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RE: Pacific Gas and Electric Comments in Response to the Air Resources Board's Informal Draft of Proposed Changes to the Regulation for the Reporting of Criteria Pollutants and Toxic Air Contaminants

Pacific Gas and Electric Company (PG&E) appreciates this opportunity to provide feedback in response to the Air Resources Board's (ARB) informal draft of Proposed 15-Day Changes to the Regulation for the Reporting of Criteria Pollutants and Toxic Air Contaminants (CTR), as discussed in the March 2019 workshops.

PG&E supported the passage of AB 617, and ARB's adoption of the CTR in December 2018. PG&E currently has a presence in 30 of the 35 local air districts in California, including the operation of 11 large stationary sources subject to greenhouse gas reporting defined as Mandatory Reporting Regulation (MRR) facilities and over 300 minor stationary sources subject to local air district permitting requirements. Due to this geographic breadth, PG&E is uniquely situated and continues to support uniform, efficient state-wide reporting that enhances transparency and data accuracy. In support of this goal, PG&E provides comments below in response to the Proposed Changes.

Expansion of the Applicability of the CTR (§93401)

ARB's proposed changes to §93401(a)(4) would significantly increase the number of emission sources in California subject to annual reporting, primarily minor sources of air pollution emissions. As noted in prior comments, reported emissions data from these minor sources are not necessary for developing effective community inventories and community emission reduction plans. The AB 617 community of West Oakland is demonstrating this fact by moving forward

with an emissions reduction plan with the assistance of the Bay Area Air Quality Management District's modeling data. Emissions modeling data, along with the community air monitoring data to be collected per the requirements of AB 617, is much more useful than emission inventories based on generic emission factors – which is what will likely have to be used for minor sources. Generic emission factors are typically overly conservative and can thus lead to skewed community emissions apportionment inventories. In addition, it is likely that in most communities the emissions from area and mobile sources far exceed the actual emissions from small stationary sources. Monitoring and modeling tools will be used to quantify the emissions from area and mobile sources rather than directly reported emissions.

Therefore, directly reported minor source emissions data is not needed to support AB 617 implementation and the value of such data should be considered in comparison to the additional administrative burden on local air districts and the thousands of affected minor source facilities that would be pulled into the CTR by the Proposed Changes. PG&E recommends that Section §93401(a)(4) be kept as originally adopted in December 2018 until ARB and local air district staff can evaluate whether reported emissions from an expanded scope of minor sources are actually valuable data inputs for developing community inventories and supporting the goals of AB 617, beyond the other data already being collected.

Use of Actual Emissions Thresholds to Determine Applicability (§93401(a)(4))

In the Proposed Changes, Section §93401 outlines the regulation applicability, with the fourth category being all permitted facilities that meet certain actual emissions and/or activity levels. PG&E notes that the actual emissions thresholds proposed in §93401(a)(4)(A) and (B) are problematic because actual emissions are currently calculated differently throughout the state. ARB staff has acknowledged the need to have uniform emission calculation methods and will be working on those methods in the coming years. Therefore, it does not make sense to implement an actual emissions threshold in the regulation applicability section until there are uniform methods to calculate actual emissions from stationary sources that can be applied consistently throughout the state and accurately compared to the thresholds.

PG&E recommends that §93401(a)(4) be kept as originally adopted in December 2018 until ARB develops uniform emission calculation methods so that there is consistency throughout the state when calculating actual emissions and comparing those emissions to established thresholds.

Reporting Emissions from Portable Equipment Used at Stationary Sources (§93404)

Section §93404(d)(4) is a proposed new section to include emissions from portable equipment in facility emission reports. Subsection (A) states, “Portable equipment registered and reported under the Statewide Portable Equipment Registration Program are not required to be reported unless CARB or the local air district determines there is good cause to expect that the routine and predictable emissions from the portable diesel engines used at the facility have the potential

to pose a significant risk.”¹ PG&E is concerned that this language is too vague and will cause uncertainty for stationary sources on whether portable equipment used on-site will or will not be subject to the CTR. “Good cause” and “potential to pose a significant risk” can be interpreted in any number of ways and will also lead to inconsistency across air districts. The same equipment being used for a similar purpose and duration in one air district could be determined to be a “significant risk” in one part of the state but not in another.

