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August 23, 2018

Mr. David Edwards, Ph.D.
California Air Resources Board
Air Quality Planning & Science Division
1001 "I" Street, 7th Floor
Sacramento, CA 95814

Sent via email: Ctr-report@arb.ca.gov

Dear Mr. Edwards:

Subject: Preliminary Discussion Draft of the Proposed Regulation for the Reporting of Criteria Pollutants and Toxic Air Contaminants

The Los Angeles Department of Water Power (LADWP) appreciates the opportunity to provide comments on the Preliminary Discussion Draft of the Proposed Regulation for the Reporting of Criteria Pollutants and Toxic Air Contaminants (Discussion Draft).

Applicability

The proposed Sections 93401(a)(1), (2), (3), and (4) identify the four applicability criteria for annual emission reporting. Of the four applicability criteria, LADWP is concerned with Section 93401(a)(4) which requires a facility that has one or more permit(s) to operate issued by an air district, emits criteria pollutants and toxic air contaminants, and is located within the boundary of a community selected by the California Air Resources Board (CARB) Governing Board pursuant to Health and Safety Code (HSC) Sections 42705.5 and 44391.2, to report emissions annually. The Discussion Draft workshop presentation stated that this applicability description requires "all permitted sources within selected communities" to report emissions annually. Section 93404(b) of the Discussion Draft states "Annual emissions reports shall include the direct, process and fugitive emissions for permitted processes and devices at the facility. Emissions from unpermitted sources that are currently reported to, or quantified by the air district, shall also be quantified and reported, but are not included in the applicability determination for criteria pollutant emissions." Under the South Coast Air Quality Management District (SCAQMD) emission reporting requirements, a facility required to file an annual emissions report must include emissions from both permitted equipment as well as sources not requiring a permit. Therefore, the "all permitted sources within selected communities" applicability criteria will have the unintended consequence of reporting

additional emission data (from unpermitted sources) that the CARB regulation did not intend to capture, due to the combination of the CARB and local air district emission reporting requirements.

LADWP understands CARB's objective is to obtain emissions data for development of highly detailed granular level inventories in AB 617 selected communities. However, LADWP requests CARB to balance the need for collecting data with the additional reporting burden on reporters and local air districts' staff, given the significant existing reporting workload. LADWP is concerned about the additional workload of having to report emissions for "all permitted sources" including local air district required unpermitted sources within a selected community ("all sources") and the compounding effect of adding new communities each year.

Collecting emissions data for "all sources" within a selected community will be challenging on several fronts. First, facilities will be required to report emissions that have not previously been required to report. Second, facilities will be required to ensure "best available data and methods" as described in the Draft Regulation. Third, emissions from unpermitted sources may also have to be identified, quantified, and reported per the local air district reporting requirements. For example, a facility with a single piece of permitted equipment (such as an emergency back-up generator) would also have to check the list of ingredients for every product used on site, then quantify and report emissions of any volatile organic compound, specific organics and toxics from use of those products, which is tedious work. Reporting emissions data for "all sources" within a selected community will be very time consuming and goes above and beyond what CARB intended to capture.

LADWP urges CARB to reconsider the necessity of the fourth applicability category "all permitted sources within a selected community." CARB should weigh the cost/benefit of requiring minor emission sources to file an annual report, and the additional workload on regulatory staff of having to review and quality assure all of those additional reports. CARB should then consider establishing a de minimis threshold to exclude minor emission sources (such as emergency generators and other small or area sources) from the annual emissions reporting requirements. It is important to note, HSC Section 39607.1 does not specifically require all permitted sources within "communities" in the definition to report its annual emissions of criteria pollutants and toxic air contaminants to CARB.

During the August 8, 2018 workshop, SCAQMD staff indicated that they are willing to work with CARB staff so that minor emission sources within selected communities do not have to annually report and use existing emissions data sets to minimize resource impacts. Using alternative emission inventory methods to quantify emissions for small sources would be much more practical and prudent than requiring every facility to file an annual emission report.

Furthermore, there is concern that the use of existing default emission factors for toxic compounds could overstate emissions and make a facility appear worse than it actually is. For example, the table below shows the difference between default emission factors for toxic compounds and actual emissions based on a source test.

