



AIR ISSUES & REGULATIONS COMMITTEE

A Committee of the Bay Area Clean Water Agencies

Spring Committee Meeting

May 16, 2012

10:00 am – 1:00 pm

Introductions & Opening

Agenda

- Introductions and Opening
- Presentation & Tour of New Fuel Cell Facility
- Regulatory Updates
 - I. Local Regulatory News
 - II. State Regulatory News
 - III. National Regulatory News
- Grant Opportunities
- AIR Business Items
- Planning for Next Year
- Closing



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

Local Regulatory News

Local Regulatory News

**BAAQMD: Amendments to Reg.
2, Rules 1, 2, 4 and 6**

BAAQMD: Amendments to Reg. 2, Rules 1, 2, 4 and 6

- BAAQMD proposed to amend regulations for permitting stationary sources to incorporate recent U.S. EPA mandated requirements for NO₂, PM_{2.5}, and GHG PSD and Title V permitting
- Amending Reg. 2 to make it consistent with recent changes in Federal requirements, so BAAQMD can issue PSD and New Source Review (NSR) permits;
 - BAAQMD can obtain approval of its State Implementation Plan (SIP)
 - Clean Air Act requires SIPs for areas in non-attainment of air quality standards



BAAQMD: Amendments to Reg. 2, Rules 1, 2, 4 and 6

Major amendments include:

- Revise the New Source Review Rule (Regulation 2-2) to incorporate new Federal PSD requirements, including the NAAQS for NO₂ (1-hour) and PM_{2.5} (24-hour and annual) and GHG PSD review requirements.
- Incorporate EPA PM_{2.5} requirements for NSR (i.e., BACT requirement for PM_{2.5} at a 10 lb/day threshold) and emissions banking
- Incorporate EPA Title V permitting requirements for Major Sources of GHGs (Tailoring Rule)
- Clarifying language has been added to match the Statewide PERP
- Removed permit exemption for space heaters



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

BAAQMD: Amendments to Reg. 2, Rules 1, 2, 4 and 6

Major amendments include:

- Clarifying language has been added to permit exemptions owing to previous misinterpretations
- Clarifying language has been added to further detail the procedure of determining a modified source and the calculation of emission increases
- Reorganize Regulation 2: Rules 1, 2, 4 and 6 so that it is easier to read; applicable definitions are now located in Rule 1 and standards are now located in the most appropriate rules
- Add public noticing requirements for new facilities and modifications to existing facilities that may result in a significant increase of criteria pollutants



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 8

BAAQMD: Amendments to Reg. 2, Rules 1, 2, 4 and 6

- Most of the changes will affect major facilities, such as refineries and power plants
 - Facilities that apply for new or modified permits for sources of PM_{2.5} will be subject to a new Best Available Control Technology (BACT) trigger level
 - Smaller facilities that are not applying for new or modified permits will not be affected by the rule changes
- Amendments to be fully adopted after they are approved by CARB in December 2012 and the USEPA in 2013 or later

Additional details regarding the proposed Regulation 2 amendments can be found at:
<http://www.baaqmd.gov/Divisions/Planning-and-Research/Rule-Development/Rule-Workshops.aspx>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 9

State Regulatory News

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>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

Reporting Deadlines for Modified Mandatory Reporting

Following are the reporting deadlines if your facility is subject to the modified mandatory reporting requirements:

- *April 10, 2012*: Reports are due for facilities and suppliers of fuels and carbon dioxide, except when subject to Abbreviated Reporting
- *June 1, 2012*: Reports are due for Electric Power Entities, and current reporters subject to Abbreviated Reporting. Facilities that have not previously reported to CARB do not have to file reports until June 1, 2013 (per Title 17, CCR 95103(a)(7))
- *September 1, 2012*: Final verification statements due (emissions data and product data)



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 13

California Electronic Greenhouse Gas Reporting Tool

- California GHG data reporting tool is now available!