In addition, PG&E would like to note that in the Statewide Portable Equipment Registration Program (PERP), providers of essential public services (PEPS) are exempt from certain record-keeping including usage data (PG&E is classified as a PEPS). Based on these record-keeping exemptions, there may not be sufficient records available to calculate actual emissions from the portable equipment if, at a later date, its usage is deemed to be of “significant risk” and then pulled into the reporting requirements of the CTR.

Activities Qualifying for Abbreviated Reporting (§93403)

Section §93403(b)(1)(B) of the Proposed Changes lists the types of activities that qualify for abbreviated reporting. ARB staff has indicated that abbreviated reporting is targeted toward facilities with emergency back-up generators and gasoline dispensing facilities. PG&E recommends that ARB staff should extend the qualifying activities to include all emergency back-up generators (not just diesel-fueled, but natural gas, propane, gasoline, etc.) and non-retail gasoline dispensing facilities. PG&E holds many permits for facilities that operate non-diesel powered emergency back-up generators and/or non-retail gasoline dispensing facilities. The expansion of this section to include these two activity types would be consistent with PG&E’s understanding of the intention of the abbreviated reporting provision.

Phase In of Air Districts for Statewide Reporting (Appendix A)

As noted earlier, PG&E holds over 300 local air district permits and currently has a presence in 30 of the 35 local air districts in California. PG&E appreciates the difficulty in creating a uniform statewide emissions reporting program pursuant to AB617. It is imperative that this reporting program be implemented uniformly and consistently throughout the state. PG&E is concerned that the proposal to separate air districts into two implementation groups² will lead to inconsistent reporting requirements for PG&E and other entities with facilities in multiple air districts. PG&E requests ARB hold additional discussion with stakeholders to develop an appropriate approach to help balance the resource requirements to implement the CTR for both air districts and compliance entities while still pursuing statewide consistency.

¹ CARB, Informal Public Review Draft of Proposed 15-Day Modifications, March 4, 2019, page A-28

² CARB, Informal Public Review Draft of Proposed 15-Day Modifications, March 4, 2019, page A-35, Table A-2 District Classification Lookup

Emissions Report Submission Timeline for Facilities (§93403)

Section §93403(d)(1)(A) provides instruction for a facility to submit their emissions reports in the event that their local air district does not do so on their behalf by the August 1 deadline. The current language seems to imply that the facility has 30 days from the August 1 deadline to submit their report. PG&E suggests that the language be changed to clarify and allow for 30 days from the date the facility is notified that the air district did not submit data on their behalf, since the facility may not be notified until well after August 1. PG&E also requests that the regulation be modified to clarify that ARB will be sending the notification to the facility as it is not currently clear.

Emission Reporting Implementation Dates (§93403(a)(3))

In Section §93403(a)(3), ARB staff seeks comments on emission reporting implementation dates. As discussed above, PG&E reiterates that any reporting pursuant to the applicability sections §93401(a)(4)(A) and (B) (actual emissions \geq 4 tons per year (tpy) of any criteria air pollutant except CO and \geq 100 tpy CO, respectively) should not be implemented until uniform emission calculation methods are adopted. Without uniform emission calculation methods, there will be variability as to how actual emissions are calculated and compared to the regulation applicability thresholds – which is contrary to the intention of achieving statewide uniform reporting pursuant to AB 617.

Cessation of Reporting for Shutdown Facilities (§93401)

Section §93401(c)(3) governs the cessation of reporting for shutdown facilities. This section is no longer needed with the regulation language changes made to §93401(c)(1) – cessation of reporting for facilities that no longer meet any of the applicability criteria. A shutdown facility would also be considered a facility that no longer meets any of the regulation applicability criteria. Thus, §93401(c)(1) – with the proposed language changes – sufficiently handles the scenario of a facility that is completely shutting down so §93401(c)(3) can be deleted.

Conclusion

PG&E appreciates the opportunity to provide informal feedback on the Proposed Changes to the Regulation for the Reporting of Criteria Pollutants and Toxic Air Contaminants. Thank you for considering PG&E's comments and please feel free to contact me if you have any questions or concerns.

Sincerely,

/s/

Fariya Ali