BEFORE THE STATE OF CALIFORNIA

AIR RESOURCES BOARD

IN THE MATTER OF THE PUBLIC HEARING REGARDING AGENDA ITEMS:	)
96-5-1, 96-5-2, 96-5-3, 96-5-4 AND 96-5-6.	)

TRANSCRIPT OF PROCEEDINGS, TAKEN AT 1600 PACIFIC HIGHWAY, SUPERVISORS CHAMBERS, ROOM 310, SAN DIEGO, CALIFORNIA, COMMENCING AT 8:30 A.M., ON FRIDAY, JUNE 14, 1996, HEARD BEFORE THE CALIFORNIA AIR RESOURCES BOARD, REPORTED BY MICHELLE HANNAH, CSR NO. 9985, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA.

APPEARANCES:

THE BOARD:	JOHN D. DUNLAP, III CHAIRMAN PUBLIC MEMBER
	EUGENE A. BOSTON, M.D. PHYSICIAN AND SURGEON MEMBER
	LYNNE T. EDGERTON LAW MEMBER
	JOHN S. LAGARIAS, P.E. SCIENCE MEMBER
	BARBARA RIORDAN SUPERVISOR, SAN BERNARDINO COUNTY OTHER DISTRICT MEMBER
	JOSEPH C. CALHOUN, P.E. AUTOMOTIVE ENGINEERING MEMBER
	M. PATRICIA HILLIGOSS MAYOR, CITY OF PETALUMA BAAQMD MEMBER
	RON ROBERTS SUPERVISOR, SAN DIEGO COUNTY SAN DIEGO APCD MEMBER
	DOUG VAGIM SUPERVISOR, FRESNO COUNTY SAN JOAQUIN VALLEY UNIFIED APCD MEMBER
	PAT HUTCHENS BOARD SECRETARY

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WHAT'S GOING TO BE OUT THERE FOR THE NEXT FIVE AND TEN YEARS.

MR. VAGIM: DO YOU THROW IN CONVERTING THEIR EIGHT-TRACK TO CASSETTE?

MR. FRANKENBINER: I DON'T THINK YOU GET ANY EMISSION GAIN FROM THAT, JUST MAYBE THE NOISE.

MR. VAGIM: THANK YOU VERY MUCH.

MR. DUNLAP: ANY OTHER QUESTIONS?

ALL RIGHT. MR. SOMMERVILLE, THANK YOU FOR THAT PRESENTATION.

KEEP UP THE GOOD WORK HERE IN SAN DIEGO.

MR. SOMMERVILLE: THANK YOU.

AND I HOPE YOU ALL ENJOY YOUR DAY HERE.

MR. DUNLAP: ALL RIGHT. I'D LIKE TO REMIND THOSE IN THE AUDIENCE WHO WOULD LIKE TO PRESENT TESTIMONY TO THE BOARD ON ANY OF TODAY'S ITEMS TO PLEASE SEE THE BOARD SECRETARY OVER HERE.

PAT, IF YOU CAN WAVE YOUR HAND?

WE ARE IN NEW TERRAIN HERE. IF YOU HAVE A WRITTEN STATEMENT, PLEASE PROVIDE HER WITH 20 COPIES SO EACH OF THE MEMBERS OF THE BOARD MIGHT HAVE A COPY OF YOUR REMARKS.

THE FIRST AGENDA ITEM TODAY IS 96-5-1, PUBLIC HEARING TO CONSIDER THE ADOPTION OF A REGULATION AND CRITERIA FOR EQUIPMENT AND PROCESS PRECERTIFICATION.

THE PROPOSED REGULATION WILL ESTABLISH THE PROCESS WHICH WILL BE FOLLOWED AND REQUIREMENTS WHICH MUST BE MET FOR THE AIR RESOURCES BOARD TO PRECERTIFY EQUIPMENT AND PROCESSES AS BEING IN COMPLIANCE WITH APPLICABLE AIR QUALITY RULES AND REGS.

AS PART OF CALIFORNIA'S PERMIT REFORM EFFORTS, THE LEGISLATIVE PRECERTIFICATION AS AN IMPORTANT PROGRAM, A PRIORITY PROGRAM FOR STREAMLINING THE AIR PERMIT PROCESS AND AS A RESULT MANDATED THE A.R.B. TO DEVELOP AND IMPLEMENT A PRECERTIFICATION PROGRAM.

AT THIS POINT, I'D LIKE TO ASK MR. BOYD TO INTRODUCE THE ITEM AND BEGIN THE STAFF'S PRESENTATION.

GOOD MORNING, JIM.

MR. BOYD: THANK YOU, MR. CHAIRMAN.

GOOD MORNING, BOARD MEMBERS AND GOOD MORNING TO THE MEMBERS OF OUR AUDIENCE HERE.

I THINK AS BOARD MEMBERS KNOW, THE AIR RESOURCES BOARD HAS A LONG AND SUCCESSFUL HISTORY OF CERTIFYING VARIOUS TYPES OF EQUIPMENT PROCESSES AND NEW ENVIRONMENTAL TECHNIQUES AS PART OF OUR EFFORTS TO REDUCE EMISSIONS FROM MOTOR VEHICLES AND MOBILE SOURCES.

EXISTING CERTIFICATION PROGRAMS INCLUDE THE CERTIFICATION MOTOR VEHICLE EMISSION CONTROL SYSTEMS, THE CERTIFICATION OF AFTER MARKET PARTS FOR MOTOR VEHICLES, THE CERTIFICATION OF GAS AND VAPOR RECOVERY SYSTEMS AND

EQUIPMENT AND THE CERTIFICATION OF MOTOR VEHICLE FUELS AND FUEL ADDED PACKAGES.

AND FROM THE LAST DISCUSSION, YOU SAW A PIECE OF EQUIPMENT THAT WOULD HAVE BEEN AND WAS A CERTIFIED PROGRAM, I GUESS, BY THE AIR RESOURCES BOARD.

TODAY WE WILL BE PRESENTING A NEW CERTIFICATION PROGRAM, WHOSE GENESIS IS REALLY IN PROVIDING ASSISTANCE TO LOCAL DISTRICTS TO GAIN GREATER EFFICIENCY IN THE ISSUANCE OF PERMITS AT THE LOCAL LEVEL.

THE EQUIPMENT AND PROCESS PRECERTIFICATION PROGRAM IS A VOLUNTARY PERMIT STREAMLINING PROGRAM FOR MANUFACTURES OR DISTRIBUTORS OF EQUIPMENT AND PROCESSES COMMONLY ASSOCIATED WITH STATIONARY SOURCES IN CALIFORNIA.

THIS IS THE BEGINNING OF THE FIRST FOR US. AS YOU ARE AWARE, STATIONARY SOURCES ARE, OF COURSE, HISTORICALLY REGULATED BY LOCAL DISTRICTS.

DISTRICTS ADOPTED THE RULES AND REGULATIONS, WHICH THE REQUIREMENTS SET PERFORMANCE STANDARDS FOR MANY TYPES OF EQUIPMENT AND PROCESS CATEGORIES.

THE AIR RESOURCES BOARD HAS BEEN CHARGED BY THE LEGISLATURE TO DEVELOP CRITERIA AND GUIDELINES IN COORDINATION WITH LOCAL AIR DISTRICTS TO PRECERTIFIED EQUIPMENT AND PROCESSES AS BEING IN COMPLIANCE WITH APPLICABLE AIR QUALITY RULES AND REGULATIONS.

