



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

Bay Area Air Issues and Regulatory Update

BACWA AIR Meeting

Jan. 25, 2012

Brian Bateman
Director of Compliance & Enforcement
Bay Area Air Quality Management District

Topics of Interest

➤ Climate Program

- EPA GHG Tailoring Rule
- Federal plan for GHG control
- AB-32 update
 - Mandatory reporting regulation
 - Cap-and-Trade regulation
 - Low Carbon Fuel Standard
 - Stationary Refrigeration Management regulation



BACWA AIR Committee Meeting

*January 25, 2012
Slide 2*

Topics of Interest (cont.)

- BAAQMD 2010 Clean Air Plan
 - BAAQMD NSR/PSD rule amendments
 - BAAQMD Composting rule
 - BAAQMD Diesel backup generator rule
- Ozone NAAQS update
- PM_{2.5} NAAQS Planning Activities
- BAAQMD CEQA Guidelines



Topics of Interest (cont.)

- OEHHA Health Risk Assessment Guideline revisions
- May 2011 BAAQMD “boiler rule” amendments (Reg. 9-7)
- Boiler MACT update
- Sewage Sludge NSPS/EG
- Reciprocating IC Engine rules
- Portable Equipment Registration Program (PERP)
- BAAQMD “Production System” update
- BAAQMD Budget update
- BAAQMD Cost Recovery Policy / Permit fee amendments
- Municipal fleet rule development?



For Additional Information...

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Director of Compliance & Enforcement
BAAQMD

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BACWA AIR Committee Meeting

*January 25, 2012
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AIR ISSUES & REGULATIONS COMMITTEE

A Committee of the Bay Area Clean Water Agencies

Winter Committee Meeting

January 25, 2012

10:00 am – 1:00 pm

Introductions & Opening

Agenda

- I. Reg. updates from Brian Bateman (BAAQMD)
- II. Local Regulatory News
- III. State Regulatory News
- IV. National Regulatory News
- V. Additional Items
- VI. Closing



Brian Bateman
Director of Compliance &
Enforcement

*Bay Area
Air Quality Management District
(BAAQMD)*



AIR ISSUES & REGULATIONS COMMITTEE
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Local Regulatory News

Local Regulatory News

SF Bay Conservation &
Development Commission
(BCDC) Update

SF BCDC – Bay Plan Amendment

- Proposed amendments to Bay Plan – to restrict development in inundation zones resulting from sea level rise
- Joint counter effort lead by Bay Area Council, Bay Planning Coalition, and Building Industry Association
- CH2M HILL attended BCDC & BPC workshops on behalf of AIR
- BCDC approved Bay Plan Amendments on October 6, 2011
 - The California OAL ratified December 22, 2011 and the policies are now in effect under state law

For more info:

http://www.bcdc.ca.gov/proposed_bay_plan/bp_amend_1-08.shtml



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Bay Plan Amendment

- Key points and language that we support exempts POTWs:
 - “important public shoreline infrastructure, such as wastewater treatment facilities are at risk of flood damage that could require costly repairs, or result in the interruption or loss of vital services or degraded water quality.”
 - “..protecting infrastructure that is crucial to public health or the region’s economy, such as wastewater treatment facilities.”
 - “..specific types of projects that have regional benefits, including critical infrastructure that is necessary for existing development should be encouraged .”
 - “..protecting and minimizing risks to critical infrastructure by using effective and innovative adaptation approaches.”
 - “..specific types of projects should be encouraged if they do not negatively affect the Bay, which includes repairs of an existing facility.”



Geographic extent of BCDC's Jurisdiction

Where is the Commission's jurisdiction?

- *The open water, marshes and mudflats of greater San Francisco Bay, including Suisun, San Pablo, Honker, Richardson, San Rafael, San Leandro and Grizzly Bays and the Carquinez Strait.*
- *The first 100 feet inland from the shoreline around San Francisco Bay.*
- *The portion of the Suisun Marsh-including levees, waterways, marshes and grasslands- below the ten-foot contour line.*
- *Portions of most creeks, rivers, sloughs and other tributaries that flow into San Francisco Bay.*
- *Salt ponds, duck hunting preserves, game refuges and other managed wetlands that have been diked off from San Francisco Bay.*

To understand what type of projects would require a BCDC permit, see:

http://www.bcdc.ca.gov/permits/obtain_permit.shtml



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State Regulatory News

State Regulatory News

CARB's Combined Heat & Power (CHP) Survey

CARB's CHP Survey

- As part of the mandates to reduce CA's GHG emissions to 1990 levels, ARB staff has created a Scoping Plan and subsequent Appendices detailing possible methods of achieving the required emission reductions
- One method is through the use of regulatory emission reduction measures. A part of the regulatory approach includes a substantial increase of combined heat and power (CHP) systems throughout the state
- ARB staff is requesting information from electrical utilities on all CHP systems within their service territories from the year 2000 through 2010
 - Information will be used to determine historical CHP trends & the GHG emission reductions resulting from implementation of AB 1613



CARB's CHP Survey

- CARB Staff has posted the CHP Systems Survey online for downloading
- Survey package includes the following:
 - CHP Survey cover letter
 - CHP Survey Forms
 - instructions for CHP Survey Forms
 - Confidential Information Submittal Form
- Survey package is available at the ARB's Combined Heat and Power Systems webpage at <http://www.arb.ca.gov/energy/chps/chps.htm>



