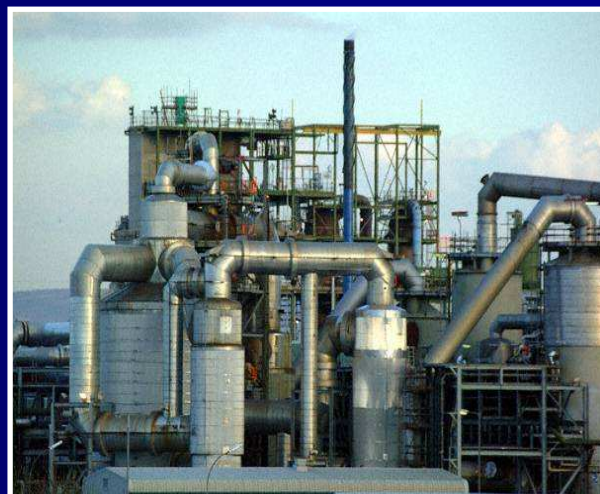


Public Hearing to Consider Proposed Amendments to the Emission Inventory Criteria and Guidelines Regulation for the AB 2588 Air Toxics "Hot Spots" Program



November 16-17, 2006



California Environmental Protection Agency

Air Resources Board

Presentation Outline

- “Hot Spots” Program Overview
- Proposed Amendments
- Incorporation of Diesel PM
- Economic Impacts
- Staff Recommendation

“Hot Spots” Program Overview



AB 2588 “Hot Spots” Program

- “Hot Spots” Information and Assessment Act passed by Legislature in 1987
- Key provisions
 - Emission reporting
 - Health risk assessment
 - Public notification
 - Risk reduction

Key Agency Responsibilities

- ARB

- Establishes guidelines for emissions reporting

- OEHHA

- Develops risk assessment guidelines
- Reviews facility health risk assessments

- Local Districts

- Establish notification guidelines and risk reduction thresholds
- Review facility inventories and risk assessments

“Hot Spots”

Important Component of California’s Toxics Program

- California has multi-faceted program to reduce health risk
 - ATCMs reduce major risks on sector by sector basis
 - Diesel Risk Reduction Plan addresses statewide emissions of diesel PM
 - “Hot Spots” requires assessment and risk reduction for entire facility

Proposed Amendments



Emission Inventory Criteria and Guidelines Regulation

- Provides guidance to air districts and facilities
- Includes:
 - Applicability criteria
 - Reporting schedule
 - List of substances subject to reporting
 - Reporting format for facilities
 - Risk assessment guidelines

Why Amendments are Necessary

- Diesel PM should be added
- New risk assessment methods and health values are available
- New substances should be added

Addition of Diesel PM

- Align with stationary engine ATCM
 - Minimize duplicative requirements
 - Align timing, reporting thresholds, and reporting requirements
- Address residual risk at facilities with multiple engines near receptors

Updated OEHHA Guidelines

- Replace 1993 CAPCOA guidelines with 2003 OEHHA risk assessment guidelines
- OEHHA Guidelines developed in a public process
- Already in use by districts as part of risk evaluations

New Health Values

- Incorporate new health values approved by OEHHA since 1997
- Some new health values may trigger additional facility evaluations
- ARB recommends delaying emissions reporting for a few substances where test methods are still under development

Updates to List of Substances

- 9 new substances with new health values required to be reported if emitted by facility
- 15 individual substances previously listed as part of chemical group
- 2 substances of potential health concern added for emission tracking
- 6 corrections to chemical names
- Only *respirable* crystalline silica now required to be reported

Other Proposed Amendments

- Clarify applicability for thermal spraying
- Specify reporting formats for electronic inventory submittals

Incorporation of Diesel PM



General Process for Facilities with Diesel Engines

- Districts determine applicability
- Facilities already in “Hot Spots” update emissions report and risk assessment if necessary
- Streamlined process for facilities with only diesel engines
- Facilities with significant risk (after ATCM implementation) may need to act

Routine and Predictable

- “Hot Spots” only includes activities that are routine and predictable
 - Engine maintenance and testing
 - Other recurring use of diesel equipment
- Engine operations during power outages are not predictable and not required to be reported
- Determination of what constitutes routine and predictable would continue to be made by local air districts

Small Diesel Engines (50 hp or less)

- Usually do not pose a significant risk
- Amendments do not automatically require reporting of engines 50 horsepower or less
- Facilities not required to report emissions unless district finds potential for significant risk

Portable Diesel Engines

- Operation of portable engines often not routine and predictable
- Can be brought on-site by third parties
- Amendments do not require facilities to report emissions unless district finds potential for significant risk

Agricultural Diesel Engines

- Proposed ATCM fulfills “Hot Spots” requirements in most cases
- “Hot Spots” requirements are applicable after 2011
- Early identification of high risk engines near homes and schools a priority
- San Joaquin Valley is promoting electrification

Unique Applications

- Engines with specialized safety or national security applications require special consideration:
 - Military tactical support equipment
 - Stationary diesel engines at nuclear plants
 - Fire pumps subject to national guidelines
- Districts have discretion to raise, delay, or waive risk reduction requirements
- ARB staff recommends districts consider alternate risk reduction requirements

Economic Impacts



Costs and Potential Economic Impacts

- Facility costs reflect potential risk of diesel engines
 - More engines require more detailed evaluations
- Most facilities with one emergency backup engine will have low or no costs
- Facilities with multiple engines may have higher costs if located near receptors

Average Facility Costs

- Total costs estimated to be \$8 million over 4 years
 - \$7 million for facilities with diesel engines
 - \$1 million for facilities that emit substances with new health values

Number of Engines at Facility	Estimated Number of Facilities	Average Estimated Compliance Cost (\$)	Relative Facility Risk
1	10,650	24	Low
2	1,533	915	Low
3-4	825	2,389	Medium
5+	444	8,054+	Medium - High

Benefits of Proposal

- Addition of diesel PM helps address health risks from facilities with diesel engines
- Brings program up to date

Public Comments on Proposed Amendments

- Proposed amendments do not align “Hot Spots” with portable diesel engine ATCM
- Definition of “routine and predictable” needs further clarification
- Facilities should have option to submit updated risk assessments to districts
- Military tactical support equipment (TSE) should be exempt

Proposed 15-Day Changes

- Add language to align “Hot Spots” with portable engine ATCM
 - No “Hot Spots” reporting until 2010
 - Facility does not have to report portable engine emissions unless district determines engines may pose a significant risk
- Other minor revisions and corrections

Staff Recommendation

- Staff recommends Board adopt proposed amendments with the proposed 15-day changes