WE BELIEVE THAT OUR PROPOSED CRITERIA FIRST PROVIDE FOR AN INDEPENDENT VERIFICATION BY THE AIR RESOURCES BOARD OF THE PERFORMANCE OF EQUIPMENT AND PROCESSES; SECONDLY, PROVIDE FOR A DETERMINATION OF COMPLIANCE WITH RULES AND REGULATIONS WITHOUT AFFECTING THE EXISTING PERMITTING AND COMPLIANCE AUTHORITY OF LOCAL DISTRICTS; THIRDLY, RESULT IN A REDUCTION IN COST TO BUSINESSES BY REDUCING THE NEED FOR DUPLICATIVE TESTING.

ALL OF THIS SHOULD RESULT IN REDUCTION IN THE TIME NEEDED TO ISSUE PERMITS AT EACH DISTRICT IN THE STATE.

I'D LIKE ALSO TO NOTE THAT THE A.R.B.'S EFFORTS ARE INDEED ONE PART OF A LARGER EFFORT UNDER WAY WITHIN CAL/E.P.A. TO IMPLEMENT ENVIRONMENTAL TECH CERTIFICATION PROGRAMS THROUGHOUT THE VARIOUS BOARDS AND DEPARTMENTS OF CAL/E.P.A.

AN OFFICE OF ENVIRONMENTAL TECHNOLOGY WAS RECENTLY ESTABLISHED AT THE AIR RESOURCES BOARD TO COORDINATE THESE VARIOUS PROGRAMS, INCLUDING THE HAZARDOUS WASTE ENVIRONMENTAL TECHNOLOGY CERTIFICATION PROGRAM AT THE DEPARTMENT OF TOXIC SUBSTANCE. SO WE TURNED OVER A NEW LEAF AND HAVE LAUNCHED A NEW AREA AND NEW EFFORT.

WITH THAT INTRODUCTION, AT THIS POINT I'LL TURN THE PRESENTATION OVER TO MR. BRADLEY BRANSEN, WHO WILL GIVE YOU THE DETAILS OF THE AIR RESOURCES BOARD

PROPOSAL.

MR. BRANSEN?

MR. BRANSEN: THANK YOU, MR. BOYD.

GOOD MORNING, CHAIRMAN DUNLAP AND MEMBERS OF THE BOARD.

MY NAME IS BRADLEY BRANSEN, AND I WORK IN THE STATIONARY SOURCE DIVISION OF THE AIR RESOURCES BOARD. AND TODAY WE WILL DESCRIBE OUR EFFORTS IN DEVELOPING THE AIR RESOURCES BOARD'S EQUIPMENT PRECERTIFICATION PROGRAM. AND WE'D LIKE TO PRESENT OUR PROPOSED REGULATION OF CRITERIA FOR YOUR ADOPTION.

IN TODAY'S PRESENTATION, I WILL DISCUSS WHAT EQUIPMENT PRECERTIFICATION IS, WHY EQUIPMENT SHOULD BE PRECERTIFIED, WHO PARTICIPATED IN DEVELOPING THE EQUIPMENT PRECERTIFICATION PROGRAM, WHAT IS IN THE PROPOSED REGULATION AND CRITERIA, AND HOW EQUIPMENT WILL BE PRECERTIFIED.

THE A.R.B. EQUIPMENT PRECERTIFICATION PROGRAM IS A VOLUNTARY STATE-WIDE PROGRAM WHICH CONSISTS OF TWO STEPS: A PERFORMANCE PRECERTIFICATION AND A REGULATORY PRECERTIFICATION.

THE PERFORMANCE PRECERTIFICATION IS AN INDEPENDENT VERIFICATION OF PERFORMANCE CLAIMS AND A PRELIMINARY ENGINEERING EVALUATION FOR EQUIPMENT AND PROCESSES. ALL APPLICANTS ARE REQUIRED TO GO THROUGH THIS

PERFORMANCE VERIFICATION PROCESS. AND A.R.B. STAFF WILL VERIFY THE PERFORMANCE OF EQUIPMENT, BASED ON APPLICANTS' CLAIMS AND WILL CONFIRM THAT THE CLAIMS ARE ACCURATE AND TRUE WHEN EQUIPMENT IS OPERATED UNDER SPECIFIED CONDITIONS.

IN ADDITION TO THE PERFORMANCE PRECERTIFICATION, APPLICANTS MAY REQUEST A REGULATORY PRECERTIFICATION. THIS IS A REGULATORY REVIEW FROM STATE AND LOCAL REGULATORS TO DETERMINE COMPLIANCE WITH NONSITE SPECIFIC AIR QUALITY REGULATIONS.

FOR PRECERTIFICATION TO BE USEFUL AS A PERMIT STREAMLINING TOOL, THE APPLICANTS WILL BE ENCOURAGED TO GO THROUGH THIS STANDARD REVIEW PROCESS. COMPLIANCE DETERMINATIONS TO APPLICABLE LOCAL AIR POLLUTION LAWS WILL BE CONDUCTED BY LOCAL AIR DISTRICT STAFF, AND THE A.R.B. STAFF WILL DETERMINE APPLICABLE FEDERAL AND STATE REGULATIONS. AND WE WILL CONSULT WITH U.S. E.P.A. FOR COMPLIANCE WITH THE FEDERAL REGULATIONS.

WHEN APPLICANTS REQUEST A PRECERTIFICATION FOR EQUIPMENT THAT AFFECTS MORE THAN ONE ENVIRONMENTAL MEDIA, THEY WILL HAVE THE OPPORTUNITY TO PARTICIPATE IN ANY OF THE ENVIRONMENTAL TECHNOLOGY CERTIFICATION PROGRAMS OFFERED BY CAL/E.P.A., SUCH AS THE DEPARTMENT OF TOXIC SUBSTANCES CONTROL'S HAZARDOUS WASTE CERTIFICATION PROGRAM. CROSS-MEDIA CERTIFICATIONS WILL BE COORDINATED

BY THE OFFICE OF ENVIRONMENTAL TECHNOLOGY LOCATED WITHIN THE COMPLIANCE DIVISION OF THE A.R.B.

THERE ARE MANY REASONS WHY EQUIPMENT PRECERTIFICATION WILL BENEFIT LOCAL AIR DISTRICTS, INDUSTRY, AND THE STATE. FIRST IT WILL ASSIST IN STREAMLINING THE PERMITTING PROCESS. THE EVALUATION REPORT PRODUCED IN A PRECERTIFICATION PROCESS WILL ACT AS A PRELIMINARY ENGINEERING EVALUATION TO ASSIST DISTRICTS IN REDUCING THE TIME REQUIRED TO EVALUATE EQUIPMENT AND RESULT IN ISSUING AIR POLLUTION PERMITS MORE QUICKLY.

SECOND, IT WILL AID IN PROMOTING INNOVATIVE TECHS. PRECERTIFICATION WILL ASSIST IN REDUCING THE DIFFICULTY AND REDUNDANCY IN STATE, LOCAL AND ENVIRONMENTAL APPROVED PROCEDURES AND ASSIST IN BREAKING DOWN BARRIERS TO THE QUICK ACCEPTANCE OF NEW PRODUCTS AND TECHNOLOGIES.

THIRDLY, IT CAN ENCOURAGE UNIFORM PERMIT CONDITIONS. STATEWIDE PRECERTIFICATION WILL ASSIST IN ESTABLISHING SOME COMMON OPERATING CONDITIONS FOR EQUIPMENT THAT'S USED AND OPERATED IN THE SAME MANNER THROUGHOUT THE STATE.

AND FINALLY, THERE ARE SOME LEGAL REQUIREMENTS TO ESTABLISH PRECERTIFICATION PROGRAMS. THE AIR POLLUTION PERMIT STREAMLINING ACT ESTABLISHED IN '92 REQUIRES THE TEN MOST POPULATED DISTRICTS TO DEVELOP AN

EQUIPMENT PRECERTIFICATION PROGRAM AS PART OF AN EXPEDITED PERMITTING PROCESS. THROUGH THE C.A.P.C.O.A. PERMIT STREAMLING SUBCOMMITTEE, DISTRICTS AGREED THAT PRECERTIFICATION WILL BEST BE ACCOMPLISHED AS A COOPERATIVE EFFORT AND AS A STATEWIDE PROGRAM.