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State Regulatory News

Cap and Trade Program
Mandatory Reporting

Cap and Trade - Summary

- Final C&T Regulations approved December 14, 2011 by CARB
- Wastewater treatment operations are not subject to the cap, only two agencies on the Draft Covered Entities List
- Biomass emissions, including those from combustion of digester and landfill gas, are excluded
 - Language also excludes methane and nitrous oxide emissions from wastewater treatment processes
- Threshold for inclusion in the cap is 25,000 metric tons/yr of *fossil fuel* based emissions (i.e. natural gas combustion)
- Enforcement of CARB's Cap & Trade rule has been deferred from 2012 to 2013
- Covered entities must register for the Cap and Trade Program by January 31, 2012 at:

<http://www.arb.ca.gov/cc/capandtrade/registration/registration.htm>



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CA Mandatory Reporting of GHG

- Modifications to the Reg. for Mandatory Reporting of GHG emissions was approved at the CARB meeting on December 14, 2011
- California GHG data reporting tool to be deployed in February 2012



For more info on the final regulation:

<http://www.arb.ca.gov/regact/2010/ghg2010/ghg2010.htm>.

For more info on the Reporting Tool:

<http://www.arb.ca.gov/cc/reporting/ghg-rep/ghg-tool.htm>



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California Mandatory Reporting Rule

- The proposed changes kick in for reporting year 2011 (filed in 2012)
- Intent was to harmonize with Cap and Trade and EPA Mandatory Reporting Rule
 - USEPA MRR threshold is 25,000 MT of CO₂e reporting trigger and does not include biomass combustion CO₂
 - CARB kept the MRR threshold at 10,000 MT of CO₂e + CO₂ from biomass combustion
 - Facilities under 25,000 MT of CO₂e but above 10,000 MT of CO₂e can use an abbreviated report, with no verification requirement
 - Reports due June 1, 2012, for 2011 reporters; June 1, 2013 for facilities not previously reporting to CARB
 - Reports submitted in 2012 can use EPA methods of calculation, 2013 is when CA MRR methods come into effect



California Mandatory Reporting Rule

Key modifications that impact most POTWs with cogeneration include the following:

- General Stationary Reporting threshold lowered from 25,000 metric tons/year of CO₂ to 10,000 metric tons/year of CO₂e
 - Includes both biomass and fossil fuel combustion emissions
 - Facilities with emissions between 10,000 & 25,000 metric tons/year may file an abbreviated report and will not be required to undergo third-party verification.
- Cogeneration category (> 1 MW power and 2500 metric tons/yr of emissions) has been eliminated
 - Cogen facilities with emissions > 10,000 metric tons/year will report as electricity generation sources
 - Cogen facilities with emissions < 10,000 metric tons/year can drop out



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California Mandatory Reporting Cogen Verification

- If your facility's 2011 General Stationary Combustion GHG emissions < 10,000 tons (per the updated rule effective in 2012), then do not have to prove it by entering fuel data into the ARB's MRR webtool
- However, prudent to run a general stationary combustion inventory for the record; ARB Executive Officer may request demonstration of non-applicability (17CCR 95101(g))

If you have any specific questions, contact:

Mr. Holme at 916-323-4865



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State Regulatory News

Fleet Regulations

CARB In-Use, Off-Road Diesel Regulation

In 2007, CARB adopted regulation to reduce diesel PM & No_x emissions from existing off-road diesel vehicles in CA

In December 2010, changes made to regulation:

- Deadlines extended: Four year extension for all fleets:
 - January 1, 2014, for large fleets (over 5,000 hp)
 - January 1, 2017, for medium fleets (2,501-5,000 hp)
 - January 1, 2019, for small fleets (2,500 hp or less)
- Reduction & simplification in the annual requirements for fleets and fleet average structure
- Making exhaust retrofits no longer mandatory
- Raising low use threshold to 200 hours per year (previously 100 hours)

Amendments approved & became effective: December 14, 2011

For more info:

<http://www.arb.ca.gov/regact/2010/offroadlsi10/offroadlsi10.htm>



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Fleet Rule for Public Agencies & Utilities

- All cities, counties, public agencies & utilities providing services that operate diesel vehicles >than 14,000 pounds gross vehicle weight rating (GVWR) subject to CARB Fleet Rule
- Final compliance deadlines for most of remaining diesel vehicles : December 31st, 2011
- Regulation requires fleets to apply BACT to a % of fleet based on implementation schedule:
 - All Group 3 vehicles (2003-2006 model year engines) by December 31, 2010
 - All 2002 and older model year engines by December 31, 2011
 - Any 2007 model year or newer engine certified above 0.01 g/bhp-hr for PM by December 31, 2012

For more info:

www.arb.ca.gov/msprog/publicfleets/publicfleets.htm



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National Regulatory News

**National Regulatory
News**

EPA's Solid Waste Definition

Biogas Captured in EPA's Definition of Solid Waste

- EPA inadvertently included biogas & landfill gas in the final solid waste definition rule and supporting background material
- Rule suggests that these gaseous fuels derived from what EPA now considers a solid waste (i.e., sewage sludge), would themselves be considered solid wastes
- A May 13, 2011, policy letter from EPA to American Forest & Paper Assoc. has clarified that it did not intend to include these gases under its solid waste rules
- NACWA recommends placing a copy of the May 13th letter in your files in case the regulatory status of your gas operations be called into question
 - Divya emailed this letter to AIR on June 14, 2011
- On June 16th, NACWA filed a legal petition for review of EPA's final definition of solid waste rule



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Biogas Captured in EPA's Definition of Solid Waste – NACWA's Updates

