



CALIFORNIA METALS COALITION

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Submitted Electronically:

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Ms. Mary D. Nichols, Chair
California Air Resources Board
1001 I Street, Sacramento, California 95814

Clerk's Office
California Air Resources Board
1001 I Street, Sacramento, California 95814

Subject: California Metal Coalition Comments on CARB's Proposed Amendment to the AB 2588 Emissions Inventory Criteria and Guidelines Report for the Air Toxics "Hot Spots" Program

Thank you for the opportunity to submit comments on the proceedings and consideration of CARB's proposed amendment to the AB 2588 emissions inventory criteria and guidelines report for the air toxics "Hot Spots" program.

ABOUT CALIFORNIA'S ADVANCED METALS MANUFACTURING SECTOR

- California is home to nearly 4,000 metal facilities—most are small businesses and family-owned.
- 8 out of 10 employees in the metalworking sector are considered ethnic minorities or reside in disadvantaged communities throughout Southern California.
- Metalworking jobs in California pay \$70,100/year, on average, in wages and benefits.
- In working class communities, these jobs are the path to the middle-class for many Californians.

ECONOMIC VALUE OF CALIFORNIA'S ADVANCED METALS MANUFACTURING SECTOR

- 350,095 total jobs (159,349 direct jobs and 190,746 indirect jobs).
- \$79.73 billion in total annual economic activity.
- \$23 billion in total annual wages (\$11 billion direct and \$12 billion supplier/induced).
- \$9.2 billion in total annual state and federal taxes.

SOCIETAL VALUE OF ADVANCED METAL MANUFACTURING IN CALIFORNIA

Californians discard more metal than any other state in the U.S. In fact, California generates enough aluminum scrap each day to build 5 commercial aircrafts. Keeping this metal from being shipped out of state, as well as making the new products, reduce emissions and stimulate our economy.

California's advanced metal manufacturers use recycled metal (ex: aluminum, brass, iron and steel) to make parts for the aerospace industry, clean energy technologies, electric cars, biotech apparatuses, medical devices, COVID-19 response parts, national defense items, agriculture, infrastructure, construction machinery, household appliances, food processing and storage, movement of water, and millions of other products demanded by society.

COMMENTS

The California Metal Coalition (CMC) appreciates the opportunity to submit formal comments on the California Air Resource Board (CARB) proposed amendments to the AB 2588 Emissions Inventory Criteria and Guidelines Report for the Air Toxics "Hot Spots" Program (EICG).

And while we appreciate CARB's efforts on considering the comments received from the stakeholders during the previous workshops and additional modifications to the proposed regulation, we remained concerned about the following issues and request they are addressed in the formal rulemaking process prior to adoption.

1. ECONOMIC IMPACT ANALYSIS

Based on the economic impact analysis presented in ISOR, the average cost per facility to comply with the requirements in the proposed amendments would be approximately \$560 to \$22,300 per year initially, and the annual cost thereafter would decrease to approximately \$300 to \$700 per year.

CARB's expectation for the facility financial burden is unrealistic and significantly underestimates the actual costs associated with complying the emission reporting requirements under EICG, such as determining applicability, data gathering and recordkeeping, preparation of emissions data reports, quality assurance/quality control, and submitting reports to the local air district.

Additionally, there are costs associated with researching emission factors, developing quantification tools, or conducting source testing that are not fully captured in CARB's economic analysis. CARB also presumes local air districts will have sufficient resources and can recover costs from assisting small business in complying the proposed regulation, while several local air districts have expressed concerns over the financial burden on the implementation costs and suggested outreach to the potentially impacted facilities before fully adoption of the proposed reporting requirements under EICG. For these reasons, we feel CARB needs to reconsider its cost analysis to better reflect real-world implementation costs.