ASSEMBLY BILL 32515 SIGNED BY GOVERNOR WILSON IN SEPTEMBER 1994 AMENDED CALIFORNIA HEALTH AND SAFETY CODE SECTION 39620. THIS AMENDMENT REQUIRES THE AIR RESOURCES BOARD TO DEVELOPMENT AND IMPLEMENT A STATEWIDE EQUIPMENT PRECERTIFICATION PROGRAM IN COORDINATION WITH THE LOCAL AIR DISTRICTS FOR THE PURPOSE OF PRECERTIFYING SIMPLE COMMONLY USED EQUIPMENT AND PROCESSES.

DEVELOPING AND OPERATING AS A STATEWIDE CERTIFICATION PROGRAM WILL PROVIDE STANDARDIZED EVALUATIONS AND PERMITTING CONDITIONS. A STATEWIDE PROGRAM WILL PROVIDE CONSISTENCY THROUGHOUT THE STATE AND WILL ASSIST MANUFACTURERS DURING THE EVALUATION OF EQUIPMENT. MANUFACTURERS WOULD HAVE EQUIPMENT EVALUATED ONE TIME AS OPPOSED TO A NUMBER OF TIMES THROUGH THE VARIOUS LOCAL DISTRICTS.

IN ADDITION, PURCHASERS OF PRECERTIFIED EQUIPMENT WOULD HAVE A GENERAL IDEA REGARDING THE CONDITIONS THAT WOULD BE PLACED ON THE PERMIT TO OPERATE.

ALSO, THE PROGRAM WILL ASSIST IN EXPEDITING LOCAL PERMITTING PROGRAMS. SOME AIR DISTRICTS HAVE OR ARE

IN THE PROCESS OF DEVELOPING EXPEDITED PERMITTING SYSTEMS. THE EXPEDITED SYSTEMS ARE TAILORED FOR EACH DISTRICT'S RULES AND REGULATIONS AND ALSO ASSIST TO FULFILL THE AIR POLLUTION PERMIT STREAMLINING ACT. THE EQUIPMENT PRECERTIFICATION WILL PROVIDE STATEWIDE CONSISTENCY IN THE CERTIFICATION PROCESS.

THE PROGRAM WILL ALSO ESTABLISH A CENTRAL LOCATION FOR INFORMATION ACCESS. FINAL EVALUATION REPORTS IN COMPLIANCE WITH DETERMINATIONS WILL BE COMPILED AND MAINTAINED IN ONE CENTRAL LOCATION. INFORMATION WILL BE MADE AVAILABLE ON THE A.R.B.'S INFORMATION SYSTEM WHICH IS ACCESSIBLE THROUGH THE INTERNET OR BY COMPUTER MODEM. HARD COPIES OF THE EVALUATION REPORTS WILL BE SUPPLIED TO THE DISTRICTS AND MADE AVAILABLE TO THE PUBLIC UPON REQUEST.

WHILE DEVELOPING THIS PROGRAM, IT IS OUR DESIRE TO GAIN INPUT FROM THOSE WHO WOULD BE AFFECTED BY THE PROGRAM. WE WORKED WITH LOCAL AIR POLLUTION CONTROL DISTRICTS INDIVIDUALLY AND THROUGH THE C.A.P.C.O.A. PERMIT STREAMLINING SUBCOMMITTEE. IN ADDITION, WE HAVE SURVEYED THE DEPARTMENTS TO IDENTIFY THE TYPES OF EQUIPMENT THAT WOULD BE MOST BENEFICIAL TO HAVE CERTIFIED.

WE HELP FOUR PUBLISH WORKSHOPS TO GAIN INPUT FROM OUR INDUSTRY AND MET INDIVIDUALLY WITH INDUSTRY GROUPS AND CONSULTANTS SUCH AS THE CALIFORNIA

ENVIRONMENTAL BUSINESS COUNCIL.

WE ALSO WORKED WITH THE OTHER BOARDS AND DEPARTMENTS FROM CAL/E.P.A. AND VARIOUS WORK GROUPS, THE INTERAGENCY TASK FORCE AND THE OFFICE OF ENVIRONMENTAL TECHNOLOGY.

THE PROPOSED REGULATION IS A SHORT PARAGRAPH WHICH ADOPTS CRITERIA FOR THE PROGRAM BY REFERENCE. YOU SHOULD HAVE IN YOUR PACKAGE A COPY OF THE MODIFIED REGULATION. IT HAS BEEN MODIFIED TO INCLUDE THE LOCATIONS OF WHERE THE CRITERIA CAN BE OBTAINED. THIS INCLUDES THE MAILING ADDRESS OF THE A.R.B. FOR A HARD COPY AS WELL AS THE INTERNET ADDRESS WHERE THE CRITERIA CAN BE DOWNLOADED BY COMPUTER. THIS IS CONSIDERED A NONSUBSTANTIVE CHANGE AND IS AVAILABLE ON THE BACK TABLE FOR ANY INTERESTED PARTIES.

THIS CRITERIA OUTLINES THE PROGRAM ELEMENTS WHICH INCLUDE THE PROCESS WHICH THE A.R.B. AND THE APPLICANT WILL FOLLOW TO CERTIFY EQUIPMENT AND THE REQUIREMENTS AS TO THE INFORMATION AS REQUIRED FOR A COMPLETE APPLICATION PACKAGE AND VERIFICATION TESTING REPORTS.

THE CRITERIA ALSO IDENTIFIES THE ADMINISTRATIVE PROCEDURES, WHICH INCLUDES AN APPEALS PROCESS FOR ANY APPLICANT WHO HAS PRECERTIFICATION DENIED OR REVOKED.

IN ADDITION, THE CRITERIA OUTLINES A FEE STRUCTURE. WE ARE REQUIRED TO CHARGE A FEE FOR THE PROGRAM, AND WE HAVE ESTABLISHED THIS AS A FEE FOR SERVICE PROGRAM. APPLICANTS WILL BE GIVEN AN ESTIMATE OF THE AMOUNT OF HOURS THAT ARE REQUIRED TO CERTIFY THEIR EQUIPMENT. THE ESTIMATED HOURS WILL BE MULTIPLIED BY AN HOURLY RATE ESTABLISHED BY THE ADMINISTRATIVE SERVICES DIVISION. AND THIS WILL RESULT IN THE ESTIMATED COST FOR A CERTIFICATION.

I SHOULD ALSO MENTION THAT THE CRITERIA ALSO ALLOWS A.R.B. STAFF TO DEVELOP GUIDELINES FOR THE PROGRAM TO ASSIST APPLICANTS IN UNDERSTANDING THE PROGRAM REQUIREMENTS AND PROCESS. THESE GUIDELINES ARE THE PLAIN ENGLISH VERSION OF OUR REGULATION, AND CRITERIA AND WILL BE PROVIDED TO ALL PRECERTIFICATION APPLICANTS AND INTERESTED PARTIES.

AT THIS POINT, I'D LIKE TO SHARE THE BASIC PROCESS ON HOW EQUIPMENT WILL BE PRECERTIFIED, AND FOR TODAY'S PRESENTATION, I'VE BROKEN IT UP INTO FOUR AREAS: PREAPPLICATION PROCEDURES, APPLICATION AND TESTING REQUIREMENTS, EVALUATION OF TEST REPORTS AND ISSUANCE OF DOCUMENTATION.