- In August 2011, NACWA, CASA, & CWCCG met with EPA to discuss potential impacts of new EPA rule on the clean water community's management of digester gas
 - EPA confirmed that it did not intend to include these gases under its solid waste rules
- NACWA, CASA & CWCCG requested written clarification that will specifically address wastewater digester gas - awaiting response from EPA
- Concurrently, NACWA has begun comprehensive legal challenge to the entire definition rule
- Litigation provides important opportunity to protect all clean water agencies from additional regulatory and economic burdens as a result of the EPA's solid waste determination
- The litigation schedule for the solid waste rule is expected to follow that of the SSI rule, with a decision from the court in 2012



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**National Regulatory
News**

EPA Regulatory Relief Act

EPA Regulatory Relief Act

- House Energy and Commerce Committee passed bill “EPA Regulatory Relief Act” on September 21, 2011
- Bill would block EPA from issuing revised air pollution and solid waste rules for boilers and incinerators
- Bill would stop the EPA from issuing the proposed rules for 15 months after the bill is passed, and would give regulated industry five years to comply rather than the three years included in the Clean Air Act
- To provide additional time for the Administrator of EPA to issue achievable standards for industrial, commercial, and institutional boilers, process heaters, and incinerators, and for other purpose
- Status: Passed by House; In Senate: being read 2nd time & has been placed on Senate Legislative Calendar

CH2M HILL to track status of bill



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National Regulatory News

EPA Mercury & Air Toxic
Standards for Power Plants

Mercury & Air Toxic Standards (MATS)

Rule does not impact POTW's

- In December 2011, EPA issued the first national standards for mercury pollution from power plants
- MATS will reduce emissions from new and existing coal and oil-fired electric utility steam generating units (EGUs)
- Applies to EGUs >25 MW that burn coal or oil for the purpose of generating electricity for sale and distribution through the national electric grid to the public

For more info:

<http://www.epa.gov/hg/regs.htm#air>



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**National Regulatory
News**

EPA's new GHG Map Tool

EPA's GHG Reporting Program

- Comprehensive GHG data reported directly from large facilities and suppliers across the country are now easily accessible to the public
- EPA's interactive [GHG Map Tool](#) allows users to view and sort GHG data for calendar year 2010 from more than 6,700 facilities in a variety of ways:
 - by state, county, facility, industrial sector, and the type of GHG emitted
- Information can be used by communities to identify nearby sources of GHGs, help businesses compare and track emissions, and provide information to state and local governments
- Access EPA's GHG Reporting Program Data and Data Publication Tool:

<http://epa.gov/climatechange/emissions/ghgdata/>



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National Regulatory News

EPA's Clean Energy Financing Programs

Clean Energy Financing Decision Tool and Guide

- This tool is for state and local governments interested in developing a financing program to support energy efficiency and clean energy improvements for buildings within their jurisdiction
- Clean energy financing programs that can make efficiency and renewable energy more affordable
 - Financing Program Decision Tool: Designed for state and local staff in the early stages of choosing a clean energy financing program
 - Financing Program Decision Guide: Complements the Tool (includes basics on financing-program options)

For more info on these tools:

<http://epa.gov/statelocalclimate/state/activities/financing.html>



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**National Regulatory
News**

EPA and Partners Release
Climate Change Handbook

Climate Change Handbook for Regional Watershed Planning

- Developed cooperatively by USEPA, U.S. Army Corps of Engineers, California Department of Water Resources (DWR), and the Resources Legacy Fund
- Provides a framework for considering climate change in water management planning
- Uses the California DWR's Integrated Regional Water Management (IRWM) planning framework as a model into which analysis of climate change impacts and planning for adaptation and mitigation can be integrated
- Includes:
 - The science of climate change, tools and links;
 - Evaluating the energy-water connection and greenhouse gas emissions;
 - Assessing regional vulnerability to climate change;
 - Measuring regional impacts

To view the handbook, please visit:

<http://www.water.ca.gov/climatechange/CCHandbook.cfm>



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Additional Items

Any other regulations folks are tracking or concerned about?

Additional Items

Grant Opportunities

California Financing Coordinating Committee (CFCC) Funding Fairs

- Free funding fairs at 6 locations to educate public and potential customers about different member agencies and the financial and technical resources available
 - provide opportunities for economic development professionals and local government officials to obtain information about grant, loan and bond financing options that are available for critical infrastructure projects
- Fairs to be conducted b/w March – May at San Diego, Riverside, Fresno, Santa Cruz, Redding, Sacramento)
- Eligible infrastructure projects include: wastewater projects

For more info about these Funding Fairs:

www.cfcc.ca.gov



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Carl Moyer On-Road Voucher Incentive Program

- Provides funding opportunities for fleets with 10 or fewer vehicles to quickly replace or retrofit their older heavy-duty diesel vehicles
- Heavy-duty vehicle projects eligible for funding:
 - New Replacement Vehicle Purchase
 - Used Replacement Vehicle Purchase
 - Retrofit Purchase and Installation
- Exhaust retrofit grants range from \$5,000 to \$10,000
- Funding available now!