- Cal e-GGRT is based on the U.S. EPA e-GGRT tool
- Tool must be used for submitting 2012 reports on 2011 data, and all subsequent data submissions
- Cal e-GGRT Training is available and archived for sector-specific reporting

For more info on the Reporting Tool:

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



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies | 4

California Mandatory Reporting Rule

Key modifications that impact most POTWs:

- GSC 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 of CO₂e will report as electricity generation sources
 - Cogen facilities with emissions < 10,000 metric tons/year of CO₂e can drop out



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 15

California Mandatory Reporting Rule – Cogen Facilities

Former cogen reporters that emitted <10,000 metric tons CO₂e of GSC emissions:

- Do not need to report or contact CARB at this time, and it is unlikely in the future
- However, the issue of cessation for facilities in this category is under review within CARB
- If CARB staff determine that further reporting is required for these facilities, they will notify the facility's designated manager



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 16

California Mandatory Reporting Rule – Cogen Facilities

Recommended Measures for Former Cogen Reporters:

- Document Retention and Record Keeping Requirements
 - 10 yrs after certification with a C&T compliance obligation
 - 5 yrs w/o comp obligation
- Continue to Informally Estimate GSC GHG Emissions
- High Heat Value (HHV) Measurements
 - Continue to measure
 - use 841 Btu/scf EPA default
 - use previous highest measured value



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies | 7

State Regulatory News

Stationary Refrigerant Management Program Regulation

Stationary Refrigerant Management Program Regulation

- CARB adopted RMP regulation in 2009 to reduce GHG emissions from stationary sources
- Regulation became effective on January 1, 2011 (but not enforced)
 - requires facility registration, leak detection and monitoring, leak repair, retrofit or retirement, and recordkeeping
 - applies only to systems used wholly or in part for refrigeration and process cooling
- CARB trying to defer enforcement to local Air Districts
- Web-based tool for implementing the registration, reporting, and fee payment provisions of this regulation. "Refrigerant Registration and Reporting System (R3)" www.arb.ca.gov/rmp-r3

For more information:

<http://www.arb.ca.gov/cc/reftrack/reftrack.htm#new>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 19

**State Regulatory
News**

CWCCG's RPS/Biomethane
Letter

CWCCG's RPS/Biomethane Letter

- On March 16, 2012, the CEC issued the *Notice to Consider Suspension of the RPS Eligibility Guidelines Related to Biomethane*
- The suspension is being implemented to provide the Energy Commission additional time to evaluate the RPS eligibility of biomethane
- CWCCG filed a comment letter on March 23, 2012, in response to CEC's Notice to clarify the language used in the notice and define how the suspension would be lifted
- Letter was emailed to the CWCCG group on 3/26



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 21

State Regulatory News

DWR's Climate Change Handbook
for Regional Watershed Planning

DWR's Climate Change Handbook for Regional Watershed Planning

- DWR, USEPA, the Resources Legacy Fund, and the U.S. Army Corps of Engineers have cooperatively developed the Climate Change Handbook for Regional Water Planning
- The handbook uses the DWR's Integrated Regional Water Management planning framework as a model into which analysis of climate change impacts and planning for adaptation and mitigation can be integrated
 - provides framework for considering climate change in water management planning
 - serves as a guide to resource managers and planners to develop means of adapting their programs to a changing climate
 - provides a checklist for identifying and prioritizing the vulnerability of local watersheds

The handbook can be viewed at the following link:

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



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

State Regulatory News

Forum on Digesting Urban Organics
Residuals: May 30th 2012

SAVE THE DATE, May 30th – Forum on Digesting Urban Organics Residuals

- CalRecycle will be hosting the event “*Digesting Urban Organics Residuals: A Forum on Technology, Economics, & Permitting*”
- An event designed for jurisdictions considering Anaerobic Digestion (AD) projects for the organic fraction of their urban waste stream and other stakeholders
- Organized in collaboration with the California Biomass Collaborative, the California Organic Recycling Council, and the City of San Jose
 - showcase project implementation progress in CA
 - highlight benefits and challenges of AD technology.
 - include case studies, permitting pathways, technology options and financing

Date: May 30th, 2012 Time: 8:30 AM to 5:00 PM

Venue: Cal/EPA Building at 1001 I Street, Sacramento

Forum agenda and additional details are posted at

<http://www.calrecycle.ca.gov/Organics/Conversion/Events/Digesting12/default.htm>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