DURING THE PREAPPLICATION PROCEDURES, WE WILL DETERMINE THE ELIGIBILITY OF THE EQUIPMENT OR PROCESS, CONDUCT A PREAPPLICATION MEETING THE APPLICANT AND

ESTIMATE THE APPLICANT'S COST OF PRECERTIFICATION. WE WILL ALSO IDENTIFY THE INFORMATION REQUIRED TO SUBMIT A COMPLETE APPLICATION PACKAGE.

AS FOR THE APPLICATION AND TESTING REQUIREMENTS, A WRITTEN AND SIGNED APPLICATION WILL BE REQUIRED FROM EACH APPLICANT, ALONG WITH THE APPLICANT'S PERFORMANCE CLAIM. THE APPLICATION PACKAGE SHOULD ALSO INCLUDE ANY EXISTING TEST REPORTS, WHICH SUPPORT THEIR CLAIMS, PROTOCOLS FOR PROPOSED TESTING AND ONE-HALF OF THE ESTIMATED FEE.

UPON RECEIVING THE APPLICATION PACKAGE, A.R.B. STAFF WILL EVALUATE THE TESTING REPORTS PROVIDED BY THE APPLICANT TO ENSURE THAT THE INFORMATION AND DATA SUPPORT THEIR CLAIMS.

IF THE INFORMATION AND TEST DATA SUPPORT THE APPLICANT'S CLAIMS, THE A.R.B. WILL ISSUE DOCUMENTATION CONSISTING OF A FINAL EVALUATION REPORT AND AN EXECUTIVE ORDER TO THE APPLICANT. THE GUIDELINES PROVIDE A FLOW CHART AND TIME LINE WHICH ILLUSTRATE HOW EQUIPMENT WILL BE PRECERTIFIED.

WE ARE CURRENTLY OPERATING AND CERTIFYING EQUIPMENT AS PART OF A PILOT PROGRAM. THIS HAS ENABLED US TO EVALUATE THE PROPOSED REGULATION AND CRITERIA, TO ESTIMATE RESOURCES NEEDED AND TO IDENTIFY ANY OBSTACLES TO THE PROGRAM'S SUCCESS. PRECERTIFICATIONS WILL BE ISSUED

ON PROVISIONAL BASIS UNTIL A REGULATION HAS BEEN ADOPTED. WE ESTIMATE THE ISSUANCE OF 16 PRECERTIFICATIONS BY THE END OF THIS JUNE.

THESE PRECERTIFICATIONS WERE ISSUED TO DISTRICT IDENTIFIED PRIORITY EQUIPMENT CATEGORIES. THROUGH THE DISTRICT SURVEY, DISTRICTS IDENTIFIED SMALL- TO MEDIUM-SIZED BOILERS, DRY CLEANING EQUIPMENT AND SOIL REMEDIATION EQUIPMENT AS THE MOST BENEFICIAL FOR PERMIT STREAMLINING.

IN ADDITION TO THESE EFFORTS, WE HAVE BEEN WORKING CLOSELY WITH THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT TO PROVIDE RECIPROCITY TO MANUFACTURERS OF EQUIPMENT THAT HAVE BEEN PRECERTIFIED.

IN CONCLUSION, I'D LIKE TO STATE THAT THE DEVELOPMENT OF THE EQUIPMENT PRECERTIFICATION PROGRAM IS MANDATED BY LAW THROUGH THE CALIFORNIA HEALTH AND SAFETY CODE AND THAT OUR PROPOSED PROCESS HAS BEEN DEVELOPED IN AN OPEN PUBLIC FORUM WITH THE PARTICIPATION FROM INDUSTRY, LOCAL AIR DISTRICTS AND THE BOARDS AND DEPARTMENTS OF CAL/E.P.A.

THE PROPOSED STATEWIDE PROGRAM WILL ASSIST IN STREAMLINING AIR POLLUTION PERMITTING PROCESS, PROMOTING THE ACCEPTANCE OF INNOVATIVE TECHNOLOGIES AND ENCOURAGE UNIFORM PERMITTING CONDITIONS.

THROUGH OUR EXPERIENCE WITH THE PILOT

PROGRAM, WE BELIEVE WE ARE PREPARED FOR FULL IMPLEMENTATION OF THE EQUIPMENT PRELIMINARY. AND IT IS OUR RECOMMENDATION THAT THE BOARD ADOPT THE PROPOSED REGULATION AND CRITERIA TODAY.

I'D LIKE TO THANK YOU FOR YOUR TIME AND CONSIDERATION.

AND WE'D LIKE TO ANSWER ANY QUESTIONS THAT YOU MAY HAVE AT THIS TIME.

MR. DUNLAP: THANK YOU FOR THE OVERVIEW. I APPRECIATE THAT COMPREHENSIVE LOOK AT THAT INNOVATIVE NEW PROGRAM.

ANY QUESTIONS OF STAFF?

MR. CALHOUN: WHO IS IT THAT OPERATE IT, THE LOCAL DISTRICTS OR THE STATES?

MR. BRANSEN: THE LOCAL DISTRICTS ISSUE THE PERMIT TO OPERATE.

MR. CALHOUN: DOES THAT INCLUDE AN ON-SITE VISIT TO THE PLANT OR WHEREVER THIS PROCESS IS TAKING PLACE?

MR. BRANSEN: BASICALLY, THE PERMITTING PROCEDURES OF THE DISTRICTS WON'T CHANGE IN ANY WAY. OUR DESIRE IS THE PRELIMINARY ENGINEERING EVALUATION WILL BE USED TO REDUCE THE TIME REQUIRED AT THE DISTRICT TO EVALUATE THE EQUIPMENT AND SOME DISTRICTS HAVE IDENTIFIED THAT THEY WOULD WAIVE THE SOURCE TEST REQUIREMENT FOR INSTALLATION, BECAUSE THE CERTIFICATIONS ARE BASED ON SOURCE TEST

INFORMATION.

SO IT WOULD SAVE COST TO THE APPLICANT AND TIME AT THE DISTRICT. BUT IT DOESN'T CHANGE DISTRICT AUTHORITY FOR PERMITTING.

DOES THAT ANSWER YOUR QUESTION?

MR. CALHOUN: I GUESS.

MR. DUNLAP: ANY OTHER QUESTIONS OF STAFF?

MR. LAGARIAS?

MR. LAGARIAS: PRECERTIFICATION, I THINK, IS A GREAT IDEA, THAT THIS TYPE OF EQUIPMENT MAY BE APPLIED FOR THIS PROCESS. THE APPLICANT WILL ALSO BE REQUIRED TO HAVE AN OPERATING PERMIT, BECAUSE AN OPERATING PERMIT SPECIFIES THE CONDITIONS UNDER WHICH THIS EQUIPMENT WOULD OPERATE. AND WITHOUT THAT, IT DOESN'T MEAN ANYTHING.

MR. BRANSEN: YES. OKAY. AGAIN, THE REQUIREMENTS FOR SOMEBODY THAT PURCHASES PRECERTIFIED EQUIPMENT DON'T CHANGE. THEY HAVE TO APPLY AT THE LOCAL DISTRICT FOR AN OPERATING PERMIT. AND WHAT THE STATEWIDE PROGRAM WILL DO WILL TEST THE EQUIPMENT, VERIFY THE PERFORMANCE CLAIMS, AND THE FINAL EVALUATION REPORT WILL HAVE SOME PROPOSED PERMIT CONDITIONS. AND THE LOCAL DISTRICTS WOULD THEN LOOK AT THE SITE SPECIFIC REQUIREMENTS AND ADD SOME ADDITIONAL ONES AND MODIFY THE ONES THAT WERE THERE, BUT THE DISTRICT WOULD ISSUE THE PERMIT.

MR. AMES: ALSO A COMMENT IS THAT THIS PROGRAM IS

FOCUSED ON COMMONLY USED EQUIPMENT AND SIMPLER TYPE OF EQUIPMENT.