For more info:

<http://www.arb.ca.gov/msprog/moyer/voucher/voucher.htm>



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Funding for Biofuels Production Facilities

- Energy Commission is seeking proposals to provide funding for development of new, California-based biofuel production facilities that can sustainably produce low carbon transportation fuels
 - About \$37 million available
- Intent of solicitation is to encourage production of alternative & renewable transportation fuels in California that can significantly reduce GHG emissions and petroleum fuel demand
- Funding available for new, low carbon facilities, or for projects that lower the carbon intensity of fuels produced at existing facilities
- Solicitation & supporting forms can be downloaded from:
<http://www.energy.ca.gov/contracts/index.html>
- Deadline to submit proposals: **February 21, 2012**
Proposal workshop: January 27, 2012 (Sacramento)

For more info:

<http://www.energy.ca.gov/contracts/transportation.html#PON-11-601>



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Sustainable Communities Planning Grant

- Round two of the Sustainable Communities Planning Grant Request for Proposals (RFP)
- Funded through the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Act of 2006 (Proposition 84)
- Funds awarded will support development, adoption & implementation of Sustainable Community planning elements throughout the State, including Climate Action Plans and General Plan amendments
- Grants awarded will cover up to a three-year project period. Grant requests for amounts from \$100,000 to \$1,000,000 will be considered
- Application process through State Water Resources Control Board (State Water Board) Financial Assistance Application Submittal Tool (FAAST) system <https://faast.waterboards.ca.gov>

Deadline to submit application: **February 15, 2012**

For more info:

http://sgc.ca.gov/planning_grants.html



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Loan Funding for Energy Efficiency & Energy Generation

- California Energy Commission has announced the availability of funds for low-interest loans for energy efficiency and energy generation projects
 - Approximately \$3.6 million is currently available
- Applications accepted on a first-come, first-served basis for eligible energy projects from all eligible entities
- Project eligibility – includes wastewater treatment equipment
- Project funded by this must be completed by **March 31, 2012**

For application & more info:

<http://www.energy.ca.gov/efficiency/financing/index.html>



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State Water Board's Clean Water State Revolving Fund Program

- CWSRF is still accepting applications on a continuous basis
- Offers low interest financing agreements for water quality projects
 - Annually, the program disburses between \$200 and \$300 million to eligible projects
- Eligible projects include - Wastewater Treatment Facility Construction Projects

For application and instructions:

www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/srf_forms.shtml



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**Additional
Items**

AIR Business Items

Newsletter – Need Authors!

Authors needed for the Spring 2012 BACWA AIR Newsletter!

- Articles would be due at the end of February
- Newsletter to be released in Spring
- Email divya.bhargava@ch2m.com, if interested



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Potential Newsletter Topics

Your experience with air quality & climate change topics, including:

- Mandatory Reporting
- Cap & Trade
- Renewable Energy
 - Foodwaste digestion
 - Anaerobic digestions
 - Biofuels production
 - Solar
 - Fuel cells
- Energy Conservation
- Stationary Engines
- Fleets
- Permitting/Regulations
 - Title V/PSD
 - CEQA
 - BAAQMD



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BACWA AIR Budget Update

Total Budget for FY 11/12: \$79,557

- Spent July 1st - Jan. 20th: \$33,422
- % Spent to date: 42%



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AIR Issues Matrix + Website

BACWA AIR Issues Matrix

Item	Description	Issues for POTWs	Current Status and Updates	Links	Lead	Next Steps	Effective Date
Current Issues							
Fleet Regulations	<i>Heavy Duty Diesel Regulations</i> : initially considered in 2008 and requires fleets that operate in California to reduce diesel truck and bus emissions by retrofitting or replacing existing engines	-Retrofitting requirements for fleets -Reporting requirements for specific sizes of fleets -PM and NO _x requirements for equipment emissions	Amendments were considered in December 2010 to provide more time for fleets to comply - Amended regulation requires installation of PM retrofits beginning January 1, 2012 and replacement of older trucks starting January 1, 2015 - By January 1, 2023, nearly all vehicles would need to have 2010 model year engines or equivalent.	http://www.arb.ca.gov/msprog/diesel/ordiesel.html	Diya Bhargava		January 1, 2012
	<i>In-use Off-road Diesel Regulation</i> : Adopted in 2007 to reduce diesel particulate matter (PM) and oxides of nitrogen (NO _x) emissions from in-use (existing) off-road heavy-duty diesel vehicles in California	- Subject to diesel-powered off-road vehicles in California with engines with maximum power of 25 horsepower and two-engine vehicles - Regulation does not apply to stationary equipment or portable equipment such as generators	- ARB made amendments to the in-use off-road diesel regulation in December 2010: • four year extensions of compliance deadlines • reduction & simplification of annual requirements • making exhaust retrofits no longer mandatory • raising low use threshold to 200 hours (instead of 100) - On February 11, 2010, ARB issued a delay of the regulation's NO _x and PM requirements pending further notice. Reporting, labeling, idling and disclosure requirements are still in effect - Amendments approved and became effective on December 14, 2011	http://www.arb.ca.gov/msprog/ordiesel/ordiesel.htm	Diya Bhargava		December 14, 2011
Mandatory Reporting of GHGs / Cap & Trade	<i>CARB's Mandatory Reporting Regulation for Greenhouse Gases</i> : Revisions made to the program to support a greenhouse gas cap-and-trade program and harmonize with U.S. EPA reporting requirements	- Revisions include the following: • Reporting threshold lowered from 25,000 metric tons/year of CO ₂ to 10,000 metric tons/year of carbon dioxide equivalents (CO ₂ e) • Facilities with emissions between 10,000 and 25,000 metric tons/year file an abbreviated report and not required to undergo third-party verification • Cogeneration category (> 1 MW power and 2500 metric tons/year of emissions) eliminated	- California's Office of Administrative Law (OAL) approved the Mandatory Reporting of GHG Emissions Regulation on December 14, 2011 - Enforcement of CARB's Cap & Trade rule has been deferred from 2012 to 2013 - June 1, 2013 is first time reporting for facilities emitting between 10,000 and 25,000 Metric Tons per year	http://www.arb.ca.gov/efw/monitoring/ghg-reporting.htm	Diya Bhargava		January 1, 2012
	<i>CARB's Cap & Trade program</i>	Program requires capping of GHG emissions and reporting of emissions	- Cap and trade adopted October 20, 2011 - California's OAL approved the Cap & Trade program on December 14, 2011 - First cap reduction will begin 2015, with 30% reduction by January 1, 2020 - There will be two compliance instrument auctions in August and November 2012	http://www.arb.ca.gov/efw/monitoring/ghg-reporting.htm	Diya Bhargava	Enforcement of CARB's Cap & Trade rule has been deferred from 2012 to 2013	January 1, 2012
	<i>EPA GHG Mandatory Reporting</i>	Program requires reporting from large emission sources across a range of industry sectors (there are only a few wastewater agencies in California that exceed the 25,000 ton/yr fossil fuel-based emissions threshold)	- EPA issued a final rule that extends the deadline for reporting 2010 data to September 30, 2011 - On August 22, 2011 EPA opened the electronic GHG reporting tool (e-GGRT) for 2010 GHG reporting - 2010 GHG data released on January 11, 2012 and accessible to public	http://www.epa.gov/climatechange/ghgreporting/			September 30, 2011
Addition of Digester Gas to Definition of EPA's New Incinerated Solid Waste Definition	- EPA proposed definition of solid waste: Regulatory Status of Digester Gas, Biosolids Destined for Combustion Units	- Regulatory status of sewage sludge incinerators (SSIs) - Regulatory status of digester gas generated during anaerobic digestion of sewage sludge, and biosolids or biosolids-derived products	- Through a May 13, 2011, policy letter, EPA has clarified that it did not intend to include these gases under its solid waste rules - NACWA recommends that members who generate and burn digester gas in any manner obtain a copy of the May 13, 2011, letter and maintain it in their files should the regulatory status of their gas operations be called into question - In August 2011, NACWA, CASA, & CWCCG met with EPA staff to discuss the potential impacts of a new EPA rule on the clean water community's management of digester gas, and have requested written clarification that will specifically address wastewater digester gas - Awaiting EPA's response on this	http://www.nacwa.org/indus.php?option=com_content&view=article&id=1208&Itemid=14	Diya Bhargava	Awaiting clarification letter from EPA	
Status of National Ambient Air Quality Standard (NAAQS) for Ground-level Ozone	- Draft created by EPA in 2008, & was focused on developing new anti-smog standards - EPA proposed stricter standards in January 2011, and reconsidered proposed standard in July 2011	- May affect current or proposed CARB and BAAQMD regulations of ozone precursors (NO _x , CO, and VOCs) - Final rule developed by EPA would have established an 8-hour ozone standard of 70 parts per billion (ppb), approximately 7% lower than the 2008 standard of 75 parts per billion	- On September 2, 2011, Statement by the President on the NAAQS for ozone requested that EPA Administrator Lisa Jackson withdraw the Ozone NAAQS draft until further notice - EPA circulated memorandum on September 2, 2011, indicating they would soon begin an expedited rulemaking on the implementation of the standards	http://www.epa.gov/ghg/actions/090211.htm	Diya Bhargava		