State Regulatory News

CARB's Enhanced Vapor Recovery
Performance Standards for AST's

CARB's Enhanced Vapor Recovery Performance Standards for Gasoline Aboveground Storage Tanks (ASTs)

- On May 2, 2008 the Board approved Certification Procedure CP-206, which describes the procedure for evaluating and certifying ASTs
- All existing ASTs will need to meet Standing Loss Control Vapor Recovery System requirements April 1, 2013
- Designed to reduce gasoline temperature in the tanks to minimize evaporation

For more information about requirements:

<http://www.arb.ca.gov/vapor/ast/ast.htm>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 27

State Regulatory News

PERP: New Fleet Emission Requirements

PERP: *New Fleet Emission Requirements*

- Beginning January 1, 2013 portable diesel engines registered in PERP or operating under air district permits must comply with weighted PM emission fleet averages expressed as g/bhp-hr
- These requirements are part of the ATCM for diesel PM from portable engines
- Compliance can be determined by determining weighted PM emissions averages for all the engines within each of the three categories by using the CARB Fleet Calculator
- Information needs to be reported to CARB by March 1, 2013

See below for more information:

<http://www.arb.ca.gov/portable/perp/2013changes.pdf>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

PERP: *New Fleet Emission Requirements*

Below are the standards effective January 1, 2013:

Engine Size Category in Fleet	50 to less than 175 hp	175 to 750 hp	Greater than 750 hp
Weighted PM Fleet Average	0.3 g/bhp-hr	0.15 g/bhp-hr	0.25 g/bhp-hr



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

State Regulatory News

Fleet regulation: New Labeling
Requirements for Diesel Vehicles

New Labeling Requirements for In-use Off-road Diesel Vehicles

- As of 2009, vehicles subject to the in-use off-road regulation were required to be reported to the CARB and labeled with a unique EIN on the right side of the vehicle
- All vehicles newly reported to CARB must now be labeled on both sides within 30 days of receiving the EIN; all previously reported vehicles must be labeled on both sides by January 1, 2013
- More information about how the labels must appear is available at www.arb.ca.gov/msprog/ordiesel/faq/faq-labeling.pdf

For more information on the regulation, please visit:
www.arb.ca.gov/ordiesel



National Regulatory News

National Regulatory News

EPA's Webinar on Innovative
Energy Conservation Measures at
Wastewater Treatment Facilities

***TOMORROW!* EPA Webinar: Innovative Energy Conservation Measures at WW Treatment Facilities**

EPA is hosting a free webinar to discuss innovative energy conservation measures at wastewater treatment facilities

- First part of this webcast will focus on energy conservation and self-sufficiency
- Second part will focus on the successful implementation of the various measures and energy recovery at the Sheboygan Regional Wastewater Treatment Plant in Wisconsin

Date: May 17th, 2012

Time: 11:00 AM - 12:30 PM

To register, please visit:

<https://www3.gotomeeting.com/register/679203742>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

**National Regulatory
News**

*EPA's Adaptation Strategies
Guide for Water Utilities*

EPA's *Adaptation Strategies* *Guide for Water Utilities*

- Developed by EPA's Climate Ready Water Utilities initiative
 - to assist drinking water and wastewater utilities in gaining a better understanding of what climate change-related impacts they may face in their region
 - to describe adaptation strategies that can be used to prepare their system for those impacts.
- Guide contains easy-to-understand climate science and information, utility adaptation case studies, as well as an adaptation planning worksheet
- Guide can be downloaded from the link below:
<http://water.epa.gov/infrastructure/watersecurity/climate/index.cfm#asg>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 37

National Regulatory News

EPA's Document on Energy
Efficiency

EPA's Document on Energy Efficiency

- EPA recently released the document: '*Energy Efficiency in Local Government Operations: A Guide to Developing and Implementing Greenhouse Gas Reduction Programs*'
- Described how local governments can lead by example and achieve multiple benefits by improving the energy efficiency of their new, existing, and renovated facilities and their day-to-day operations
- Designed to be used by facility managers, energy and environment staff, other local government agencies
- Document can be downloaded from the link below:

http://www.epa.gov/statelocalclimate/documents/pdf/ee_municipal_operations.pdf



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

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
- *LAST FUNDING FAIR TOMORROW, MAY 17th, IN SACRAMENTO!*
- Eligible infrastructure projects include: wastewater projects