SO IT IS TRUE THERE WOULD BE SITE SPECIFIC CONDITIONS FOR CERTAIN TYPES OF EQUIPMENT WE WILL BE EVALUATING UNDER THIS PROGRAM, BUT WE DON'T ANTICIPATE LOOKING AT MAJOR SOURCES THAT ARE VERY COMPLEX.

MR. DUNLAP: MR. AMES, ARE THEY COUPLED, THOUGH? IS IT COUPLED WITH THE PRECERTIFICATION OR NOT?

MR. AMES: YES, THERE'S A DIRECT LINK.

MR. DUNLAP: OKAY. MS. EDGERTON?

MS. EDGERTON: MR. CHAIRMAN, MEMBERS OF THE BOARD, THIS IS ONE OF THE PROGRAMS I'M MOST ENTHUSIASTIC ABOUT. IT'S SUBTLE, BUT IT'S TREMENDOUSLY IMPORTANT, BECAUSE IN ORDER TO HAVE NEW, CLEANER TECHNOLOGIES, THEY HAVE GOT TO BE ABLE TO PERSUADE THE POTENTIAL BUYER THAT IT REALLY DOES WHAT IT DOES, WHAT THEY SAY IT DOES, AND ALSO THAT IT'S VERY LIKELY, IF NOT ALMOST ASSURED, TO QUALIFY FOR THE ENVIRONMENTAL REGULATORY PURPOSES.

SO I THINK THIS IS TREMENDOUS. IT'S MY UNDERSTANDING THAT FOUR ARE ALREADY CERTIFIED AND 16 ARE COMING ALONG BY THE END OF THE MONTH.

MR. AMES: THAT IS CORRECT.

MS. EDGERTON: I JUST CONGRATULATE YOU. I'M EXCITED ABOUT THIS. MAYBE ONLY A LAWYER CAN LOVE A REGULATORY STREAMLINING, BUT I JUST THINK THIS IS TERRIFIC

IN TERMS OF TAKING US IN THE DIRECTION OF BEING ABLE TO DO GOOD AND DO WELL AT THE SAME TIME.

SO THANK YOU VERY MUCH.

MR. DUNLAP: MR. CALHOUN?

MR. CALHOUN: I AGREE WITH WHAT YOU SAID, MS. EDGERTON.

BUT I THINK MR. LAGARIAS' QUESTION IS POINTED IN THE SAME DIRECTION AS MY QUESTION. AND THAT'S WHAT COMES OUT THE STACK OF THE FUNCTION OF THE PROCESS, AND YOU CAN GET PRECERTIFIED, BUT THERE ARE CONDITIONS, AND I GUESS THAT IS WHAT WE WERE KIND OF FOCUSING ON.

MR. AMES: OKAY. THERE'S TWO TYPES OF CERTIFICATIONS. ONE IS PERFORMANCE AND ONE IS REGULATORY.

FOR EXAMPLE, OXYGEN BOILERS, SOME OF THE APPLICANTS COME TO US AND WANT TO CERTIFY THE USING OF NATURAL GAS AT THE RATED CAPACITY OF THAT BOILER, IT WILL EMIT SO MANY GRAMS OF NOX PER UNIT OF ENERGY. AND SO THAT'S ONE TYPE OF CERTIFICATION.

AND THEN THERE'S A REGULATORY CERTIFICATION THAT RELATES DIRECTLY TO INDIVIDUAL DISTRICT'S REGULATIONS. AND THERE WE WORK WITH THE LOCAL DISTRICTS TO ENSURE THAT ALL OF THEIR CONDITIONS UNDER WHICH THAT UNIT WOULD BE INSTALLED WOULD BE SATISFIED.

AND SO IT'S A PARTNERSHIP BETWEEN THE STATE

AND THE LOCALS IN ORDER TO STREAMLINE THAT LOCAL PROCESS.

MR. DUNLAP: OKAY.

MR. BOYD: MR. CHAIRMAN, I WOULD JUST ADD TO MR. AMES, TO PERSUADE ANY CONCERN ANY BOARD MEMBER MIGHT HAVE, NOTHING IN THIS PROCESS IMPEDES THE REQUIREMENTS THAT THE EMISSIONS FROM THE STACK OR EMISSIONS FROM THE FACILITY IN QUESTION MEET EXISTING REQUIREMENTS.

WHAT THIS DOES, AS THE STAFF INDICATED, IS PROVIDE A SHORTCUT AND A SPEEDING UP OF THE ENGINEERING PROCESSES THAT HISTORICALLY TAKES PLACE WHEN YOU DO A SITE-BY-SITE REVIEW, AND IT IS PART OF STREAMLINING.

AND BOARD MEMBER EDGERTON STOLE MY CLOSING LINES. WITH REGARDS TO THIS, I THINKS IT IS VERY SIGNIFICANT, AND IT IS A BIG FIRST. AND I THINK IT WILL GO A LONG WAY TO SETTING THE STAGE FOR DOING OTHER THINGS LIKE THIS THAT WILL, INDEED, SPEED UP THE PROCESS FOR CALIFORNIA BUSINESSES WHO WANT TO LOCATE, MODIFY AND BUILD NEW FACILITIES HERE.

MR. DUNLAP: THANK YOU, MR. BOYD.

WE HAVE ONE WITNESS. MR. LACY. WE'D LIKE YOU TO COME FORWARD.

GARY LACY FROM FULTON BOILERWORKS IS OUR SOLE WITNESS.

AND GOOD MORNING.

MR. LACY: GOOD MORNING. GOOD MORNING, BOARD

MEMBERS.

MY NAME IS GARY LACY WITH FULTON BOILERWORKS OUT OF NEW YORK, UPSTATE NEW YORK. I'M A RESIDENT OF CALIFORNIA FOR 15 YEARS. I LIVE IN ALTA LOMA, CALIFORNIA.

I HAVE AN ASTHMATIC SON, SO I AM VERY INTERESTED IN THE AIR QUALITY ISSUES THAT PRESENT TO US IN CALIFORNIA, BUT NOT ONLY IN CALIFORNIA, ACROSS THE COUNTRY.

AS A MANUFACTURER OF BOILERS, WE HAVE A MANUFACTURING PLANT IN NEW YORK, ENGLAND, ALSO IN CHINA, AND WE'RE ASSEMBLING BOILERS HERE IN CALIFORNIA PRESENTLY BECAUSE OUR MARKET HAS EXPANDED.

WE LOOK AT THIS PRECERTIFICATION PROGRAM AS A BASIS PROBABLY FOR A NATIONAL STANDARD. ONE OF THE THINGS THAT WE HAVE NOTICED IN THE BOILER INDUSTRY IS THERE'S ALWAYS BEEN A CONCENTRATION FROM AN AIR QUALITY DISTRICT STANDPOINT ON LARGE BOILERS. AND THE REASON THEY CONCENTRATED ON THAT WAS FOR GOOD REASON, BECAUSE THOSE BOILERS ARE PRIMARILY REGISTERED WITH THE STATE THROUGH LOCAL AREAS, SO THEY KNOW THEY EXIST.

BUT THE PRECERTIFICATION PROGRAM, SPECIFICALLY FROM OUR STANDPOINT, ADDRESSES BOILERS THAT WERE NOT LOOKED AT BEFORE. BOILERS FROM THE SIZE RANGE OF 250 B.T.U.'S TO TWO MILLION B.T.U.'S.

THE REASON THEY WEREN'T LOOKED AT IS THEY REALLY DIDN'T KNOW THEY EXISTED, BECAUSE THERE WAS NO EQUIPMENT TO REGISTER THOSE PARTICULAR BOILERS. JUST IN ORANGE COUNTY ALONE, THERE ARE APPROXIMATELY 3,000 OF THOSE BOILERS JUST IN THE HOTEL INDUSTRY.