Toxic Compound	SCAQMD AER Default Factors	AP-42		Source Test	Percent Difference
Fuel Type: Natural Gas	Turbine, All Sizes	Stationary Gas Turbines	Rating for Emission Factor	GE Model 7FA.05 Turbine	Source Test vs SCAQMD Default Factors
	(lb/mmscf)	(lb/mmscf)		(lb/mmscf)	
Benzene	0.0122	0.01224	A	0.00019	-98.44%
1,3-Butadiene	0.000439	0.0004386	D	not tested	
Formaldehyde	0.724	0.7242	A	0.017	-97.65%
Total PAHs	0.00225	0.002244	C	0.000876	-61.07%
Ammonia	18	--		1.35	-92.50%

The first step should be for CARB and/or the air districts to review and update the default emission factors. If CARB requires small sources to report emissions, the small sources would likely use the default emission factors. If the default emission factors overstate emissions and if CARB publishes granular emission data from all permitted sources within the community, that could raise alarms unnecessarily.

In summary, LADWP urges CARB to reconsider Section 93401(a)(4) applicability in the Discussion Draft, and work with the air districts to quantify emissions from small sources rather than requiring "all permitted sources" to submit an annual emissions report.

Definition

The "Portable" definition within proposed Section 93402(a) states "Equipment is not portable if any one of the following conditions exists:

"...The equipment or a replacement resides at the same location for more than 12 consecutive months..."

This definition does not allow for non-operational storage at a facility to be excluded from the twelve consecutive month residency time limit. LADWP recommends that the proposed definition of portable in Section 93402(a) be consistent with the portable definition in the Regulation to Establish a Statewide Portable Equipment Registration Program Section 2452(dd) and include the following clarifying language:

"The period during which the engine or equipment unit is Maintained at a storage facility shall be excluded from the residency time determination."

Emission Reporting Requirements

Proposed Section 93403(a) indicates that owners or operators subject to Section 93401(a)(1), (2), and (3) must submit complete emissions data reports beginning with 2018 criteria pollutants and toxic air contaminants in 2019 reporting year and Section 93401(a)(4) 2019 criteria pollutants and toxic air contaminants in 2020 reporting year. However, facility owners and operators with minor emission sources that do not report emissions routinely may not be aware of this AB 617 Regulation for Reporting of Criteria Air Pollutants and Toxic Air Contaminants. In addition, some owners and operators may not be aware that their facilities have been categorized by the air district as high priority for toxic emissions per HSC Section 44360 or have air district permits to operate located within the boundary of a community selected by the CARB Governing Board pursuant to HSC Section 42705.5 or 44391.2. The timing of the air district evaluation of the toxic emissions for categorization of priority score and when new AB 617 communities are selected should determine when applicable facilities will be notified and when annual emissions reports are required to be submitted.

A facility should be notified that they are subject to annual emissions reporting under proposed Section 93401 prior to the data year or reporting period. Therefore, LADWP recommends a notification requirement by CARB and the local air districts prior to the data year or reporting period so that owners and operators are aware their facility is subject to the AB 617 Regulation for Reporting of Criteria Air Pollutants and Toxic Air Contaminants and when the annual emission reports are required to be submitted. This emission reporting requirement notification by CARB and the local air districts to all applicable facilities should be administered at a minimum annually to take into account new facilities, change(s) in owner and operator, new CARB Governing Board selected communities, and boundary changes in selected communities. LADWP recommends the following amendments to the Discussion Draft:

(a) Initial Reporting Year for Facilities

- (1) Beginning with 2018 data, if a facility meets any of the applicability criteria outlined in 93401(a)(1-3 2) within a calendar year, the owner or operator of a facility must report emissions data pursuant to this article for emissions that occur during the calendar year and each subsequent year. Emissions data must

be reported annually, unless and until the cessation requirements described in Section 93401(d) are met.