CMC appreciates CARB introduced phase-in reporting schedule to provide additional implementation time, however, we remain greatly concerned about the proposed expansion of reporting requirements will create an overwhelming burden for facilities that are subjected to AB2588. Various requirements proposed by CARB in the amendments to the EICG regulation lack of basis for the rulemaking and imposed unrealistic and unreasonable amount of burdens on facilities. More specific comments include:

2. SIGNIFICANT INCREASE IN SUBSTANCES

Appendix A includes more than 900 new substances for which emissions must be quantified. We appreciate that CARB recognizes emissions reporting are only needed for those substances when a quantification method is available, however, facilities bear the burden of determining which Appendix A substances would need to be reported. We strongly urge CARB to limit the list of Appendix A-1 substances to those for which emission quantification methodologies are available and provide references to those emission estimation methods to alleviate the research burden that would otherwise be imposed on the facilities. Furthermore, per the rationale provided in the ISOR, the inclusion of the proposed substances in Appendix A heavily relies on the work of others, regardless of whether each substance may actually release into the ambient air and the extent to which associated health risk to public health from exposure to airborne emissions. We request that CARB disclose all the findings to support inclusion of chemicals on the Appendix A list for public review before adoption of the amendments to the regulation.

3. DATA COLLECTION vs. RELEASE FROM SOURCE

While it is CARB preferred option to report substance production, use, or other presence if emission quantification method does not exist, this continues to present unreasonable burdens reporting use to this level of details, regardless of whether these substances are airborne (i.e., release from sources at the facilities) and the extent to which potential associated risks posed to the public health.

4. TRACKING PORTABLE ENGINES

Reporting requirements for facilities with portable diesel fuel engines greater than 50 horsepower on site regardless equipment ownership or permit status. This also impose exceptional burdens on facilities to collect the emission and activity data due to lack of the control over these engines not owned by the facility.

5. TRACKING MOBILE SOURCE DATA AT FACILITY

Reporting activity data and/or emissions information for the mobile sources at a facility introduces additional burdens besides its conventional AB2488 reporting requirements. The ISOR stated the rationale is to “ensure a comprehensive characterization of the full range of hazardous materials that are released, or that may be released, to the surrounding air from the facility, as required by H&SC Section 44340(c)(2)”. However, mobile sources should not be considered as part of the facility definition: “every structure, appurtenance, installation, and improvement on land which is associated with a source of air releases or potential air releases of a hazardous material” per Health and Safety Code section 44304.

6. DUST EMISSIONS

Dust emissions produced from routine and predictable motor vehicle activity at a facility are not listed substance in Appendix A-1. For this reason, the requirements for reporting dust emissions should be removed from the proposed amendments to EICG regulation. CMC agrees that TAC emissions for substance listed in Appendix A-1 emissions present in fugitive entrained dust should be quantified. However, reporting dust emission at a facility increase existing burdens to facilities.

7. FACILITIES WITH “DE MINIMIS” EMISSIONS

Appendix E – Requirements for Classes of Facilities Emitting Less Than 10 Tons Per Year of Criteria Pollutants CARB’s reporting threshold of “any activity level” presented in Table E-3 applies to various sectors, which will impose additional cost and workload burdens on facilities with de minimis emissions or

risk. The proposed “any activity level” policy is inconsistent with thresholds used for other sectors to prioritize high risk facility (or screen out facilities with insignificant risk level). CARB’s ISOR stated “Limiting the activity level reporting threshold or the SIC or NAICS codes for this category would not provide confidence in the coverage of emissions data required for community right-to-know under AB 197.” While AB 197 does require “Inventory sources of air pollution within the air basins of the state and determine the kinds and quantity of air pollutants...”, it does not require facilities to report any amount of emissions to local air districts.

CMC welcomes additional opportunities to continue discussing these issues identified in the proposed amendments to the EICG before adoption of this proposed regulation and for CARB to consider other alternative to alleviate the unreasonable burden on facilities subject to this regulation. If you have any questions, please feel free to reach me at james@metalscoalition.com.

Sincerely,

A handwritten signature in blue ink, appearing to read 'James Simonelli', with a stylized flourish extending to the right.

James Simonelli
Executive Director