TO GIVE YOU AN EXAMPLE, A BOILER THAT HAS AN INPUT OF 840,000 B.T.U. INPUT OPERATING 40 HOURS A WEEK WOULD PRODUCE ABOUT 283 POUNDS OF NOXIOUS OXIDES A YEAR.

WITH THE NEW TECHNOLOGY LIKE WE HAVE DEVELOPED THAT'S UNDER THIS PRECERTIFICATION PROGRAM, THAT SAME BOILER, THE EMISSIONS WOULD BE REDUCED DOWN TO 34 POUNDS PER YEAR.

WHEN WE DEVELOPED OUR TECHNOLOGY, WE TALK ABOUT LOW EMISSIONS, NOT LOW NOX. WE TALK ABOUT LOW EMISSIONS. WE ATTACK NOT ONLY NOXIOUS OXIDES, BUT ALSO C.O. EMISSIONS.

IN THAT SAME SCENARIO, THAT AVERAGE BOILER IN THAT CATEGORY WOULD HAVE C.O. EMISSIONS OF ABOUT 315 POUNDS PER YEAR, AND WITH THIS NEW TECHNOLOGY, WE CAN REDUCE THOSE EMISSIONS TO 134 POUNDS PER YEAR.

IT'S ALWAYS SURPRISED ME, AND I HAVE WATCHED THIS AND BEEN INVOLVED WITH THE AIR QUALITY BOARD, ESPECIALLY IN SOUTH COAST, THAT THIS PARTICULAR TYPE OF BOILER, THE SMALLER BOILERS, WHICH THE PRECERTIFICATION WILL AFFECT, HAS REALLY NEVER BEEN LOOKED AT.

AND I'LL GIVE YOU AN EXAMPLE. FULTON HAS PRODUCED SINCE 1949 1,000,000, A SUBSTANTIAL NUMBER. THE AVERAGE SIZE OF THOSE BOILERS THAT THEY PRODUCED IS 30 HORSEPOWER, WHICH IS APPROXIMATELY 1.2 MILLION B.T.U.'S, WHICH MEANS IT'S A BOILER THAT NORMALLY ISN'T REGISTERED WITH ANYWHERE IN THE COUNTRY.

FROM OUR PERSPECTIVE, THE BULK OF THE AIR POLLUTION HAS COME FROM BOILERS THAT ARE COMING FROM THE SMALLER APPLICATIONS, HYDRONIC HEATING BOILERS LIKE IN THIS BUILDING, OR A HOTEL, IN A DRY CLEANING PLANT.

AND IN LOS ANGELES COUNTY, OVER 159.5 HORSEPOWER BOILERS, WHICH ARE 309,000 B.T.U.'S, ARE REPLACED EVERY YEAR. THE AVERAGE LIFE EXPECTANCY OF THESE BOILERS ARE BETWEEN FOUR AND SEVEN YEARS.

WITH A PRECERTIFICATION PROCESS, WHICH WE ARE IN FAVOR OF, YOU WOULD IMMEDIATELY HAVE A BOILER THAT'S DESIGN CERTIFIED.

AND TO ANSWER THIS GENTLEMAN'S QUESTION, THESE BOILERS WHEN THEY ARE PREDESIGNED CERTIFIED, THEY CAN ONLY BE OPERATED UNDER ONE CONDITION, AND THAT IS A LOW EMISSION CONDITION. THEY CAN'T OPERATE ANY OTHER WAY.

IT'S A VERY SIMPLE TYPE BOILER, AND THERE'S BASICALLY NOTHING THAT YOU CAN DO TO CHANGE THE EFFECT OF THAT PARTICULAR BOILER. BUT IN THIS INDUSTRY ALONE, IF

THERE WAS A PRECERTIFICATION PROGRAM AND IF THE LOCAL DISTRICT HAD A BASELINE, IMMEDIATELY WHEN THAT BOILER WAS TURNED OVER OR WHEN IT WAS REPLACED, IT WOULD HAVE A NEW LOW EMISSION DESIGN.

SO WE ARE IN FAVOR OF THIS. WE HAVE INVESTED OVER TWO MILLION DOLLARS IN DEVELOPING LOW EMISSION TECHNOLOGY, NOT ONLY JUST BECAUSE OF CALIFORNIA. WE BELIEVE THAT IT'S GOING TO BE A NATIONAL ISSUE. AND WE BELIEVE THAT THIS PRECERTIFICATION PROGRAM IS SOMETHING THAT WOULD MAYBE BE THE BASIS FOR THAT.

AND I THANK YOU FOR THE TIME.

IF YOU HAVE ANY QUESTIONS, I'LL BE GLAD TO ANSWER THEM FOR YOU.

MR. DUNLAP: OKAY. MS. EDGERTON.

MS. EDGERTON: I APOLOGIZE, BUT I DIDN'T CATCH WHERE YOUR PLANT IS IN CALIFORNIA.

MR. LACY: WELL, RIGHT NOW WE'RE ASSEMBLING IN SANTA ANA JOINTLY WITH ANOTHER BOILER MANUFACTURER. BUT WE HAVE MADE A COMMITMENT THAT WE WILL HAVE A FACILITY HERE THAT WE WILL BE DOING ALL OF OUR PRODUCTION FROM DENVER WEST.

MS. EDGERTON: WHERE DO YOU THINK THAT WILL BE? IS THAT IN SANTA ANA ALSO?

MR. LACY: PROBABLY. IT'S GOING TO BE SOMEWHERE IN CALIFORNIA. THEY HAVE MADE THAT COMMITMENT.

MS. EDGERTON: IF THERE'S ANYTHING WE CAN DO TO HELP YOU, LET US KNOW. WE APPRECIATE YOUR WORK.

THANK YOU.

MR. LACY: THANK YOU.

MR. DUNLAP: MR. LACY, IT'S NICE TO RECOGNIZE SOMEONE FROM RANCHO CUCAMUNGA.

MR. LACY: THANK YOU.

MR. DUNLAP: STAFF, DO WE HAVE ANY COMMENTS WE NEED TO SUMMARIZE BEFORE THE BOARD CONSIDERS THE RESOLUTION HERE?

MR. BOYD: YES, WE DO.

MR. DUNLAP: MR. AMES?

MR. AMES: WE HAVE FOUR COMMENT LETTERS WE RECEIVED.

THE FIRST LETTER IS A CALIFORNIA PRESIDENT OF THE CALIFORNIA AIR POLLUTION CONTROL OFFICERS ASSOCIATION. AND IN THAT LETTER, MR. HESS STATES THAT C.A.P.C.O.A. SUPPORTS THE ADOPTION OF THE PROPOSED PRECERTIFICATION REGULATION AND CRITERIA.

HE ALSO COMMENTS THAT THEIR EFFORT WILL ASSIST APPLICANTS WITHOUT ADVERSELY AFFECTING AIR QUALITY, AND THE AIR DISTRICTS LOOK FORWARD TO WORKING WITH THE A.R.B. IN PARTNERSHIP ON THIS ISSUE.

