
RECLAIM TRANSITION (PERMITTING, MRR, NSR)

INITIAL CONCEPTS – RECLAIM WORKING GROUP MEETING

JANUARY 11, 2018



Transition Plan

- Received comments that more clarity is needed regarding the transition of RECLAIM facilities to command and control
- Discussed various parts at some Working Group Meetings
- Staff will provide an overview of transition plan
 - General overview of the succession of rulemakings and how facilities will exit RECLAIM
 - Key policy considerations
- Staff still intends to develop a transition plan document

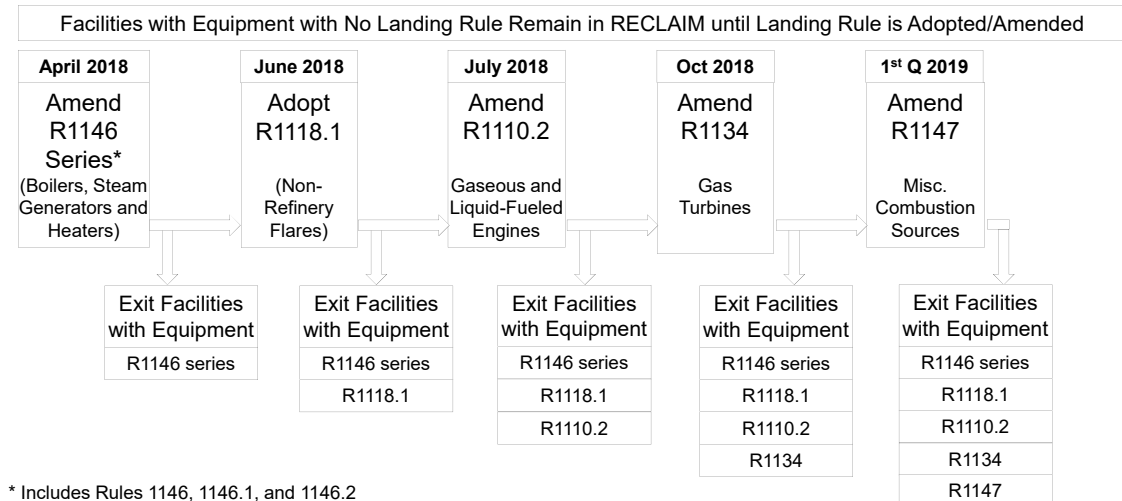
Transition Pathways

- At the November 2017 Working Group Meeting, staff identified four different pathways to transition facilities out of RECLAIM
 - Source-Specific Command-and-Control Rules
 - Industry-Specific Command-and-Control Rules
 - Compliance Plans
 - Opt-Out Provisions
- A facility where an industry-specific command-and-control rule applies, will not follow the implementation schedule for the source-specific rule
- The Transition Rule – Proposed Rule 1100 establishes the compliance schedule as facilities transition out of RECLAIM