For more info about these Funding Fairs:

www.cfcc.ca.gov



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 42

Carl Moyer On-Road Voucher Incentive Program

- Provides funding opportunities for “early or extra emissions reductions” on 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>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

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



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

Self-Generation Incentive Program Modifications

- CPUC approved final modifications to SGIP on September 8, 2011
 - modifications institute legislative changes mandated in Senate Bill 412, most notably that technology eligibility be based on GHG emissions reductions
- New SGIP Handbook describes the terms of the new SGIP, and can be found at the following website:
http://asset.sce.com/Documents/Shared/2011_SGIPHandbook.pdf
- Funds are available on a first-come, first-served basis throughout the calendar year (January 1 through December 31, 2012)

For list of incentives & more information:

<http://www.cpuc.ca.gov/PUC/energy/DistGen/sgip/aboutsgip.htm>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

**Additional
Items**

AIR Business Items

Spring 2012 BACWA AIR Newsletter

- The BACWA Air Annual Newsletter was completed on April 6th, 2012
- A big thanks to all those who contributed articles!
 - Alexandre Miot & Bonnie Jones/SFPUC “Fats, Oil & Grease (FOG) Handling at the Oceanside Water Pollution Control Plant”
 - Andre Schmidt/LACSD for his articles on renewable energy
 - Cynthia Finley/NACWA “EPA Proposes Rules & Reconsideration of Boiler Emission Standards”
 - Greg Kester/CASA “Status Update on CalRecycle’s proposal to Regulate Anaerobic Digestion at POTWs”
 - Kris Flaig/City of LA “California Wastewater Climate Change Group – 2011 Year in Review”



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 47

BACWA AIR Budget Update

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

- Spent July 1st - May 11th: \$73,259
- % Spent to date: 92%



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

Additional Items

Planning for Next Year

BACWA AIR – *Membership* *Reminder: FY 2012-13*

- FY 2011/12 – very successful for AIR; Looking forward to another good year!
- Next phase of the BACWA AIR Committee in 2012/2013

*If you haven't already done so, please return completed membership form by **May 18th, 2012***

Email: divya.bhargava@ch2m.com



Planning for next year!

- BAAQMD Advocacy
 - BAAQMD permitting
 - Annual Brian Bateman meeting
- AIR workshops or special focus next year
 - Permitting workshop w/ BAAQMD
 - Mandatory Reporting: Randy Frazier/Yorke, CH2M HILL
 - Renewable energy/energy efficiency
 - Continued site visit/AIR meetings
- Any other new activities?



