| Document<br>Control                      | Prepared by Divya Bhargava (Project Engineer) and Randy Schmidt (Committee<br>Co-Chair)<br>Reviewed by Nohemy Revilla (Committee Co-Chair) and Jim Sandoval (Project<br>Manager) |
|--|--|
| Committee<br>Request for<br>Board Action | None at this time.   |
| Committee<br>Agenda Items                | None at this time.   |

### **Recent Committee Actions:**

| Recent      | • BACWA AIR Committee Meeting was held on August 15th 2012 at the CH2M HILL Office   |
|-------------|--|
| Committee   | in Oakland   |
| Actions     | Meeting highlights are available on the website following is a list of decisions and action items discussed at the Committee meeting:  One of the committee meeting:   |
|             | - Given this year's \$5K budget short fall over last year's, the AIR Committee decided to eliminate the newsletter and have as many bi-monthly meetings as the budget will support   |
|             | - Tentative schedule would be to conduct meetings in October, January, March and May (depending on the budget). We'll monitor the budget and make a determination in January about this meeting schedule and the newsletter                |
|             | • CH2M HILL prepared a document summarizing the AIR Committee's activities and accomplishments in the past 2-3 years, as well as the current & pending issues for the AIR Committee. This document is attached at the bottom of the report |
|             | <ul> <li>AIR members have expressed concerns during that the BAAQMD's level of service has<br/>diminished while fees continue to rise annually</li> </ul>  |
|             | - To address this issue, the Committee brainstormed the approach to improve service to members from BAAQMD   |
|             | - CH2M HILL drafted talking points for the BACWA Executive Director Jim Kelly to present to the BAAQMD Director to express specific concerns of the AIR members  |
|             | and help improve the service from the District. These talking points are attached at the bottom of the report.   |
| AIR Website | http://bacwa.org/Committees/AirIssuesRegulations.aspx  |

### **News and Updates:**

| BAAQMD's<br>Workshop on<br>Particulate<br>Matter (PM) | <ul> <li>BAAQMD conducted a Workshop on September 14<sup>th</sup> 2012 for PM Planning in the San Francisco Bay Area</li> <li>The San Francisco Bay Area did not meet one of the federal air quality standards for PM<sub>2.5</sub> during the three-year period from 2006 to 2008. The United State Environmental Protection Agency (EPA) therefore designated the Bay Area as "non-attainment" for the 24-hour PM<sub>2.5</sub> national ambient air quality standard in December 2009. Since then, Bay Area PM<sub>2.5</sub> pollution levels have decreased. Air quality monitoring data show that the Bay Area attained the national 24-hour PM<sub>2.5</sub> standard during the three-year period from 2008 through 2010 and again for the 2009 through 2011 period.</li> <li>The potential impacts to BACWA POTWs:         <ul> <li>The incorporation of new U.S. EPA requirements for particulate matter less than 2.5 micrometers (PM<sub>2.5</sub>) and Greenhouse Gases (GHG) in New Source Review (NSR) and Title V permits issued by BAAQMD.</li> <li>The implementation of Best Available Control Technology requirements for PM<sub>2.5</sub>, as necessary</li> </ul> </li> <li>Please see the attached memo written by AIR Chair Nohemy Revilla that provides a</li> </ul> |
|---|--|
| For more  | summary of BAAQMD's Workshop.  |
| information   | http://www.baaqmd.gov/Divisions/Planning-and-Research/Particulate-Matter.aspx  |
| Next AIR Committee Meeting:                           | Wednesday, October 17th , 2012<br>Venue: SFPUC's Southeast wastewater treatment plant  |

#### TALKING POINTS FOR JIM KELLY TO BAAQMD DIRECTOR

AIR members have expressed concerns during that the BAAQMD's level of service has diminished while fees continue to rise annually