THE SECOND LETTER IS A JUNE 11TH LETTER FROM MR. BRIAN RUNKEL, EXECUTIVE DIRECTOR OF THE CALIFORNIA

ENVIRONMENTAL BUSINESS COUNCIL. THE FIRST POINT MR. RUNKEL MAKES IS THAT HE EXPRESSES STRONG SUPPORT FOR ADOPTION OF THE REGULATIONS AND CRITERIA. SECONDLY, THAT THIS EFFORT CAN HELP TECHNOLOGY, DEVELOPERS AND MANUFACTURERS BREAK INTO NEW MARKETS, PARTICULARLY EXPORT MARKETS. THIRDLY, MR. RUNKEL EXPRESSES APPRECIATION FOR DEVELOPING A USER-FRIENDLY PROGRAM AND FOR ADDRESSING THE CONCERNS OF SMALL BUSINESSES. FINALLY, MR. RUNKEL ACKNOWLEDGES THE MANY STATEMENTS MADE BY CHAIRMAN DUNLAP AND PERSONALLY ON BEHALF OF ENVIRONMENTAL TECHNOLOGY AND THE IMPORTANCE OF MAINTAINING CALIFORNIA'S LEADERSHIP IN THIS AREA, AND THIS LEADERSHIP HAS MADE A DIFFERENCE IN MOVING CALIFORNIA FORWARD TO A CLOSER HEALTHIER PARTNERSHIP WITH CALIFORNIA'S ENVIRONMENTAL INDUSTRY AND URGES SPEEDY ADOPTION.

THE THIRD LETTER IS A LETTER FROM MR. WALTER BROWN, GOVERNMENT AFFAIRS DIRECTOR OF THE ENGINE MANUFACTURERS ASSOCIATION.

THE FIRST COMMENT IS THAT E.M.A. SUPPORTS THE GOALS OF THE STAFF PROPOSAL TO STREAMLINE PERMITS AND TO PROMOTE UNIFORMITY BETWEEN DISTRICTS.

HOWEVER, E.M.A. HAS SEVERAL CONCERNS AND SUGGESTIONS AS A PROPOSED REGULATION APPLIES TO STATIONARY COMPRESSION IGNITION ENGINES. THE E.M.A. LETTER RAISES FOUR ISSUES.

ON JUNE 12TH, THE STAFF CONTACTED MR. BROWN TO DISCUSS HIS CONCERNS AND TO CLARIFY SOME MISUNDERSTANDINGS THAT E.M.A. HAD CONCERNING THE SCOPE OF THE STAFF PROPOSAL. FIRST, E.M.A. RAISES THAT THE TESTING REQUIREMENTS ARE LIMITED TO INDEPENDENT TESTING, AND E.M.A. SUGGESTS ALLOWING SELF-TESTING BY MANUFACTURERS OF ENGINES.

IN RESPONSE, WE POINTED OUT TO MR. BROWN ON THE PHONE THAT THE EXECUTIVE OFFICER MAY APPROVE ALTERNATIVE TESTING LIKE THAT REQUESTED BY E.M.A. THIS OPTION WAS ADDED TO OUR PROPOSED REGULATION IN RESPONSE TO COMMENTS BY CATERPILLAR, INCORPORATED, AT A PUBLIC WORKSHOP LAST JULY. MR. BROWN WAS PLEASED TO HEAR THAT THIS IS THE CASE.

SECONDLY, E.M.A. WANTS ABSOLUTE ASSURANCE THAT ALL AIR DISTRICTS WILL ACCEPT STATEWIDE PRECERTIFICATIONS. IN RESPONSE, THE STATE BILL THAT WAS THE BASIS FOR THIS PERMIT DID NOT CHANGE THE AUTHORITY OF THE AIR RESOURCES BOARD OR THE AIR DISTRICTS WITH RESPECT TO PERMITTING. HOWEVER, WE HAVE HAD A VERY GOOD RELATIONSHIP WITH THE AIR DISTRICTS IN DEVELOPING THIS PROGRAM AND HAVE EVERY REASON TO BELIEVE THAT THIS WILL CONTINUE TO BE THE CASE, AND I THINK THAT C.A.P.C.O.A.'S LETTER IS A GOOD DEMONSTRATION OF THAT.

MR. BROWN WAS SATISFIED AND PLEASED TO HEAR

THAT THE AIR DISTRICTS ARE WORKING WELL WITH US.

THIRDLY, E.M.A. WAS CONCERNED WITH THE PERCEPTION THAT ONLY A.R.B. TEST METHODS WOULD BE ALLOWED FOR TESTING ENGINES, AND REQUESTS THAT AN I.S.O. METHOD 8178 BE ALLOWED FOR TESTING ENGINES.

IN RESPONSE, WE EXPLAINED THAT THE STAFF PROPOSAL DOES ALLOW FOR FLEXIBILITY IN TESTING. AND E.M.A. HAS BEEN IN RECENT CONTACT WITH THE MONITORING AND LABORATORY DIVISION STAFF AT THE A.R.B. ON THIS ISSUE AND PLAN TO MEET SOON WITH THEM TO FOLLOW UP ON IT.

THE FOURTH AND FINAL ISSUE E.M.A. RAISES IS A CONCERN BASED ON THE PERCEPTION THAT PRECERTIFICATION MIGHT SOMEHOW MANDATE HARDWARE REQUIREMENTS RATHER THAN PERFORMANCE STANDARDS. AND IN RESPONSE, WE EXPLAINED TO MR. BROWN THAT THE PRECERTIFICATION PROPOSAL DOES NOT SPECIFY THE FORM OF ANY STANDARDS, THAT EACH APPLICANT VOLUNTARILY COMES TO THE A.R.B. FOR PRECERTIFICATION PERFORMANCE OR STANDARDS, WHICH ARE LIKELY TO REFLECT LOCAL DISTRICT REGULATIONS.

AND WE OFFERED TO SIT DOWN WITH E.M.A. TO DISCUSS ANY OPTIONS OR CONCERNS THEY MIGHT HAVE, AND HE WAS SATISFIED WITH THAT.

THE FOURTH AND FINAL LETTER IS A JUNE 13TH LETTER FROM DR. ANN HEYWOOD, DEPUTY SECRETARY FOR ENVIRONMENTAL TECHNOLOGY AT CAL/E.P.A. MS. HEYWOOD ASKS

THAT WE READ HER LETTER INTO THE RECORD. SO PER HER REQUEST, I'LL GO AHEAD AND DO THAT.

"I WOULD LIKE TO TAKE THIS OPPORTUNITY, CHAIRMAN DUNLAP AND BOARD MEMBERS, TO EXPRESS SUPPORT FOR YOUR FAVORABLE CONSIDERATION OF THE PROPOSED REGULATION AND CERTIFICATION FOR THE CRITERIA FOR THE PRECERTIFICATION OF SIMPLE, COMMONLY USED AIR POLLUTION EQUIPMENT AND PROCESSES. SINCE THE EARLY 1970'S, CALIFORNIA HAS LED NOT ONLY THE NATION BUT ALSO MUCH OF THE WORLD IN ENVIRONMENTAL PROTECTION. ALONG WITH THESE HIGH STANDARDS, A SIGNIFICANT ENVIRONMENTAL TECHNOLOGY STANDARD HAS GROWN; TODAY, THIS 18 TO 20 BILLION DOLLAR INDUSTRY EMPLOYS NEARLY 180,000 CALIFORNIANS. COMPANIES PROVIDING AIR POLLUTION EQUIPMENT AND PROCESSES REPRESENT AN IMPORTANT PART OF THIS INDUSTRY, AND THE MEANS OF ACHIEVING OUR ENVIRONMENTAL GOALS. THE PROPOSED REGULATION, WHICH YOU WILL CONSIDER AT THE JUNE 14TH HEARING, WILL PROVIDE ENVIRONMENTAL TECHNOLOGY COMPANIES A NEW MEANS OF GAINING ACCEPTANCE IN THE

MARKETPLACE AND THROUGHOUT THE PERMITTING PROCESS. PRECERTIFICATION AFFORDS OPPORTUNITIES TO ENCOURAGE NEW TECHNOLOGIES, STREAMLINE THE PERMITTING PROCESS, AND ESTABLISH UNIFORM PERMIT CONDITIONS STATEWIDE.

