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April 23, 2019

Via email: Ctr-report@arb.ca.gov

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

Dear Mr. Edwards:

Subject: Comments on the Proposed 15-Day Changes to the Criteria Air Pollutant and Toxic Air Contaminants Emissions Reporting Regulation

The Los Angeles Department of Water and Power (LADWP) appreciates the opportunity to comment on the March 5, 2019 draft 15-day changes to the Criteria Air Pollutant and Toxic Air Contaminant Emissions Reporting Regulation (CTR). LADWP also thanks the California Air Resources Board (CARB) for hosting public workshops to discuss the draft changes prior to posting the 15-day changes package.

The purpose of the CTR is to implement the goal of Assembly Bill 617 (AB 617) to establish a uniform statewide system of annual reporting of emissions from affected facilities. In support of CARB's effort, LADWP is submitting comments on two technical issues to ensure the effectiveness of this emissions reporting system. The first pertains to establishing the appropriate thresholds for determining which facilities must submit annual emissions reports under the CTR. The second focuses on the inaccuracies of the current default factors used to report emissions to the air districts. Since the emission data collected under the CTR will be made available to the public and utilized for tracking emission reductions, it is important that emissions be reported as accurately as possible. For these reasons, we urge that the CARB initiate a process to update the default emission factors based on the best available information, including the many source tests that have been performed and submitted to the air districts.

Applicability Thresholds

In its originally proposed regulations at Section 93401, CARB proposed to establish applicability criteria for determining whether a facility is subject to the new CTR reporting requirements. One of these applicability criteria was whether the facility is located within a selected AB 617 community and had at least one piece of permitted equipment. The draft 15-day changes seek

to replace this applicability criterion with emission thresholds that would apply statewide. In particular, the new proposed regulatory text in Section 93401(a)(4) classifies an affected facility as follows:

A facility that has one or more permits to operate issued by an air district with actual emissions or activity levels of greater than or equal to any of the thresholds specified in (A) through (C) below, within a data year:

- (A) Four (4) or more tons per year (tpy) of any criteria air pollutant (except for carbon monoxide)*
- (B) One hundred (100) or more tpy of carbon monoxide*
- (C) Activity levels published in Appendix A, Table A-3 for a permitted emissions process*

LADWP agrees that the proposed emission thresholds for criteria pollutants and carbon monoxide are reasonable. However, we believe that the proposed toxic air contaminant (TAC) emissions threshold in Table A-3 for combustion of diesel fuel (*Tier 4 Diesel Engines: Over 100 gallons of fuel combusted per year, or over 5 hours per year of operation. Non-Tier 4 Engines: Over 30 gallons of fuel combusted per year*) is too low. This low threshold will require many small facilities with a single permitted diesel-fueled emergency back-up engine to file annual emission reports under the CTR program. Notably, this means that virtually every permitted diesel-fueled emergency engine in California would become subject to the CTR reporting requirements. This proposed TAC emission threshold is inconsistent with established standards such as the National Fire Protection Association recommendation that emergency engines be tested at least 12 hours per year for reliability purposes, and CARB's *Airborne Toxics Control Measure for Stationary Compression Ignition Engines* (Stationary Diesel Engine ATCM) which established 20 hours per year for maintenance and testing of older emergency engines and up to 50 hours per year for maintenance and testing of newer emergency engines. According to CARB's staff report for the 2010 proposed amendments to the Stationary Diesel Engine ATCM, the Diesel particulate matter (PM) emission standard and limit on maintenance and testing hours for stationary emergency engines were based on a conservative screening health risk assessment (HRA). "The HRA demonstrated a PM emission limit of 0.15 g/bhp-hr and 50 hours of operation would result in a potential cancer risk level of less than 10 in a million for the majority of emergency standby engine applications." In addition, the staff report includes a footnote which states "A survey conducted by ARB staff during the development of the ATCM revealed that on average, emergency standby engines operate 31 hours a year for all purposes i.e. maintenance and testing and emergency operation. (ARB, 2003)"¹ Perhaps CARB could revisit the proposed TAC emissions reporting threshold in Table A-3 for combustion of diesel fuel, in light of this health risk assessment.

¹ California Air Resources Board Staff Report: Initial Statement of Reasons for Proposed Rulemaking, Proposed Amendments to the Airborne Toxic Control Measure for Stationary Compression Ignition Engines, September 2010, pages ES 3-4.

This extremely low applicability threshold will significantly increase the number of facilities for which LADWP would have to prepare and submit annual emission reports, by adding approximately 85 facilities with permitted emergency engines that operate 20-30 hours per year for maintenance and testing. Currently, LADWP facilities with emergency engines do not have to report every year.