BACWA AIR Issues Matrix

Item	Description	Issues for POTWs	Current Status and Updates	Links	Lead	Next Steps	Effective Date
Misc. Equipment Emission Regulations - Boilers, Turbines, etc.	BAAQMD Regulation 9, Rule 7: Compliance Extensions: NO _x and CO from Boilers, Steam Generators & Process Heaters: Changes proposed to regulation	- Various equipment is used on-site for WWTF operations and is also subject to air quality regulation: amendments to compliance dates and options	Proposed amendments to Regulation 9, Rule 7 adopted on May 4, 2011	http://www.baaqmd.gov/nc_item/8-D99A3015-453E-4A0D-9C75-B77403A6ED5	Diya Bhargava		May 4, 2011
	EPA's new emissions standards for large and small boilers and incinerators that burn solid waste and sewage sludge	- New Area Source standards do not apply to boilers that burn only gaseous fuels (including biogas) or solid waste. - New Major Source standards do impact boilers that burn gaseous fuels	- Final rules were published in the Federal Register on March 21, 2011; On May 16, 2011, EPA announced its next step in allowing time to seek and review additional public input on the final standards - On December 2 2011, EPA issued proposed reconsiderations for rules to reduce emissions of air pollutants from existing and new Boilers and major and area source facilities, and from Commercial and Industrial Solid Waste Incinerators (CISWI) - New Boiler MACT rule includes: more differentiated standards that are tailored to new subcategories of sources; modified emission limits for certain pollutants; and additional flexibility with respect to compliance monitoring - Comment periods will be 60 days and there will be an opportunity for a public hearing	http://www.epa.gov/airquality/complianceactions.html#k11	Diya Bhargava	EPA will plans to finalize rule in Spring 2012	April 2012
Funding Opportunities	- General funding opportunity tracking for BACWA/AAIR Members - Includes funding directly for Wastewater projects as well as Water, Alternative Energy, and Energy Efficiency projects that may also be applicable to projects at POTWs	- Securing funding for much needed projects at member agency sites		http://bacwa.org/committee/air-quality/updates/updates/grant-opportunities	Diya Bhargava		Ongoing application accepted
	State Water Board's Clean Water State Revolving Fund Program (CWSRF)	- The CWSRF program offers low interest financing agreements for water quality projects. Annually, the program disburses between \$200 and \$300 million to eligible projects	- Applications for the CWSRF are being accepted on a continuous basis	http://www.stwrdb.ca.gov/water_quality/program/grants_board/cwsrf/faq.html			
	California Energy Commissions' Loan Funding for Energy Efficiency and Energy Generation Projects	Projects with proven energy and/or capacity savings are eligible, provided they meet the eligibility requirements	- The California Energy Commission has announced the availability of funds for low-interest loans for energy efficiency and energy generation projects - Approximately \$3.6 million is currently available	http://www.energy.ca.gov/offices/efinancing/index.html			March 31, 2012
	Biofuels Production Facilities: The intent of this solicitation is to encourage production of alternative and renewable transportation fuels such as biomethane, gasoline and diesel substitutes in California that can significantly reduce GHG emissions and petroleum fuel demand, and stimulate economic development in the state	Funding will be available for new, low carbon facilities, or for projects that lower the carbon intensity of fuels produced at existing facilities		http://www.energy.ca.gov/contracts/procurement.html#PCOL11-001	Diya Bhargava	Proposal workshop: January 27, 2012.	February 21, 2012
Sustainable Communities Planning Grant: The grant program supports development, adoption, and implementation of various planning elements	Funds awarded will support development, adoption, and implementation of Sustainable Community planning elements throughout the State, including, but not limited to Climate Action Plans and General Plan amendments	- Department of Conservation (DOC) has released round two of the Sustainable Communities Planning Grant Request for Proposals, funded through the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Act of 2006 (Proposition 84) - DOC has allocated approximately \$18 million of Proposition 84 funds for round two - The grants awarded from this solicitation will cover up to a three-year project period; Grant requests for amounts from \$100,000 to \$1,000,000 will be considered - DOC is utilizing the State Water Resources Control Board (State Water Board) Financial Assistance Application Submittal Tool (FAAST) system to facilitate the application	http://www.doc.ca.gov/planning/grants.html	Diya Bhargava		February 15, 2012	