- BAAQMD is having a difficult time following their own permit review timeline rules (e.g., Regulation 2 Rule 6: Major Facility Review, sections 2-6-408, 2-6-410, 2-6-413, 2-6-414, 2-6-423). This can make it challenging for POTWs to schedule and carry out operational plans that are on the critical path.
- Backlog of permit reviews:
  - The San Jose/Santa Clara Water Pollution Control Plant filed an application for Administrative Change of Condition in May 2011 and they have not received a draft copy from District staff to date.
    - 1. Impact lack of flexibility on which engines can be operated
    - 2. Badi Mouderres said a backlog of 10 permits is normal, but BAAQMD's backlog is 70 permits
  - East Bay MUD filed a Title V application in December 2009 and has not received any response from the District. They should have received a draft permit in May 2010.
  - The BAAQMD has not assigned a permit engineer to EBMUD's General Permit at its Main WWTP (ROBERT, SINCE WHAT DATE?)
  - Union Sanitary District filed for a synthetic minor operating permit in December 2008, which was not fully completed until March 2012.
  - Central Contra Costa Sanitary District submitted Title V renewal package in June of 2011 and is operating under Title V permit issued in 2006.
- Lack of communication from District staff
  - o Lack of feedback from staff about the status of permit reviews, etc.
  - o No solutions offered by the District on how to improve the response time of staff

BACWA understands the challenges that the BAAQMD and all public agencies are facing in the midst of the current economic downturn. Accordingly, BACWA wants to partner with BAAQMD to develop solutions that can mutually benefit the permitting assistance needed by Bay Area POTWs and the resource needs of the District.

#### Proposed solutions:

- An information exchange session with potential BAAQMD permitting staff and supervisors to allow better understanding, share information, brainstorm ideas, and form points of contacts for each group.
- A dedicated permit engineer for POTWs (like they used to have when Randy Frazier served in this role at the District)
  - Ask the District if having one engineer to cover all the needs of a POTW is realistic in today's heavily regulated era
- Improved electronic permitting system
  - o Improved automation on the District website for permit applications, status reviews, updating the emissions data base, etc.
  - Another option may be implementation of the Certified Permitting Professional Program
    that South Coast and San Joaquin AQMDs have that allow permit applicants to become
    certified and generate their own permits using the District's network and database

1. This was Badi's idea that he said operated successfully when he worked at SCAOMD

## SUMMARY OF BAAQMD'S WEBCAST ON PARTICULATE MATTER PLANNING IN THE SAN FRANCISCO BAY AREA

(September 14, 2012) By Nohemy Revilla

BAAQMD's webcast was divided in the following two parts:

- During **Part 1** they gave a description about particulate matter (PM), PM impact on pollution, health effects related to PM in the Bay Area. They also described control strategies to reduce PM emissions that were included in the Clean Air Plan 2010. New Control Measures in CAP 2010 that are **under development** include Stationary Source Measures: 1, 6, 7, 9, 16.
  - SSM6: General PM: Amend Regulation 6-1 to reduce allowable PM emission rate from all sources
  - SSM 16: New Source Review amendments for PM<sub>2.5</sub> (Nov 2012)
  - Reductions in primary PM & PM precursors from Mobile Source, Transportation Control and Land Use & Local Impacts Measures
  - SSMs 10, 11, 12, 13, 14 will reduce NOx; SSM 8 targets SO<sub>x</sub>

Trends indicate that Bay Area PM concentration & related health effects have been reduced by 50% since 1990s.

#### Part 2

EPA requires the preparation of a State Implementation Plan (SIP) for any area that is designated non-attainment to determine the reductions needed to meet the standards, and to set the control strategies to meet the standards by December 2014 for the  $PM_{2.5}$  (24-hr standard).

BAAQMD monitoring data have shown that in periods 2008 – 2010 and 2009 – 2011 the Bay Area attained the standards. The BAAQMD will follow one of two guidelines that EPA has for area that have met the 24-hr standards since 2009:

- Submit "clean data finding" based on quality-assured monitoring data showing attainment for the most recent 3-year period & prepare an abbreviated "clean data" SIP. This request was submitted to EPA Region 9 by ARB in December 2011 on behalf of BAAQMD.