Within the South Coast Air Quality Management District (SCAQMD), a facility that is required to file an annual emissions report is required to report emissions from all permitted and unpermitted sources. In practice this means that, if CARB's CTR regulation requires a facility within the SCAQMD to file an annual emission report, that facility will not only have to report emissions from the permitted engine, but also have to conduct a survey of all other activities and products used at that facility (such as cleaning solvents, lubricants, paints, etc), then quantify and report emissions from use of those products. This is a result of the convergence of the CARB CTR regulation (which triggers the facility to submit an annual emissions report) with the local air district reporting requirements.

The target of the CTR regulation is the permitted equipment, not incidental usage of products at the facility. Reporting emissions from product usage can be very time consuming but the emissions are negligible (*de minimis*). Having to do this for 85 facilities that have an emergency back-up engine will significantly increase emission reporting burden for LADWP without achieving a corresponding benefit. LADWP believes that CARB should strike a balance between developing a comprehensive emissions inventory for assessing air quality impacts of stationary sources in local communities, without imposing overly burdensome emission reporting requirements on the regulated community.

LADWP urges CARB to establish a streamlined reporting process that will not require reporting of emissions from unpermitted sources at the facility. LADWP recognizes that CARB is proposing "reporting simplification" for facilities with diesel emergency engines; however, there is still uncertainty on how extensive the report for such facilities will actually be for facilities located within the SCAQMD. LADWP asks CARB to review the new applicability criteria and specify that facilities that become subject to reporting based on the CTR regulation only need to report emissions from the permitted equipment, and not emissions from unpermitted sources with *de minimis* emissions (such as products containing volatile organic compounds used at the facility).

Default Emission Factors are not accurate, need to be updated

If CARB plans to publish data for the public to view, it is important that the data be as accurate as possible. LADWP emphasizes the need for CARB and the air districts to review the emission factors and update them with the best available data to improve the accuracy of reported emissions.

LADWP has ongoing concerns with data quality if the existing default emission factors are used to report emissions under the proposed CTR reporting program. For example, the default emission factors provided by the SCAQMD for use in the annual emission reports have not

been updated in many years, some of which are based on AP-42 with very conservative emissions rates that significantly overstate the source's actual emissions levels. The inaccuracy of the default emissions factors became clearly evident last year when LADWP conducted source tests to determine TAC emission factors for turbines burning natural gas. The results of those source tests confirmed that the actual TAC emissions from LADWP's natural gas-fired turbines were 78 percent to 98 percent lower than the default emission factors. For these reasons, LADWP strongly urges CARB to establish a process whereby CARB and the air districts will review and update the default emission factors based on the many source tests that have been conducted and submitted to the air districts over the past few decades.

A small facility with a diesel-fueled emergency back-up generator that becomes subject to the emission reporting regulation will want to use default emission factors because conducting a source test is expensive. However, the existing default emission factors for internal combustion engines are very conservative. Use of the default factors would report non-existent emissions and make it appear that emissions from the facility are worse than they actually are. Reporting inaccurate emissions using default emission factors will raise unnecessary red flags to the surrounding communities. LADWP recommends that CARB and the air districts implement a working group to update the default emission factors. The working group would consist of air district staff, source testing companies, equipment manufacturers and industry stakeholders who have operational knowledge of various types of permitted equipment within the district. A working group would help bring together different perspectives and knowledge of data that could be used to update the default emission factors. This would help in developing more accurate and widely accepted emission factors based on today's technology.

Conclusion

As CARB continues refining this new statewide emission reporting regulation, it is important to consider and minimize the financial and administrative impacts to reporting facilities and the air districts who will receive the emission reports. While the proposed applicability thresholds for criteria pollutants are reasonable, the proposed thresholds for toxic air contaminants are very low, and will require facilities with a single emergency back-up generator to file annual emission reports, which is above and beyond the current emission reporting requirements. Emission reporting by small facilities should be as streamlined as possible without triggering reporting of *de minimis* emissions from unpermitted sources such as product usage. In addition, the default emission factors need to be reviewed and updated to reflect today's air pollution control technology, so as not to over-state and misrepresent the actual emissions from the facility.

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Thank you for your consideration of these comments. If you have any questions, please contact Ms. Jodean Giese at (213) 367-0409, or Mr. James Talavera at (213) 367-2987.

Sincerely,



Mark J. Sedlacek
Director of Environmental Affairs

JT/CP:srt

c: Mr. John Swanson, CARB
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