BACWA AIR Issues Matrix

Item	Description	Issues for POTWs	Current Status and Updates	Links	Lead	Next Steps	Effective Date
Proposed Climate Change Bay Plan Amendment	- San Francisco Bay Conservation Development Commission (BCDC) Bay Plan Amendment to incorporate the findings of climate change adaptation to protect the Bay environment and essential public infrastructure from the potential impacts of sea level rise	- Bay plan amendment talks about protecting critical infrastructure (including wastewater treatment plants) from the impacts to sea level rise	- Public workshops were held on May 19th, June 2 nd , and September 1 st 2011, to provide the Commission with the opportunity to directly engage with the representatives from business and environmental communities to better understand their perspectives on the outstanding policy issues, and to allow the public to provide additional input on the draft findings and policies. - BACWA AIR attended the BCDC meeting on May 19 th and September 2 nd , and submitted a comment letter supporting the language in the Bay Plan Amendment about protecting critical infrastructure. - BCDC approved Bay Plan Amendments on October 6, 2011 - The California CAL the Bay Plan amendment on December 22, 2011 and the policies are now in effect under state law	http://www.bcdc.ca.gov/proposed_bay_plan/bp_amend_1.01.shtml	Diya Bhargava		December 22, 2011
Past Issues							
Portable Engine Emissions Regulations	- <i>Portable Diesel-Fueled Engines Air Toxic Control Measure (ATCM)</i> : for engines rated 50 brake horsepower or greater - <i>Statewide Portable Equipment Registration Program (PERP)</i> : Owners or operators of portable engines can register their units under the PERP in order to operate their equipment throughout California without having to obtain individual permits from local air districts	- Portable engines may be used on-site at POTWs: An engine moved to more than one location within a facility is portable. It does not have to leave the facility	- ATCM became effective February 19, 2011 - Requirements for fuels and diesel PM standards - Revisions made to the PERP Regulation and Portable Engine ATCM. These revisions became effective on February 19, 2011	http://www.arb.ca.gov/diesel/eval/atcmrules.htm http://www.arb.ca.gov/portable/perp/bble.htm	Diya Bhargava		February 19, 2011
Stationary Engine Emissions Regulations	- <i>CARB's ACTM for Stationary, CI Engines</i> : Amendments made to the program Purpose: to reduce diesel particulate matter (PM) and criteria pollutant emissions from stationary new and in-use diesel-fueled CI engines. Except as provided in sections 93115.3 and 93115.9, this ATCM applies to any person who owns or operates a stationary CI engine > 50 bhp in CA.	- <i>Emission Limits for New Emergency Standby Engines</i> : requires any new emergency standby engine to meet the 2007 model year or newer emissions limits in the Off-Road Standards, title 13, California Code of Regulations section 2423, for all pollutants. - Tier 4 Emissions Limit and Sell-Through Requirements for Prime Engines: aligns the PM emissions limit for CI engines with the NSPS standard of 0.02 g/bhp-hr. In addition, the amendments align with the NSPS final rule deadlines for installing prime engines from a previous model year	- Amendments made to title 17, California Code of Regulations sections 93115 through 93115.15, for Stationary, CI Engines on May 19, 2011	http://www.arb.ca.gov/diesel/rtrdp/act.htm	Diya Bhargava		May 19, 2011



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Closing

Next Meeting: Wednesday – April 18, 2012

Supplementary Slides
(IF TIME ALLOWS)

Local Regulatory News

Misc. News

WESTWeb

Water Energy Sustainability Tool

UC Berkeley has developed 3 tools on life-cycle energy & environmental impacts of water and wastewater systems:

- *WEST (Water-Energy Sustainability Tool)*: evaluates the life-cycle energy and environmental effects of potable and recycled water systems
- *WWEST (Wastewater-Energy Sustainability Tool)*: evaluates infrastructure and chemical manufacturing and energy production
- *WESTWeb (a streamlined, web-based tool)*
 - specifically focuses on the life-cycle effects of manufacturing major infrastructure components, producing treatment chemicals, providing energy from electricity, natural gas, gasoline, and diesel, & for wastewater only, disposing of sludge and generating methane in the treatment process directly
 - provides results for energy consumption and greenhouse gas emissions, as well as other environmental impacts
 - can be used to variety of questions about wastewater systems including water source selection, process selection, operational optimizations, energy source selection, disposal options

