Proposed Amended Rules 307.1, 1401, and 1402

Working Group #4

July 27, 2016

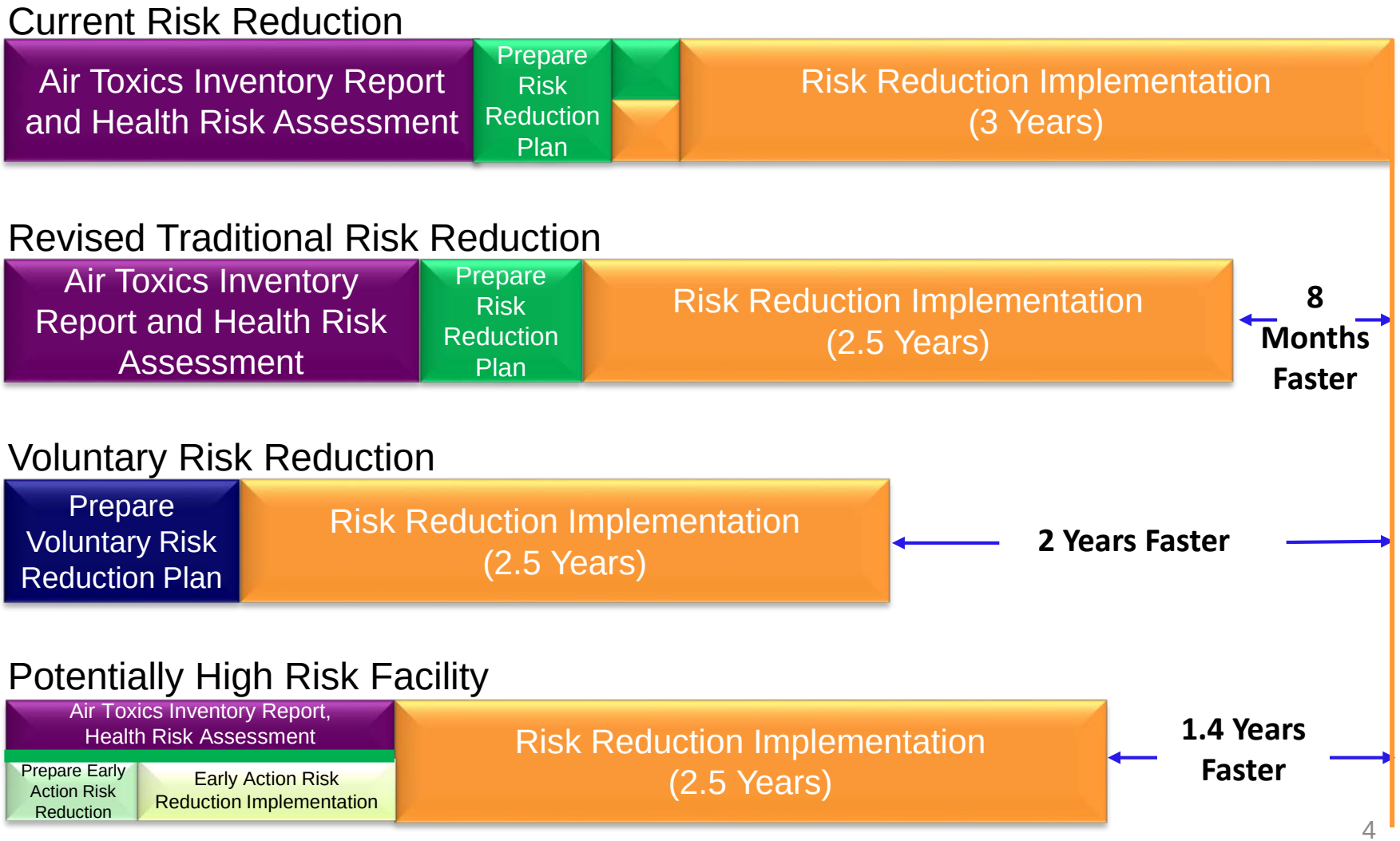
Summary of Key Comments from WSPA

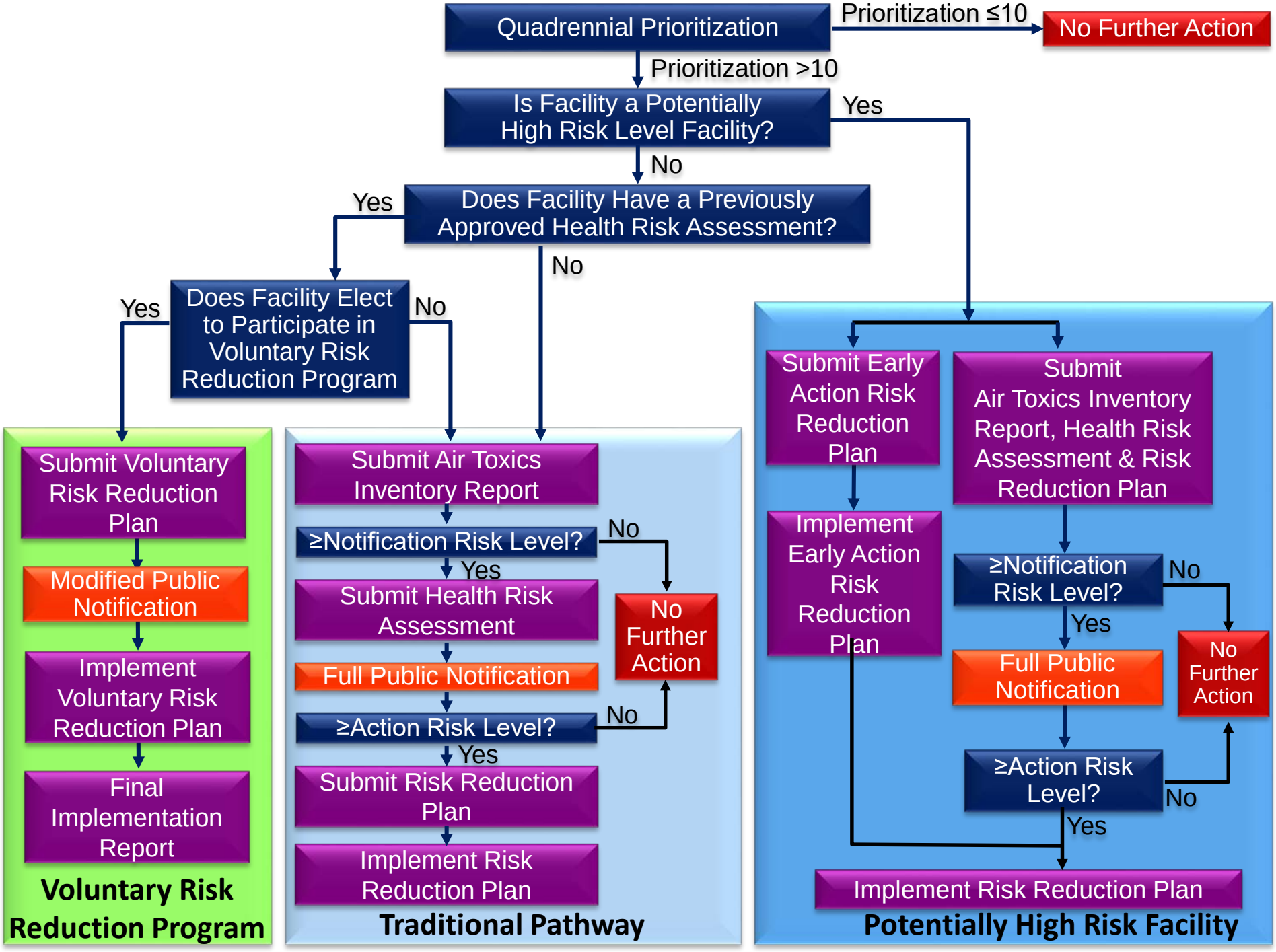
- Need process for designating a Potentially High Risk Level Facility
- Revise provisions to require Executive Officer to work with individual facilities to determine facility-specific source testing requirements
- Allow an HRA submittal extension that cites the Health and Safety Code
- Voluntary Risk Reduction Plan
  - Allow 30 days to resubmit a denied Voluntary Risk Reduction Plan
  - Incorporate process to revise an approved Voluntary Risk Reduction Plan
  - Need certainty risk reduction measures will not be re-evaluated at end
  - Supports the Notification Risk Level approach
  - After completing Voluntary Risk Reduction Plans, acknowledge that facilities are less than the "Notification Risk Level"
  - Any public notifications for time extensions and should be similar to the original notification
- Start risk reduction from the Risk Reduction Plan ***approval*** not ***submittal***
- Allow a second 2-year extension for Risk Reduction Plans