Source-Specific Command-and-Control Rules

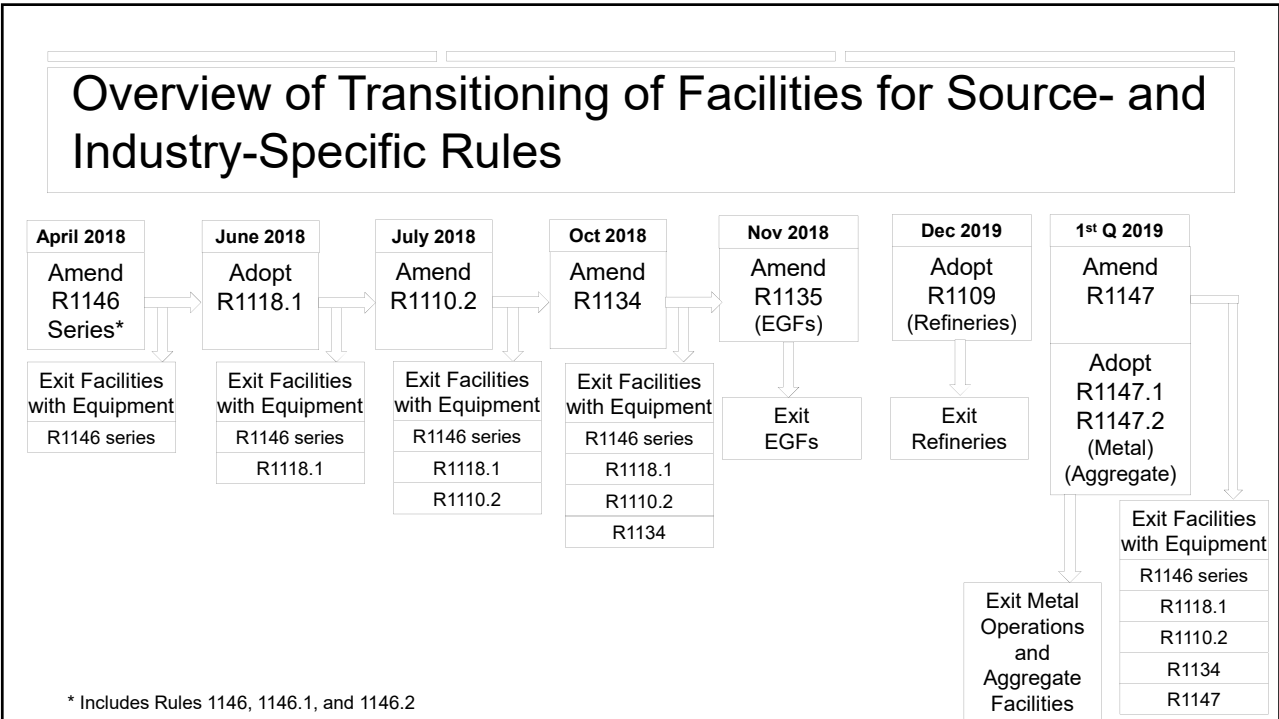
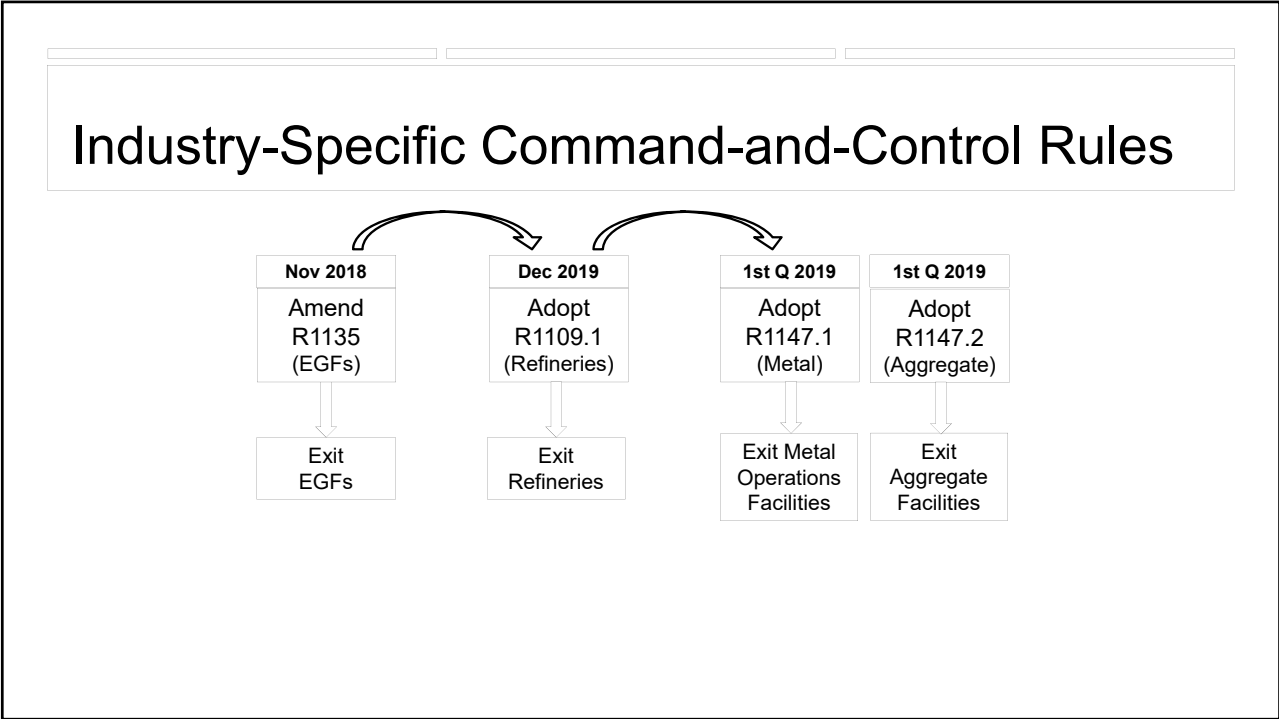
- Seven source-specific command-and-control rules identified for the transition
- Establish BARCT limits and other requirements for RECLAIM facilities
- Rule actions (adoption/amendment) needed prior to exiting facilities from RECLAIM
- After adopting/amending landing rule, transition process will be initiated for facilities with equipment subject to the landing rules
- Facilities with equipment where the applicable landing rule is not ready, will remaining in RECLAIM
 - For example a facility with an Rule 1146 boiler and a gas turbine will stay in RECLAIM until Rule 1134 (gas turbines) is amended
 - Facility will still be subject to amended Rule 1146 requirements
- Implementation and compliance schedule will be established in a separate rule – Rule 1100