For more info:

<http://west.berkeley.edu/>



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**State Regulatory
News**

California's Renewable Portfolio
Standard

California's Renewable Portfolio Standard

- On March 21, Governor Brown signed SB 2 1X into law, which requires the state's energy utilities to meet a goal of 33% renewables portfolio by 2020
- Requires energy utilities to meet incremental targets for their renewable energy portfolio requirements:
 - 25% of retail sales by December 31, 2016
 - 33% of retail sales by December 31, 2020
- Renewable energy credits (REC) will be used to demonstrate compliance with state RPS policies
 - One REC equiv one megawatt-hour (MWh) of electricity generated from a renewable resource



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California's Renewable Portfolio Standard

- Final Decision Implementing Energy Division Staff Proposal on RPS Portfolio Content Categories passed on December 21, 2011
 - Establishes three portfolio content categories
 - Places “unbundled RECs” in Category 3
 - All bundled renewable energy products in Category 1
- IOUs and POUs to meet the 33% goal
- CPUC, CEC and CARB working in tandem to implement
- Opportunities to influence CEC for POUs



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State Regulatory News

CalRecycle's Anaerobic Digestion Initiative

CalRecycle's Anaerobic Digestion Initiative & Composting Regulations

- CalRecycle seeks to reduce by 50 percent the amount of organic waste disposed in the state's landfills by 2020
- To assist in achieving those objectives, CalRecycle intends to adopt the Anaerobic Digestion Initiative
 - CalRecycle will be revising regulations for anaerobic digestion (including anaerobic digesters at POTW's)
- CASA, EBMUD, and SFPUC argued that digesters at POTWs should be exempt from CalRecycle regulation because of already being regulated by the State Water Boards and US EPA
- Latest meetings with Calrecycle & the State Water Board have been positive



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State Regulatory News

CARB's ATCM Regulation

Amendments to the ATCM for Stationary CI Engines

- Purpose of CARB's Airborne Toxic Control Measure (ATCM) - to reduce diesel PM & criteria pollutant emissions from stationary diesel-fueled CI engines
- Applies to any person who owns or operates a stationary CI engine in California with a rated brake horsepower >50
- Purpose of the amendments:
 - to closely align emissions standards with those in the federal NSPS
 - to help clarify provisions in the ATCM
 - to address new information & to remove provisions no longer needed
- Amendments to ATCM became effective May 19th, 2011



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Amendments to the ATCM for Stationary CI Engines

Elements of the Amendments that potentially impact POTW operations:

- *Emission Limits for New Emergency Standby Engines* (2007 model year or newer emissions limits for all pollutants)
- *Tier 4 Emissions Limit and Sell-Through Requirements for Prime Engines* (Aligns PM emissions limit with NSPS standard of 0.02 g/bhp-hr, and align with NSPS final rule deadlines for installing prime engines from a previous model year)

For more info:

<http://www.arb.ca.gov/diesel/statporthome.htm>



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**State Regulatory
News**

**Distributed Generation (DG)
Implementation**

California Utilities Warn Against DG Implementation

- At a recent Californian Energy Commission workshop on the state's energy goals, major investor- owned utilities warned state regulators that speeding up the implementation of distributed generation ("DG")
 - will create grid reliability problems and increase costs for ratepayers
- Renewable DG is characterized as small projects between 1 and 20 MW located at sites that are easily connected to a local utility distribution network
- Larger renewable projects plug directly in to the state's electricity grid
- Representatives of the clean energy industry argue that utilities are exaggerating potential problems with localized renewable energy to maintain the status quo on their distribution systems
- Discussion was prompted in response to the goals in California's Renewable Portfolio Standard, which call for 33% of investor-owned and public utility power to come from renewable sources by 2020

We'll keep track of this on behalf of BACWA



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State Regulatory News

Fleet Regulations

Heavy-Duty Diesel In-Use Compliance Regulation

- In 2006, CARB adopted a new in-use compliance test procedure that allows for a more efficient and cost-effective test method to conduct in-use compliance testing of HDDEs
- Emission measurement allowances needed to account for variability associated with field testing
- CARB adopted gaseous measurement allowances in December 2007 following the completion of a gaseous research study
- PM research study completed in 2010 and the ARB, USEPA, and the Engine Manufacturers Association have agreed on a PM measurement allowance value



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Heavy-Duty Diesel In-Use Compliance Regulation

- CARB conducted public hearing on June 23, 2011, to consider adoption of amendments to California's HDDE test procedures
- Amendments would modify measurement allowance for the regulated PM emissions during heavy-duty diesel in-use compliance testing when using portable emissions measurement systems (PEMS)
- Amendments are identical to the modifications already adopted by EPA in November 2010
- Amendments adopted by CARB

For more info:

<http://www.arb.ca.gov/regact/2011/hdiuc11/hdiuc11.htm>



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Tier 4 Off-Road Diesel CI Engines

- CARB is proposing updates to the existing test procedures for new Tier 4 off-road diesel CI engines, and has released a draft of the proposed amendments to the test procedures. Specifically, ARB is planning on proposing modifications to the California tier 4 off-road CI engine regulations in order to increase the level of harmonization with the current USEPA Regulations.
- Please see link below for the draft test procedure amendment proposal:

http://www.arb.ca.gov/msprog/mailouts/mouts_11.htm



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National Regulatory News

Air Toxic Standards for Industrial,
Commercial, & Institutional Boilers
& Process Heaters

Final Federal Air Toxic Standards for Industrial, Commercial, & Institutional Boilers & Process Heaters

- February 21, 2011, USEPA finalized rule to reduce toxic air pollutant emissions from new & existing boilers and process heaters at Major & Area Source Facilities
- Major Source emits ≥ 10 TPY of any air toxic (HAP) or ≥ 25 TPY of any combo of air toxics
- Area Source emits < 10 TPY of any air toxic or < 25 TPY of any combo of air toxics
 - Area Source rule DOES NOT apply to boilers that burn gaseous fuels or solid waste, including biogas, per page 249/276 of the rule
- Any Major Source HAP emitters?