Summary of Key Comments from CCEEB

- Allow second resubmittal of rejected Voluntary Risk Reduction Plan
- Requests District Legal Council clarify what authority the Hearing Board has over Voluntary Risk Reduction Plan approvals, implementation and fulfillment
- Agrees that Notification Risk Level approach is preferable
- Process needed for determining Potentially High Risk Level Facility
- Guidance needed to clarify Source Testing Requirements and Reference Source
- Allow a second time extension of up to two years

Summary of Risk Reduction Schedules




Quadrennial Prioritization
Prioritization ≤10
No Further Action
Prioritization >10
Is Facility a Potentially High Risk Level Facility?
Yes
No
Does Facility Have a Previously Approved Health Risk Assessment?
Yes
No
Does Facility Elect to Participate in Voluntary Risk Reduction Program
Yes
No
Submit Voluntary Risk Reduction Plan
Modified Public Notification
Implement Voluntary Risk Reduction Plan
Final Implementation Report
Voluntary Risk Reduction Program
Submit Air Toxics Inventory Report
≥Notification Risk Level?
No
Yes
Submit Health Risk Assessment
Full Public Notification
≥Action Risk Level?
No
Yes
Submit Risk Reduction Plan
Implement Risk Reduction Plan
No Further Action
Traditional Pathway
Submit Early Action Risk Reduction Plan
Implement Early Action Risk Reduction Plan
Submit Air Toxics Inventory Report, Health Risk Assessment & Risk Reduction Plan
≥Notification Risk Level?
No
Yes
Full Public Notification
≥Action Risk Level?
No
Yes
No Further Action
Implement Risk Reduction Plan
Potentially High Risk Facility

Purpose (a), Applicability (b), and Definitions (c)

- No changes Purpose (a) or Applicability (b)
- Definitions (c)
  - Modifications to Notification Risk Level to clarify lead threshold is:
    - …the more stringent of either the NAAQS for lead or applicable ambient lead concentration limit in a SCAQMD rule
  - Added definition for “Voluntary Risk Threshold”
    - Estimated health risk level after implementation of voluntary risk reduction measures
    - Same as Notification Risk Level
  - No other substantive changes to definitions

Air Toxic Inventory Report (d)

- No substantive changes to the submittal or approval requirements for the Air Toxics Inventory Report
- Modifications to source test requirements
  - Consolidated source test requirements under paragraph (d)(3)
  - Added provision to allow owner or operator to request a source test
    - Will grant request based on same criteria that the Executive Officer will use to require a source test
  - Modified the submittal of source test information:
    - Within 120 days of notification to conduct a source test, the owner or operator must submit a source test report for approval
    - Within 30 days of approval of the source test, the owner or operator must submit the portion of the Air Toxics Inventory Report for the device or process for which the source test was conducted
- Preliminary Draft Staff Report includes more specificity and examples of when a source test is needed

Health Risk Assessments (e) and Risk Reduction Requirements (f)

- Restructured submittal requirements for the Health Risk Assessments (e)(1) and Risk Reduction Plans (f)(1) to focus on facilities that are not a Potentially Significant Risk Level Facility
- Requirements for Potentially Significant Risk Level facilities consolidated under subdivision (g)
- Revised the implementation schedule for Risk Reduction Plans to be consistent with Voluntary Risk Reduction Program
  - Allow 2 ½ years from ***approval*** of Risk Reduction Plan (instead of ***submittal*** of Risk Reduction Plan)
- No changes to the approval of Health Risk Assessments or Risk Reduction Plans

Requirements for Potentially High Risk Level Facilities (g)

- Consolidated requirements for Potentially High Risk Level Facilities to subdivision (g)
- Added process for determining a Potentially High Risk Level Facility
  - Prior to making designation, Executive Officer will notify facility and obtain any additional information from the facility
  - SCAQMD staff will review information
  - Upon notifying facility that it is a Potentially High Risk Level Facility, SCAQMD staff will provide the following:
    - Findings from evaluation of emissions and compliance data
    - Findings from facility site visits
    - Findings from investigation of surrounding sources
- No substantive changes for Health Risk Assessments and Risk Reduction Plans for Potentially High Risk Level Facility

(1) Determination of Potentially High Risk Level Facilities

(A) Prior to determining if a facility is a Potentially High Risk Level facility, the Executive Officer will notify the owner or operator that the facility may be designated as a Potentially High Risk Level Facility and meet with the owner or operator to obtain any additional information before the facility is designated as a Potentially High Risk Level Facility.