The Bay Area will continue to be a non-attainment area even when/if EPA approves the "clean data finding", and the following SIP requirements will be suspended as long as monitoring data continues to show attainment:

- Attainment Demonstration / AQ Modeling for PM<sub>2.5</sub>
- Reasonably Available Control Measures (RACM) Analysis
- Reasonable Further Progress (make steady progress)
- Mid-Course Review
- Contingency Measures

But the following will still apply:

- Submit emissions inventory for direct PM<sub>2.5</sub> & PM<sub>2.5</sub> precursors for the "attainment year"
  - Includes peak (winter) season emissions by emission source category for 2010. This is include in Table 1 (primary PM and precursor pollutants) and Table 2 (NH<sub>3</sub> emissions) in the DRAFT Emissions Inventory

and

http://www.baaqmd.gov/~/media/Files/Planning%20and%20Research/Plans/PM%20Planning/PMSIPTableWinter2010NH3.ashx)

- Amend New Source Review (NSR) rule to address PM<sub>2.5</sub>
  - Proposed amendments to Regulation 2. Comment period is from 9/7/12 to 10/22/12
     (<a href="http://www.baaqmd.gov/Divisions/Engineering/Proposed-Reg-2-Changes.aspx">http://www.baaqmd.gov/Divisions/Engineering/Proposed-Reg-2-Changes.aspx</a>). The amendments will affect major facilities, such as refineries and power plants, as well as smaller facilities such as gas stations and dry cleaners in the Bay Area when applying for new or modified permits.

BAAQMD has drafted a PM report "Understanding Particulate Matter: Protecting Public Health in the San Francisco Bay Area". This document is not a SIP and it is not a formal PM control strategy, but it includes investigation about PM impacts, emission inventory from 2010 to 2030, trends, current control programs, etc. (<a href="http://www.baaqmd.gov/~/media/Files/Planning%20and%20Research/Plans/PM%20Planning/UnderstandingPM">http://www.baaqmd.gov/~/media/Files/Planning%20and%20Research/Plans/PM%20Planning/UnderstandingPM</a> Draft Aug%2023.ashx)

BAAQMD projections show that the PM precursors are going to continue decreasing up to 2030.  $PM_{2.5}$  will continue decreasing up to 2020 but will increase after that

#### Next Steps:

- BAAQMD will present PM documents to Board Executive Committee on 10/15/12
- Board hearing November 7 to consider:
  - Amendments to New Source Review rule & related CEQA doc (action item)
  - PM<sub>2.5</sub> emissions inventory for 2010 attainment year (action item)
  - - PM report (informational item)
- ARB submits PM<sub>2.5</sub> SIP to US EPA by December 2012



### Air Issues & Regulations Committee

A Committee of the Bay Area Clean Water Agencies

### The AIR Committee's History

Over the years, the AIR Committee has updated Bay Area POTWs on important air quality and climate change regulatory information and worked with local and State regulatory agencies to ensure that the viewpoints of both large and small Bay Area POTWs are taken into account. We represent "one voice" to the regulatory agencies, speaking on behalf of the majority of the POTWs in the Bay Area, and public utilities statewide have benefited from our efforts.

### **Regulatory Advocacy**

Together we have proactively assisted in the development of regulatory programs by ensuring that they are based on good science and are physically and financially feasible for our public utilities. We have also shared information, developed comprehensive compliance programs, and formed solid relationships with each other and with our regulatory agencies. These relationships produce universally beneficial results: producing forward thinking input and strengthening our lobbying as regulations impacting Bay Area POTWs are constantly changing. Two of the AIR Committee's primary goals are to promote relationships with regulatory agencies, such as the Bay Area Air Quality Management District (BAAQMD), and to lead BACWA's initiative to monitor and influence climate adaptation policies in the Bay Area and California.

## THE AIR COMMITTEE'S ACTIVITIES AND ACCOMPLISHMENTS IN THE PAST 2-3 YEARS INCLUDE:

- Sent the US Environmental Protection Agency (EPA) a letter and follow-up letter
  regarding the proposed National Emissions Standards for Hazardous Air Pollutants
  (NESHAP) for reciprocating internal combustion engines (RICE) in September 2009,
  specifically as it applies to digester gas fueled engines. The letters were based on the
  helpful feedback of committee members. EPA staff appreciated the feedback and we
  established an open dialogue with them.
- AIR Committee developed a new webpage on the BACWA website that includes grant tracking information for members. The website is updated regularly to include Committee meetings information, regulatory updates sent to members, newsletters, comment letters, etc.
- In the early fall of 2009, the BAAQMD published proposed new CEQA air quality thresholds of significance for greenhouse gas, criteria pollutants and precursors, risks and hazards, and odor. The AIR Committee and CWCCG researched the new thresholds and the CWCCG submitted a comment letter. The BAAQMD has incorporated comments in the revised guidelines.