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

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							
Portable Engine Emissions Regulations	Statewide Portable Equipment Registration Program (PERP): 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 - New Fleet Emission Requirements Effective January 1, 2013	Beginning January 1, 2013 portable diesel engines registered in PERP or operating under air district permits must comply with weighted PM emission fleet averages expressed as grams per brake horsepower-hour (g/bhp-hr) - These requirements are part of the Airborne Toxic Control Measure (ATCM) for diesel PM from portable engines	The ARB adopted amendments to the PERP that took effect on February 19, 2011 - Following are the standards effective January 1, 2013: 1. Engine size 50 to less than 175 hp: Weighted PM fleet average - 0.3 g/bhp-hr 2. Engine size 175 to 750 hp: Weighted PM fleet average - 0.10 g/bhp-hr 3. Engine size Greater than 750 hp: Weighted fleet average - 0.25 g/bhp-hr	http://www.arb.ca.gov/portablebe/2013changes.pdf	Diya Bhargava		January 1, 2013
Fleet Regulations	Heavy Duty Diesel Regulations: 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/microreport/BusandTrucks.html	Diya Bhargava		January 1, 2012
Local Regulations	BAAQMD Regulation 2, H/Les 1, 2, 4, & 6: New Source Review and Title V Permitting; Revisions to regulation	Regulations being amended for permitting stationary sources to incorporate recent U.S. EPA mandated requirements for NO _x , PM _{2.5} , and GHG PSD and Title V permitting - Regulation 2 must be consistent with these Federal requirements in order for BAAQMD to issue PSD and New Source Review (NSR) permits; and so BAAQMD can obtain approval of its State Implementation Plan (SIP)	- BAAQMD staff will take the final proposed amendments to Regulation to the Board for approval this summer - The amendments will be fully adopted after they are approved by the California Air Resources Board in December 2012 and the USEPA in 2013 or later	http://www.baaqmd.gov/Planning_and_Enforcement/Title_V/Regulation2.html	Diya Bhargava	Adoption of amendments by CARB	
Mandatory Reporting of GHGs / Cap & Trade	CARB's Mandatory Reporting Regulation for Greenhouse Gases: 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 - Reporting deadlines for modified mandatory reporting: 1. April 10, 2012: Reports are due for facilities and suppliers of fuels and carbon dioxide, except when subject to Abbreviated Reporting 2. June 1, 2012: Reports are due for Electric Power Entities, and current reporters subject to Abbreviated Reporting. Facilities that have not previously reported to CARB do not have to file reports until June 1, 2013 (per Title 17, CCR 96103(a)(7)) 3. September 1, 2012: Final verification statements due (emissions data and product data)	http://www.arb.ca.gov/overseeing/ghg-reporting.html	Diya Bhargava		January 1, 2012
	CARB's Cap & Trade program	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/overseeing/ghg-reporting.html	Diya Bhargava	Enforcement of CARB's Cap & Trade rule has been deferred from 2012 to 2013	January 1, 2012
	EPA GHG Mandatory Reporting	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/year 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/ghgreporting/ghgreporting.html			September 30, 2011
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 - EPA is due to revisit the ozone standard again in 2013, under the Clean Air Act	http://www.epa.gov/ghgreporting/ghgreporting.html	Diya Bhargava		

Item	Description	Issues for POTWs	Current Status and Updates	Links	Lead	Next Steps	Effective Date
Misc. Equipment Emission Regulations - Boilers, Turbines, Refrigerants, etc.	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 Incineration of biosolids (includes biosolids in the definition of solid waste)	- 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 - On April 19, 2012, EPA issued a notice denying two petitions for reconsideration of its final new source performance standards and emission guidelines for sewage sludge incinerators	http://www.epa.gov/airquality/combo/boileractions.html#b011	Divya Bhargava	EPA will plan to finalize rule in Spring 2012	April 2012
	Stationary Refrigerant Management Program Regulation: to reduce GHG emissions from stationary sources	Regulation requires facility registration, leak detection and monitoring, leak repair, retrofit or retirement, and recordkeeping for any facility owner or operator with a stationary, non-residential refrigeration system using more than 50 pounds of a high GWP refrigerant - This regulation applies only to systems used wholly or in part for refrigeration and process cooling. It does not apply to systems used exclusively for comfort cooling, i.e. air conditioning	Although this regulation has been adopted, it has not yet been enforced - CARB trying to defer enforcement of this regulation to the local Air Districts, and the Air Districts may either adopt a rule of equivalent emission reduction benefit under local authority, or may enforce Statewide regulation under agreements with the CARB - CARB recently developed a web-based tool for implementing the registration, reporting, and fee payment provisions of this regulation. The online tool is known as the Refrigerant Registration and Reporting System (RRS)	http://www.fish.wa.gov/airquality/rrs/rrs.html www.arb.ca.gov/rmp/rrs	Divya Bhargava		January 1, 2011
Funding Opportunities	- General funding opportunity tracking for BACWA AIR 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 State Water Boards Ocean Water State Revolving Fund Program (OWSRF)	- Securing funding for much needed projects at member agency sites The OWSRF 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 OWSRF are being accepted on a continuous basis	http://www.sfwatb.org/committees/energy/energy/energy_opportunities http://www.dwr.ca.gov/water/infrastructure/ow_srf.html	Divya Bhargava		Ongoing application accepted
	California Energy Commission's Loan Funding for Energy Efficiency and Energy Generation Projects Energy Conservation Assistance Act (ECAA) Low Interest Loans	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 - The Energy Commission will accept loan applications on a first-come, first-served basis for eligible energy projects from all eligible entities.	http://www.energy.ca.gov/efinance/efinance.html	Divya Bhargava	- The California Energy Commission has announced the availability of funds for low-interest loans for energy efficiency and energy generation projects	Ongoing application accepted
	California Financing Coordinating Committee Funding Fairs	- Free funding fairs at six locations to educate the public about the financial and technical resources available for eligible critical infrastructure projects, including wastewater, solid waste and energy efficiency - The fairs will provide opportunities for public works, local government, and economic development professionals to obtain information about grant, loan and bond financing options that are available	Fairs occur between March and May in San Diego, Riverside, Fresno, Santa Cruz, Redding, and Sacramento	http://www.cfdcc.org/program/2011-2012_CFDCC_Funding_Fair	Divya Bhargava		See flyer in link
	2011 Carl Moyer Program: grant program that funds the incremental cost of cleaner than required engines, equipment, and other sources of air pollution	- This program complements California's regulatory program by providing incentives to obtain early or extra emission reductions - Program accelerates the turnover of old high-polluting engines, speeds the commercialization of advanced emission controls, and reduces air pollution impacts on environmental justice communities.	- State law authorizes the Air Resources Board to revise the Carl Moyer Program Guidelines when necessary to improve the ability of the program to achieve its goals - CARB approved revision to the 2011 Carl Moyer Program cost effectiveness limit - The cost effectiveness limit is updated to \$17,000. The capital recovery factors remains unchanged based on a discount rate of 2 percent. The updated cost effectiveness limit can be used by air districts for contracts executed beginning April 1, 2012, and must be used for any contracts executed beginning July 1, 2012	http://www.arb.ca.gov/airquality/carl_moyer/carl_moyer.html	Divya Bhargava		July 1, 2012
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 2nd, and September 1st 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 19th and September 1st, 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/amend_1_06.shtml	Divya Bhargava		December 22, 2011