(B) Upon designating the facility as a Potentially High Risk Level Facility, the Executive Officer will notify the owner or operator in writing and will provide the following information to substantiate the designation:

(i) Findings from the evaluation of emissions data that includes, but is not limited to: ambient air quality data, source test data, compliance data, and emissions data;

(ii) Findings from facility site visits; and

(iii) Findings from the investigation of surrounding sources.

Approval of Early Action Reduction Plans (g)(2)(B)

- Removed provision that allows EO to modify Early Action Reduction Plan and approve as modified
- Added that the owner or operator may appeal the rejection of the Early Action Reduction Plan to the Hearing Board under Rule 216

(B) Approval of Early Action Reduction Plans

(i) Within 30 days of receipt of the Early Action Reduction Plan, the Executive Officer will conduct an initial review of the Early Action Reduction Plan and confirm receipt.

(ii) The Executive Officer will approve or reject the Early Action Reduction Plan and notify the owner or operator in writing. Approval or rejection will be based on whether adequate risk reduction measures have been identified that reduce appropriate key health risk drivers as quickly as feasible.

(iii) The owner or operator may appeal the rejection of the Early Action Reduction Plan to the Hearing Board under Rule 216. If the Hearing Board denies the appeal, the Early Action Reduction Plan shall be revised and resubmitted within 14 days of the decision. The revised Early Action Reduction Plan shall correct all deficiencies identified by the Executive Officer.

(iv) The approved Early Action Reduction Plan shall be subject to Rule 221 – Plans.

Voluntary Risk Reduction Requirements – Participation (h)(1)

- Clarification in eligibility criteria for approved Health Risk Assessment:
  - The reference to the approved Health Risk Assessment is “as approved or prepared”
  - No adjustments to previously approved or prepared Health Risk Assessment
- Second criteria will capture adjustments with the Revised OEHHA Guidelines and any new information such as emissions data – where the limit is the “significant risk level”

Voluntary Risk Reduction Plan Requirements (h)

- Approval of Voluntary Risk Reduction Plan
  - Allow 30 days (instead of 14 days) to resubmit Voluntary Risk Reduction Plan if rejected
  - Provide a second resubmittal of the Voluntary Risk Reduction Plan (30 days)
- No substantive changes to Implementation of Voluntary Risk Reduction Plan

Within 30 days of receipt, the EO will conduct an initial review of the Voluntary Risk Reduction Plan and confirm receipt

EO reviews and approves or rejects the Voluntary Risk Reduction Plan . If rejected, owner or operator corrects deficiencies and resubmits the Voluntary Risk Reduction Plan within 30 days.

If the Plan is denied, the owner or operator shall correct all deficiencies resubmit the within 30 days of the date of rejection.

If the resubmitted Voluntary Risk Reduction Plan is approved, facility begins implementation.

If the resubmitted Voluntary Risk Reduction Plan is denied, the facility must submit an ATIR/HRA within 90 days.

Voluntary Risk Reduction Guidelines
Voluntary Risk Reduction Plan

- Facility Information
  - Name, SCAQMD Facility Identification Number, E-mail address
  - Location (address and UTM coordinates)
  - Facility plot plan
- Current Facility Risk Characterization
- Proposed Facility Risk Characterization
  - Including a description of verifiable risk reduction measure(s) and estimated reductions or efficiency
  - Implementation schedule
- Point Source Information
- Fugitive Source Information
- Required Files

Progress Reports and Final Implementation Report

- No substantive changes to Progress Reports
- Added a provision to clarify that final implementation of Voluntary Risk Reduction Plan is based on implementation of the risk reduction measures
- The final implementation report shall include:
  - The approved Voluntary Risk Reduction Plan; and
  - Proof and verification the operator implemented measures according to Voluntary Risk Reduction Plan such as:
    - SCAQMD permit, compliance plan, or surrendering existing SCAQMD permit(s), as applicable
    - Verification of pollution control equipment which have been installed and are now in operation, includes the source test protocol, final report, and all documents relating to the results
- No substantive changes to provisions to Update and Modify Risk Reduction Plans