Overview of Source-Specific Command-and-Control “Landing Rules”



Industry-Specific Command-and-Control Rules

- Four industry-specific categories have been identified
 - Refineries
 - Electrical Generating Facilities
 - Metal Operations Facilities
 - Aggregate Facilities
- Additional industry-specific categories may be identified – seeking input
- General concept
 - Industry-specific rules will address most and possibly all RECLAIM equipment at facility
 - Specify BARCT limits for RECLAIM equipment
 - May refer to other source-specific rules (such as Rule 1146, 1146.1, 1110.2)
 - Establish the overall implementation approach and compliance schedule



General Transitioning of RECLAIM Facilities

Rule Action	Estimated Number of Facilities to Exit RECLAIM
Rule 1146 Series (Boilers, Steam Generators and Heaters)	27
Rule 1118.1 (Non-Refinery Flares)	0
Rule 1110.2 (Gas and Liquid-Fueled Engines)	9
Rule 1134 (Gas Turbines)	21
Rule 1135 (Electrical Generating Facilities)	29
Rule 1109.1 (Refineries)	13
Rule 1147 (Misc. Combustion)	85
Rule 1147.1 (Metal Operations Facilities)	29
Rule 1147.2 (Aggregate Facilities)	18

Compliance Plans

- Preference is to exit facilities through source-specific or industry-specific rules
- Expected that some facilities with unique equipment will be exited through use of a compliance plan
- Provisions for use of a compliance plan to exit facilities will be developed through a rule, possibly included in Rule 1100
- In general compliance plan would include:
 - A facility-specific compliance schedule for each piece of equipment
 - Reference emission limits in applicable BARCT rules
 - Emission limits in the absence of a BARCT rule
 - MRR requirements

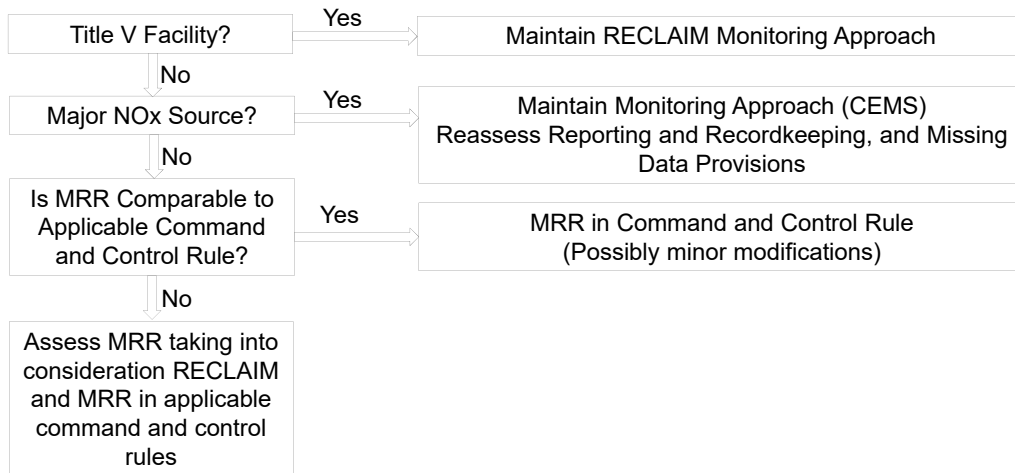
Regulation XIII

- October 2017 RECLAIM Working Group Meeting discussed 5 key New Source Review-related issues
- Continuing to work with EPA regarding:
 - Use of SCAQMD's internal bank for offsets for NSR offsets post-RECLAIM
 - Accounting of RTCs and NSR offsets
- Amendments to Regulation XIII are schedule for May 2018 – pending discussions with EPA

Monitoring, Reporting, and Recordkeeping (MRR)

- As facilities transition out of RECLAIM, staff is assessing MRR requirements
- Initial staff recommendations:
 - For Title V facilities, maintain RECLAIM MRR approach
 - Major, non-Title V, sources still require CEMS but reassess reporting, recordkeeping, and missing data provisions
 - Non-major, non-Title V sources will use MRR in source-specific rules
 - May need minor modifications
 - If MRR requirements are not comparable, will need to assess

General Approach for Addressing Monitoring, Reporting, and Recordkeeping



Other Key Topics

- Permitting
 - General approach is to minimize change to existing permits, where feasible
 - As equipment is modified, update permits
- Rule 301 Fees
 - Assessing fee structure as facilities exit RECLAIM
- Rule 430 – Breakdowns
- RTC Accounting – EPA and CARB