BACWA AIR Issues Matrix

Item	Description	Issues for POTWs	Current Status and Updates	Links	Lead	Next Steps	Effective Date
PAST ISSUES							
Portable Engine Emissions Regulations	Portable Diesel Fuelled Engines Air Toxic Control Measure (ATCM) for engines rated 50 brake horsepower or greater	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 18, 2011 Requirements for fuels and diesel PM standards	http://www.arb.ca.gov/diesel/vehc/20070218.htm	Diya Bhargava		February 18, 2011
Stationary Engine Emissions Regulations	CARB's ACTM for Stationary, CI Engines. Amendments made to the program Purpose: to reduce diesel particulate matter (PM) and criteria pollutant emissions from stationary now 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.	Emission Limits for New Emergency Standby Engines: 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 Sulfur 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 18, 2011	http://www.arb.ca.gov/diesel/sta/20110518.htm	Diya Bhargava		May 18, 2011
Fleet Regulations	In-use Off-road Diesel Regulation: Adopted in 2007 to reduce diesel particulate matter (PM) and oxides of nitrogen (NOx) 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	CARB 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, AIRB issued a delay of the regulation's NOx and PM requirements pending further notice. Reporting, labeling, iding and disclosure requirements are still in effect - Amendments approved and became effective on December 14, 2011	http://www.arb.ca.gov/mspr/ordiesel/ordiesel.htm	Diya Bhargava		December 14, 2011
Misc. Equipment Emission Regulations- Boilers, Turbines, Refrigerants, etc.	BAAQMD Regulation 9, Title 7: Compliance Extensions: NOx 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, Title 7 adopted on May 4, 2011	http://www.baaqmd.gov/air/air/20110504/97/4062011-601-4010-2011-0714/REGALD9	Diya Bhargava		May 4, 2011



Closing

Next Meeting: Wednesday – July 18, 2012

Supplementary Slides
(IF TIME ALLOWS)

California Mandatory Reporting Rule

- On December 14, 2011, CARB adopted modifications to its regulation for mandatory reporting of GHGs in order to align with the Federal Mandatory Reporting Regulation
- Changes affect emissions of the 2011 operating year, which are reported to CARB in 2012
- General information on the mandatory reporting program can be found at: <http://www.arb.ca.gov/cc/ccei.htm>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 58

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/>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

**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



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

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



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

**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



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



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 67

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>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

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



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies

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>



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies 71

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



AIR ISSUES & REGULATIONS COMMITTEE
A Committee of the Bay Area Clean Water Agencies