Risk Reduction Time Extensions (k)

- Provisions for time extensions will be same for Risk Reduction and Voluntary Risk Reduction Plans
- Modified to allow a one-time, extension for up to two and a half years instead of two years
  - Limiting the risk reduction time period to five years avoids triggering Health and Safety Code requirements to demonstrate technical infeasibility or economic burden
- No substantive changes regarding
  - When a time extension can be made
  - Approval criteria for time extensions

Subdivisions (m), (n), (o), (p), and Previously (o)

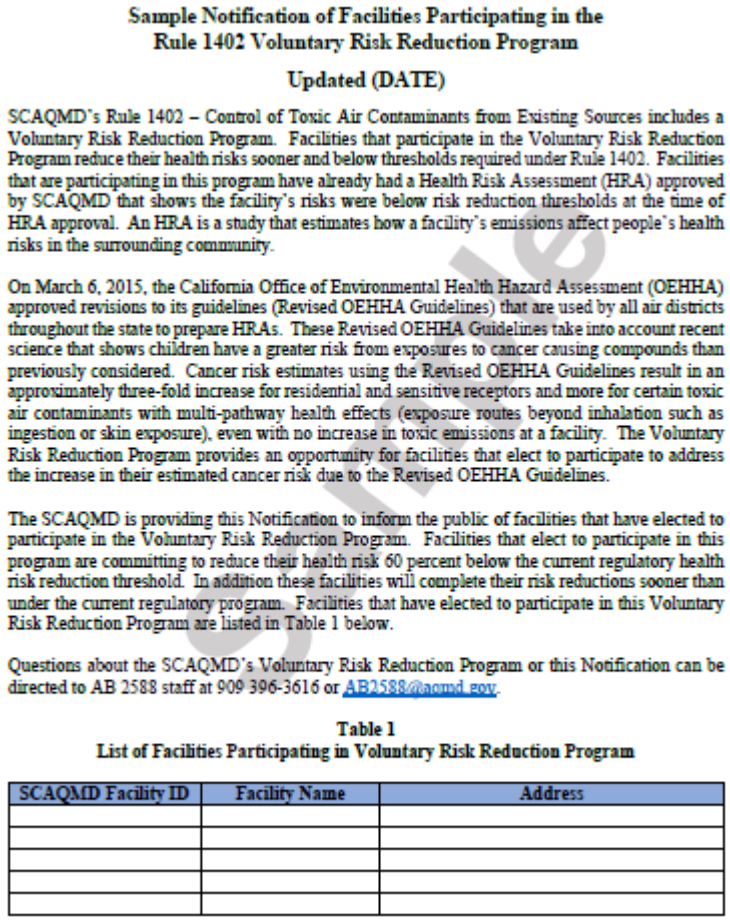
- No additional changes to:
  - Risk Assessment Procedures, subdivision (m)
  - Alternative Hazard Index Levels, subdivision (n)
  - Disclaimer, subdivision (o)
  - Emissions Inventory Requirements, subdivision (p)
  - Removal of Phase I Facility Health Risk Assessment Revision Requirements, previously subdivision (o)

Public Notification Procedures (p)

- Modified rule language to better coordinate public notification requirements to sections in the Public Notification Procedure
- “Public Notification Procedures for Facilities Under AB 2588 and Rule 1402”
  - Updated to improve clarity
  - Revised procedures for Public Meetings
    - SCAQMD staff will conduct public meeting
    - SCAQMD will reserve venue for public meeting and arrange for audio visual equipment and personnel, translation (if needed), security, parking, and any other logistics
    - Requires that owner or operator is present at Public Meeting
  - Modified Notification Voluntary Risk Reduction Program will be placed on SCAQMD Website on the “AB 2588 Notices” page and included in the AB 2588 Annual Report
  - Added Sample Notification Letter and Public Meeting Notice