- Sent comment letters to California Air Resources Board (CARB) summarizing member concerns regarding the revised California Mandatory Reporting Rule and Cap-and-Trade Rule for greenhouse gas (GHG) emissions in December 2010.
- The AIR Committee Annual Newsletter that has been published every year and appreciated by all members.
- Sponsored a successful BACWA workshop on the AB 32 Mandatory Reporting of Greenhouse Gases at San Francisco Public Utilities Commission (SFPUC) in 2010, which included attendance of approximately 50 participants representing 30 POTWs from around the state. The workshop was led by CH2M HILL and included invaluable participation of Renée Lawver of the CARB.
- Sent Renée Lawver/CARB a letter that summarized member comments regarding the Mandatory Reporting process which was well received and incorporated.
- An on-site meeting at SFPUC's Oceanside Wastewater Treatment Plant in July 2011 that included a presentation/tour of SFPUC's FOG and bio-energy/fuels renewable programs, which showed how they convert FOG from restaurants & households into biodiesel using a patented technology.
- Workshops attendance and comment letters to the California Bay Conservation
  Development Commission (BCDC) in 2011, regarding the Bay Plan Amendment that
  addresses climate change impacts to the Bay and surrounding communities, and the
  protection of critical infrastructure, such as POTWs.
- Workshop attendance on behalf of AIR to track the revisions to BAAQMD New Source Review and Title V Permitting Programs (i.e., amendments to District Regulation 2 – Rules 1, 2, 4 & 6) in 2011.
- In-person discussions with BAAQMD Director of Compliance & Enforcement, Brian Bateman at the January 2011 and the January 2012 Committee Meetings. The purpose of the meetings with Brian was to get an overview of proposed or existing BAAQMD regulations that may impact y POTW's in the Bay Area.
- An on-site meeting at the San Jose/Santa Clara Water Pollution Control Plant in May 2012 that included a presentation/tour of the new fuel cell facility installed at the plant by Scott Warfield of UTS Bioenergy.
- Development of the AIR issues matrix which summarizes all regulatory issues and updates relevant to the AIR members. The matrix is a living document and is updated every month with the current issues.
- Continuous tracking of regulatory issues affecting large and small POTWs through regular Committee-wide emails, keeping the AIR website updated, and the AIR Issues matrix.

#### CURRENT & PENDING REGULATORY ISSUES FOR THE AIR COMMITTEE:

- Revisions to BAAQMD New Source Review and Title V Permitting Programs (i.e., Regulation 2 – Rules 1, 2, 4 & 6) and potential future impacts of the Tailoring Rule, which regulates GHGs under the Clean Air Act
- CARB Mandatory GHG Reporting and Cap-and-Trade Programs, and their alignment with EPA
- Working with BAAQMD on GHG threshold for Title V applicability
- CARB's Statewide Portable Equipment Registration Program: (PERP) New Fleet Emission Requirements
- Final Federal air toxic standards for industrial, commercial, & institutional boilers & process heaters
- EPA's proposed revisions to the National Ambient Air Quality Standards for Particle Pollution and impacts from BAAQMD
- Changes to BAAQMD Rules regulating engines and boilers 9 (i.e, Regulation 9 Rules 7 and 8) maintaining emissions compliance for engines and boilers
- Applicability of EPA's new National emission standards for hazardous air pollutants for reciprocating internal combustion engines (RICE)
- CARB's Stationary Refrigeration Management Program Regulation
- Decreased support from BAAQMD during a time of expanding air quality and climate change regulations
- Rising energy costs growing need for increased efficiency and incentivized energy production. Although, lack of incentives for increased biogas-to-energy production from RECs, Cap &Trade offsets, etc.

Thank you,

Nohemy Revilla Air Committee Co-Chair

Randy Schmidt AIR Committee Co- Chair