we breathe...*



2. ENSURE EQUITABLE TREATMENT FOR ALL COMMUNITIES

Continue to implement AQMD's Environmental Justice policies and programs, and other initiatives directed at equitable treatment of all communities through individual endeavors and a series of town hall meetings throughout our four county region, actively seeking to increase the public's participation in policy development, and working with community groups to build partnerships on air quality issues, and addressing community-level air quality concerns and issues

3. OPERATE EFFICIENTLY AND IN A MANNER SENSITIVE TO BUSINESSES

Administer an efficient and cost-effective organization to expeditiously clean the air, and be sensitive to the economic needs of the AQMD's businesses by seeking innovative partnerships and programs to ensure compliance and minimize compliance costs. Develop a balanced budget, reduce fee complexity and adjust fee schedules as appropriate and target agency resources to environmental and economic priorities. Continue to streamline administrative functions, including the processing of air quality permits for local businesses.

Administer effective human resources and development programs ensuring an open and fair recruitment and selection system and, in accordance with existing law, continue AQMD's equal employment opportunity efforts to improve the minority applicant pool for open positions. Review the skills, management and deployment of current staff and continue to seek ways to increase efficiency and productivity. Continue the AQMD's procurement processes to ensure that minority-, woman-, and disabled veteran-owned enterprises are fairly represented in accordance with existing law. Recognize and enhance the special contributions, skills and creativity of the AQMD workforce.



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