- (3) The owner or operator of a facility subject to 93401(a)(3), must begin annual reporting the year after the air district has categorized it as high priority for toxic emissions and has been notified by the CARB Executive Officer and the local air district Executive Officer. The owner or operator of a facility subject to 93401(a)(3) will be notified by the CARB Executive Officer and the local air district Executive Officer prior to the data year or reporting period. For example, a facility categorized by the air district as high priority in 2018 will be notified in 2018 and must report their 2019 emissions in 2020.
- (4) The owner or operator of a facility subject to Section 93401(a)(4) ~~only~~, must begin annual reporting the year after a community is selected for a community monitoring program or a community emission reduction program and has been notified by the CARB Executive Officer and the local air district Executive Officer. The owner or operator of a facility subject to 93401(a)(4) will be notified by the CARB Executive Officer and the local air district Executive Officer prior to the data year or reporting period. For example, a facility located in a region selected for a community monitoring program in 2018 will be notified in 2018 and must report their 2019 emissions in 2020.

Also, there appears to be an incorrect reference in Section 93403(a)(2). It seems the reference should be to "93403(a)(2)(A) and (B) below" instead of "93401(b)(1) (A) and (B) below". Please see suggested change below:

"For facilities subject to reporting based on criteria pollutant emissions as identified in Section 93401(a)(2), submittal of an emissions report in 2019 and 2020, for 2018 and 2019 emissions data, respectively, is optional for a facility that meets both the criteria in Sections ~~93401(b)(1)(A) and (B)~~ 93403(a)(2)(A) and (B) below."

Community Selected by CARB Governing Board

Proposed Section 93403(a)(3) indicates that an owner or operator of facility subject to Section 93401(a)(4) must begin annual reporting the year after a community is selected for a community monitoring program or a community emission reduction program. In addition, the frequency of annual emissions reporting for these facilities is annually for the first five years and then every three years "unless specifically notified by the CARB Executive Officer than an alternate reporting schedule is required." LADWP is concerned that this possibility of an alternate reporting schedule allows CARB the flexibility to change the reporting frequency to more frequent than annual reporting.

Also, the facility should be notified when it is no longer subject to reporting. Therefore, LADWP recommends clarifying proposed Section 93403(a)(3)(A) to state:

"A facility must report annual emissions for the first five years of the community monitoring program or a community emission reduction program. After the first five years, reporting is only required every three years, unless specifically notified by the CARB Executive Officer that an alternate reporting schedule is required. The reporting frequency will not increase (i.e. monthly, quarterly, semi-annually) when notified by the CARB Executive Officer. In addition, the CARB Executive Officer will notify the facility in writing when the community monitoring program or a community emission reduction program has concluded and therefore, annual emissions reporting for the facility is not required under Section 93401(a)(4)."

Enforcement

Proposed Section 93403(b) states the facility owner or operator shall maintain liability for any late submittals and inaccuracies in data submitted to the local air district. In addition, proposed Section 93404(g) requires an attestation "that all information is true, complete and correct."

This requirement raises several concerns:

1. The reporter would be liable for data reported by the air district to CARB, which is beyond the reporter's scope of control.
2. That corrections to reported data could result in a violation.

There needs to be a process for improving the accuracy of a submitted emissions data report without incurring a violation. LADWP recommends flexibility to make corrections with the local air districts and with CARB. This flexibility should mirror the correction process or procedure with the existing local air districts and allow for corrections to be made after the August 1 CARB submittal deadline, if needed.

In addition, the attestation requirement should not apply when data is submitted to an intermediate party such as the local air district that may make changes to the data prior to submitting the data to CARB. In the future if emissions data is reported directly to CARB and an attestation is appropriate, then the attestation should read as follows:

- (g) *Attestation.* With the submitted annual report, the designated representative for a facility subject to this article must provide an attestation to the local air district or to CARB that he or she is authorized by the owner or operator of the facility to submit the emissions data report, and that all information submitted pursuant to this article is true, complete and correct to the best of my knowledge at the time the report is submitted.

Mr. David Edwards

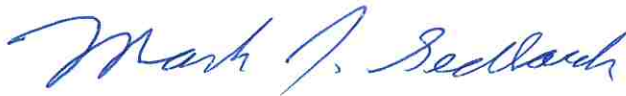
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In closing, LADWP appreciates your consideration of these comments on the Discussion Draft.

If you have questions or would like additional information, please contact Ms. Jodean Giese at (213) 367-0409.

Sincerely,



Mark J. Sedlacek

Director of Environmental Affairs

EK/CP:dms

c: Mr. John Swanson, CARB
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