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Final Federal Air Toxic Standards for Industrial, Commercial, & Institutional Boilers & Process Heaters

- Key Requirements for Major Source Facilities:
 - Work practice standard, instead of numeric emission limits, for new & existing natural gas- & refinery gas-fired units
 - Must perform an annual tune-up for each unit.
 - Units combusting “other gases” can qualify for work practice standards by demonstrating that they burn “clean fuel,” with contaminant levels similar to natural gas
 - Work practice standard instead of numeric emission limits for units with heat input capacity < 10 million MMBtu/hr
 - Required to perform tune-up for each unit once every 2 years



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Final Federal Air Toxic Standards for Industrial, Commercial, & Institutional Boilers & Process Heaters

- Key Requirements for Major Source Facilities (continued):
 - Numeric emission limits for all other boilers & process heaters located at major sources
 - Emission limits for:
 - mercury
 - dioxin
 - particulate matter (PM) (as a surrogate for non-mercury metals)
 - hydrogen chloride (HCl) (as a surrogate for acid gases)
 - carbon monoxide (CO) (as a surrogate for non-dioxin organic air toxics)



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Final Federal Air Toxic Standards for Industrial, Commercial, & Institutional Boilers & Process Heaters

- Key Requirements for Major Source Facilities (continued):
 - Requires monitoring to assure compliance with emission limits
 - Existing major source facilities required to conduct a one-time energy assessment to identify cost-effective energy conservation measures
- Final rule is posted at:

<http://www.epa.gov/airquality/combustion/actions.html>



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Final Federal Air Toxic Standards for Industrial, Commercial, & Institutional Boilers & Process Heaters

- In May 2011, EPA announced it would stay the effective date of those standards; On December 2 2011, EPA issued proposed reconsiderations for rules
- New Boiler MACT rule includes: more differentiated standards that are tailored to new subcategories of sources; modified emission limits for certain pollutants; and additional flexibility with respect to compliance monitoring
- EPA will take public comments on the proposed standards for a sixty day period following their publication in the *Federal Register*; the Agency stated that it expects to finalize the rule in spring 2012

For more info:

<http://www.epa.gov/airquality/combustion/actions.html#feb11>



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National Regulatory News

Tailoring Rule & Solid Waste
Definition

Tailoring Rule – Air District Implementation

- For those facilities that already operate under Title V, GHGs will need to be included in the permit application
- Because there are no applicable requirements, there should not be any new conditions in the Title V permit related to GHGs (except perhaps mandatory reporting)
- If a Title V facility were to apply for a permit for a new source, BACT for GHGs would be applied and associated conditions would be captured in the Title V permit
 - EPA will be issuing guidance on how permitting agencies can conclude that combustion of biomass fuel *is* BACT



**National Regulatory
News**

EPA's FREE Energy
Assessment for WWTFs

FREE energy assessment for WWTFs

- EPA has partnered with the Department of Energy's Industrial Assessment Centers (IACs) to provide a limited number of wastewater treatment facilities with no-cost energy assessments
- Eligibility: facility's annual energy costs > \$100,000
- Performing an energy assessment is a crucial step to assessing and improving energy efficiency, helping your facility reduce emissions and operating costs
- If you are interested in receiving an energy assessment, please contact Charlotte Ely (ely.charlotte@epa.gov)

Booked for this year; EPA to send out announcement next year!



**National Regulatory
News**

Ozone National Ambient Air
Quality Standards

EPA's Ozone National Ambient Air Quality Standards Draft Withdrawn

- Statement by the President on the National Ambient Air Quality Standard (NAAQS) for ozone on September 2, 2011
- Requested that EPA Administrator Lisa Jackson withdraw the Ozone NAAQS draft until further notice.
 - Draft created by EPA in 2008, & was focused on developing new anti-smog standards
- EPA Administrator clarified that it intends to proceed with the implementation of a NAAQS for ozone
- EPA circulated memorandum on September 22, indicating they would soon begin an expedited rulemaking on the implementation of the standards
- Final rule developed by EPA would have established an 8-hour ozone standard of 70 parts per billion (ppb), approximately 7% lower than the 2008 standard of 75 parts per billion.
- EPA is due to revisit the ozone standard again in 2013, under the Clean Air Act



See below for the President's official statement:

National Regulatory News

Misc. National News

*Mandatory Reporting of CHP Power
Information - EIA*

Mandatory reporting of CHP power information to the US Energy Information Administration

- Form EIA-923 is a mandatory report for all electric power plants and CHP plants that:
 - have a total generator nameplate capacity of 1 MW or greater
 - where the generator(s), or the facility in which the generator(s) resides, is connected to the local or regional electric power grid and has the ability to draw power from the grid or deliver power to the grid
- Data collected on this form include electric power generation, fuel consumption, fossil fuel stocks, delivered fossil fuel cost, combustion byproducts, operational cooling water data, and operational data for NO_x, SO₂, and PM control equipment
- Data used to monitor status and trends of the electric power industry and appear in many U.S. EIA publications



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