Modified Notification for Voluntary Risk Reduction

- Background about the Rule 1402 Voluntary Risk Reduction Program
- Revised OEHHA Guidance on estimating health risk
  - Estimated health risk will be higher even with no increase in emission
- Facility is volunteering to make risk reductions that:
  - Account for changes in risk estimates based on the Revised OEHHA Guidance
  - Going beyond what is required through regulatory requirements - earlier and more reductions
- List of participating facilities – name and address



Sample Notification of Facilities Participating in the Rule 1402 Voluntary Risk Reduction Program

Updated (DATE)

SCAQMD's Rule 1402 – Control of Toxic Air Contaminants from Existing Sources includes a Voluntary Risk Reduction Program. Facilities that participate in the Voluntary Risk Reduction Program reduce their health risks sooner and below thresholds required under Rule 1402. Facilities that are participating in this program have already had a Health Risk Assessment (HRA) approved by SCAQMD that shows the facility's risks were below risk reduction thresholds at the time of HRA approval. An HRA is a study that estimates how a facility's emissions affect people's health risks in the surrounding community.

On March 6, 2015, the California Office of Environmental Health Hazard Assessment (OEHHA) approved revisions to its guidelines (Revised OEHHA Guidelines) that are used by all air districts throughout the state to prepare HRAs. These Revised OEHHA Guidelines take into account recent science that shows children have a greater risk from exposures to cancer causing compounds than previously considered. Cancer risk estimates using the Revised OEHHA Guidelines result in an approximately three-fold increase for residential and sensitive receptors and more for certain toxic air contaminants with multi-pathway health effects (exposure routes beyond inhalation such as ingestion or skin exposure), even with no increase in toxic emissions at a facility. The Voluntary Risk Reduction Program provides an opportunity for facilities that elect to participate to address the increase in their estimated cancer risk due to the Revised OEHHA Guidelines.

The SCAQMD is providing this Notification to inform the public of facilities that have elected to participate in the Voluntary Risk Reduction Program. Facilities that elect to participate in this program are committing to reduce their health risk 60 percent below the current regulatory health risk reduction threshold. In addition these facilities will complete their risk reductions sooner than under the current regulatory program. Facilities that have elected to participate in this Voluntary Risk Reduction Program are listed in Table 1 below.

Questions about the SCAQMD's Voluntary Risk Reduction Program or this Notification can be directed to AB 2588 staff at 909 396-3616 or AB2588@aqmd.gov.

Table 1
List of Facilities Participating in Voluntary Risk Reduction Program

SCAQMD Facility ID	Facility Name	Address

PAR 1401

- Removes paragraphs (e)(2) and (e)(3) which requires staff to report to the Governing Board regarding OEHHA changes to risk values
  - Instead will be included in the AB 2588 annual report
- Staff will continue to analyze impacts on permitting when TACs are added or revised and report these changes in the SCAQMD AB 2588 Annual Report
  - The AB 2588 Annual Report will include an impact assessment for changing the risk values
- Adoption resolution will include a commitment to brief Stationary Source Committee if new or revised toxic air contaminant has significant impacts on permitting or AB2588
- Proposed amendment is consistent with PAR 1402

PAR 307.1

- Add a fee category for Voluntary Risk Reduction Facilities
  - Fee is the same as a “PS > 10, No HRA” Facility Program Category
  - Once risk reduction is complete, facility pays HRA Tracking Facility Program Category fee

FACILITY PROGRAM CATEGORY	COMPLEXITY	DISTRICT FEE	STATE FEE	TOTAL FACILITY FEE
*HRA Tracking**	Simple	$416.25	$67	$483.25
	Medium	$601.30	$100	$701.30
	Complex	$786.35	$134	$920.35
PS>10, No HRA	Simple	$5,249.21	$1,674	$6.923.21
	Medium	$5,622.20	$2,009	$7,631.20
	Complex	$5,992.31	$2,344	$8,336.31
Voluntary Risk Reduction	Simple	$5,249.21	$1,674	$6.923.21
	Medium	$5,622.20	$2,009	$7,631.20
	Complex	$5,992.31	$2,344	$8,336.31

- Add a provision for facility to directly pay or reimburse SCAQMD for costs of Public Meetings

Rule Development Schedule

- Public Workshop - August 10, 2016
- Set Hearing – September 2, 2016
- Public Hearing – October 7, 2016

SCAQMD Contacts

Rule Development

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General Questions

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