"I ALSO COMMEND THE AIR RESOURCES BOARD FOR IMPLEMENTING A PILOT PRECERTIFICATION PROGRAM AND DEVELOPING THE PROPOSED REGULATION AND PROCESS QUICKLY AND EFFECTIVELY. WORKING TOGETHER WITH REPRESENTATIVES OF INDUSTRY, THE LOCAL AIR DISTRICTS, VERIFICATION TESTING ENTITIES AND OTHER INTERESTED PARTIES, YOUR STAFF HAS MADE A NOTABLE EFFORT SEEKING INPUT. THE STAFF REPORT REFLECTS THOUGHTFUL CONSIDERATION OF THE NEEDS OF PROGRAM PARTICIPANTS. THE PROPOSED RULE AND PRECERTIFICATION PROGRAM WILL SERVES AS A MODEL FOR OTHER CERTIFICATION PROGRAMS IN CALIFORNIA.

"ALTHOUGH I AM UNABLE TO ATTEND THE PUBLIC HEARING, I WANT TO THANK YOU FOR THE OPPORTUNITY TO EXPRESS SUPPORT FOR THE PROPOSED REGULATION. MY SINCERE THANKS

ALSO FOR THE CONTINUED LEADERSHIP YOU, THE BOARD MEMBERS, AND YOUR STAFF HAVE DEMONSTRATED IN PROMOTING ENVIRONMENTAL TECHNOLOGIES AS PART OF OUR ENVIRONMENTAL PROGRAMS. YOUR WORK IS APPRECIATED BY THE PEOPLE OF CALIFORNIA.

"SINCERELY, ANN HEYWOOD, DEPUTY SECRETARY FOR ENVIRONMENTAL TECHNOLOGY."

THAT'S THE FOURTH AND FINAL LETTER.

MR. DUNLAP: THANK YOU, MR. AMES. I APPRECIATE THOSE WORDS FROM DEPUTY SECRETARY HEYWOOD, BECAUSE IT SHOWS CLEARLY, AS WE HAVE COME TO EXPECT AND APPRECIATE, THAT WE HAVE CAL/E.P.A. BEHIND OUR INNOVATED WORK, THAT THEY HAVE TAKEN A DEEP INTEREST IN THIS PROGRAM'S IMPLEMENTATION. AND WE ARE POSITIONED WELL TO BE ABLE TO GO OUT AND SET SOME STANDARDS THAT OTHERS WILL LIKELY FOLLOW.

SO WITH THAT, ANY OF MY COLLEAGUES ON THE BOARD HAVE ANY QUESTIONS OR COMMENTS?

MR. BOYD INDICATED ARE HERE THAT WE PUSHED HIM TO HAVE HIS WRAP-UP EARLIER THAN HE NORMALLY WOULD HAVE, BUT I THINK THERE'S CONSENSUS WE HAVE GOT A WINNER HERE.

MS. EDGERTON?

MS. EDGERTON: I THINK I SHOULD TAKE THIS

OPPORTUNITY TO THANK THE CHAIRMAN FOR HIS WORK ON ENVIRONMENTAL TECHNOLOGY IN A FORMER LIGHT WHEN YOU WERE OVER AT THE TOXICS DEPARTMENT, AND NO ONE HERE HAS POINTED OUT THAT THIS IS IN PART A RESULT OF YOUR EXCELLENT WORK AS WELL.

SO I THANK YOU PERSONALLY.

MR. DUNLAP: YOU'RE WELCOME.

WELL, THANK YOU.

MR. BOYD?

MR. BOYD: I ALWAYS DESIRE GETTING A LAST WORD IN, MR. CHAIRMAN, IF YOU WOULD GIVE ME ONE LAST OPPORTUNITY.

I WOULD LIKE TO POINT OUT, AND I WISH I DID WHEN MR. LACY WAS AT THE PLATFORM, EARLIER THIS WEEK, E.L.A. ASSERTED FOUR PRECERTIFICATION DOCUMENTS FOR FULTON BOILERWORKS, AND I WOULD JUST LIKE THE BOARD AND THE AUDIENCE -- MR. LACY WAS PROBABLY AWARE OF THAT FACT ALREADY -- TO KNOW THAT THIS WAS KIND OF A FIRST, AND THEY ARE AMONG THE FIRST.

AND WE FEEL GOOD ABOUT THE PROGRAM AND GOOD ABOUT THE EFFORT THEY HAVE MADE.

SO I COMMEND THAT AND COMMEND THE STAFF.

MR. DUNLAP: OKAY. THANK YOU. THAT'S ALL THE TESTIMONY.

WRITTEN SUBMISSIONS AND STAFF COMMENTS FOR THIS ITEM HAVE BEEN ENTERED INTO THE RECORD AND THE BOARD

HAS NOT GRANTED AN EXTENSION OF THE COMMENT PERIOD. I'M OFFICIALLY CLOSING THE RECORD ON THIS PORTION OF AGENDA ITEM NUMBER 9-5-1. WRITTEN OR ORAL COMMENTS RECEIVED AFTER THE COMMENT PERIOD HAS BEEN CLOSED WILL NOT BE ACCEPTED AS PART OF THE OFFICIAL RECORD ON THIS AGENDA ITEM.

ARE THERE ANY EX PARTE COMMUNICATIONS THE BOARD MEMBERS NEED TO MENTION AT THIS POINT?

OKAY. WE HAVE BEFORE US RESOLUTION 96-35. WE HAD IT FOR A WHILE. THE CHAIR WOULD ENTERTAIN THE MOTION TO ADOPT THIS RESOLUTION.

MR. BOSTON: I MOVE RESOLUTION NUMBER 96-35'S ADOPTION.

MR. DUNLAP: THANK YOU.

IS THERE A SECOND?

MR. HILLIGOSS: SECOND.

MR. DUNLAP: THANK YOU.

ANY DISCUSSION?

I THINK WE CAN GO FORWARD ON A VOICE VOTE.

ALL THOSE IN FAVORS SAY AYE.

(WHEREUPON EACH AND EVERY BOARD MEMBER RESPONDED "AYE")

MR. DUNLAP: ANY OPPOSED?

NO OPPOSED.

THANK YOU.

ALL RIGHT. WE WILL ASK STAFF TO CHANGE POSITIONS AND GIVE OUR COURT REPORTER A MOMENT.

(PAUSE IN THE PROCEEDINGS)

MR. DUNLAP: THE SECOND AGENDA ITEM IS 96-5-2.

AGAIN, I ENCOURAGE THOSE IN THE AUDIENCE WHO HAVE WRITTEN TESTIMONY TO PLEASE SEE THE BOARD SECRETARY TO PROVIDE THE 20 COPIES WE HAVE ASKED FOR.

96-5-2 IS A PUBLIC MEETING TO CONSIDER THE ADOPTION OF A NONREGULATORY AMENDMENT TO REMOVE ACETONE FROM CATEGORY III OF THE AB 1807 TOXIC AIR CONTAMINANT IDENTIFICATION LIST.

I UNDERSTAND THAT THIS IS THE FIRST OF TWO ACTIONS THE BOARD WILL BE CONSIDERING REGARDING ACETONE, ONE THIS MONTH, THE OTHER NEXT MONTH. TODAY'S ACTION WOULD REMOVE ACETONE FROM THE AB 1807B TOXIC AIR CONTAMINANT IDENTIFICATION LISTING.

AT THIS POINT, I'D LIKE TO ASK MR. BOYD TO INTRODUCE THE ITEM.

JIM?

MR. BOYD: THANK YOU, MR. CHAIRMAN.

ON SEPTEMBER 21ST, 1995, THE CHEMICAL MANUFACTURERS ASSOCIATION SENT A PETITION TO THE AIR RESOURCES BOARD REQUESTING REMOVING OF ACETONE FROM BOTH THE TOXIC AIR CONTAMINANT PROGRAM OF THE AIR RESOURCES BOARD, SOMETIMES REFERRED TO AS THE AB 1807 PROGRAM, FROM