

**Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 771-6000**

APPROVED MINUTES

Summary of Board of Directors
Stationary Source Committee Meeting
9:30 a.m., Monday, September 15, 2008

- 1. Call to Order – Roll Call:** Vice Chairperson Michael Shimansky, on behalf of Chair Scott Haggerty who later arrived, called the meeting to order at 9:30 a.m.

Present: Scott Haggerty, Chairperson, Michael Shimansky, Vice Chairperson; Committee Members John Gioia, Jerry Hill, Nate Miley, Mark Ross, John Silva, Gayle B. Uilkema

Absent: Committee Members Jake McGoldrick and Pamela Torliatt

Also Present: Director Janet Lockhart

- 2. Public Comment Period:** There were none.
- 3. Approval of Minutes of May 19, 2008:** Director Ross moved approval of the minutes, seconded by Director Hill; carried unanimously without objection.
- 4. Proposed Amendments to Regulation 8, Rule 20: Graphic Arts Printing and Coating Operations**

Air Quality Specialist II, William Thomas Saltz, gave a PowerPoint presentation on proposed amendments to Regulation 8, Rule 20: Graphic Arts Printing and Coating Operations. He said current regulated printing technologies include letterpress, lithographic, gravure, flexographic and screen printing, the regulation was last amended in 1999 and it regulates inks, coatings, adhesives, cleaning products and fountain solutions.

Mr. Saltz presented examples of products and their current and proposed VOC limits to take effect by July 2009, July 2010 and July 2011. Additional amendments include a new exemption limit, registration for small facilities, labeling requirements, prohibition of sales, deletion of an Alternate Emission Control Plan, and recordkeeping for digital printing. He noted that emission reductions in 2009 would amount to -0.58, -1.01 in 2010, -0.06 in 2011, for a total reduction of 1.65 tons per day or 31%, stated that the cost of compliance would vary, and a cost savings of \$1,100 per ton of VOC emissions reduction is expected, with no significant socioeconomic impacts identified.

Mr. Saltz further discussed the rule development process, stating workshops were held on July 15th and 16th and 6 written comments were received which resulted in minor revisions or

adjustments to the draft Rule. Next steps include posting of the draft Rule and the CEQA Negative Declaration, evaluation of comments, and a public hearing to be held in November 2008.

Committee members questioned and confirmed cost savings of up to \$1,100 per ton of VOC emissions reduced, noted that the cost per gallon of cleaning products would increase by approximately 3.5% as the new VOC limits are adopted, total emissions reduced are anticipated at 5.2 tons per day, any hazardous materials issues would be covered in CEQA documents, and recordkeeping practices would assist in tracking tonnages of products such as inkjet cartridges where VOC labeling information is not required.

There was no action to be taken, and the Committee received and filed the report.

5. Proposed Amendments to Regulation 8, Rule 45: Motor Vehicle and Mobile Equipment Coatings Operations.

Principal Air Quality Specialist, Victor Douglas, gave a PowerPoint presentation on Regulation 8, Rule 45: Motor Vehicle and Mobile Equipment Coating Operations. He reported automotive refinishing operations include auto body/collision repair shops, mobile refinishers, truck chassis and camper shells. VOC sources include painting of heavy duty equipment such as passenger buses, tractors/trailers and locomotives, and coatings and solvents used in these operations.

The current Rule was adopted in 1989 and amended in 1994 and 1999 and affects auto body shops, mobile refinishers, coating manufacturers, and manufacturers of heavy equipment and sets VOC limits for automotive coatings. Other requirements of the Rule include transfer efficiencies, operations and maintenance and recordkeeping. The regulatory proposal serves to control Measure SS 1 from the 2005 Ozone Strategy and is based on ARB's 2005 suggested Control Measure. It incorporates coating categories, VOC limits and other requirements from the SCM, and includes additional requirements for mobile refinishers and clients.

Mr. Douglas reviewed coating categories and their proposed VOC limits with the effective dates of October 1, 2009 and January 1, 2010, stating there will be requirements for VOC labeling, compliance statements, and recordkeeping. He said mobile refinishing will require registration, notification, properly operated filtration systems and recordkeeping for refinishers and their clients. Total emissions are estimated at 5.8 tons per day and reductions at 3.8 tons per day.

He discussed costs and cost-effectiveness of enhanced drying equipment, coatings and mobile refinisher registration costs, stating cost effectiveness ranged from \$800 to \$1900 per ton. He discussed the Rule's development process and noted that health data available raises toxicity concerns as TBAC is classified as a carcinogen. As a result, the Board of Directors adopted a policy to not exempt potential carcinogens in 1993. Next steps are to evaluate comments, incorporate amendments, and finalize the proposal, staff report, CEQA and economic analysis and bring the final proposal to the Board of Directors in November 2008.

Committee members discussed levels of emissions, examples of mobile refinishers, fan and filtration systems, and homeowner spraying and auto body repair work in residential areas.

There was no action to be taken, and the Committee received and filed the report.

6. Status report on Amendments to the Air District's Dry Cleaner Rules

Director of Engineering, Brian Bateman, gave a status report on amendments to the Air District's Dry Cleaning Rules, discussed dry cleaning technology and 1st through 4th generation machines and their varying operations. He said there have been concerns about Perchloroethylene (Perc) machines and their toxicity which will lead to an eventual, complete phase-out. He reported that Regulation 11, Rule 16: Perchloroethylene and Synthetic Solvent Dry Cleaning Operations was last updated in 2005; Regulation 8, Rule 17: Petroleum Dry Cleaning Operations was last updated in 1990; and Regulation 8, Rule 27: Synthetic Solvent Dry Cleaning Operations was found to be obsolete and is being deleted. There are also state and federal regulations and the Air District currently utilizes the state's Airborne Toxic Control Measure (ATCM) which was last updated in December 2007.

Effective January 1, 2008, the proposed amendments to regulations will prohibit new installations of Perc equipment, prohibit dip tanks and drying cabinets, require enhanced recordkeeping and reporting requirements, enhanced maintenance and operational requirements, and new requirements for Perc manufacturers and distributors to keep records and report sales of Perc to dry cleaners. Effective July 1, 2010, the amended regulations will prohibit Perc machines in co-residential facilities, converted machines and machines older than 15 years. And, effective January 1, 2023, all Perc dry cleaning will be prohibited.

The proposed amendments to District Regulation 11, Rule 16 will incorporate Perc phase-out and other requirements of amended Perc ATCM. The Air District will retain existing requirements more stringent than ATCM such as requiring secondary control machines and enhanced ventilation for co-residential facilities, and it will add additional requirements more stringent than ATCM to prohibit halogenated solvents in spotting solutions.

Mr. Bateman further stated that the proposed amendments to District Regulation 8, Rule 17 will rename the rule from "Petroleum Dry Cleaning Operations" to "Non-halogenated Solvent Dry Cleaning Operations", incorporate new solvents, require closed-loop design for new machines, establish leak detection and repair requirements, enhance recordkeeping and reporting requirements, prohibit spotting solutions with halogenated solvents, and require equipment registration for machines exempt from permit requirements.

He reviewed regulated dry cleaning solvents and their applicable District rule and the Rule development schedule.

Committee members discussed issues relating to the definition of a vapor barrier control room, impacts to co-residential facilities, costs to update equipment, mixed use development, tracking equipment and operations, and registration costs.

There was no action to be taken, and the Committee received and filed the report.

7. Status Report on Flare Minimization Plan Annual Update Requirements

Air Quality Specialist II, William Saltz, provided an annual update to petroleum refinery flare minimization plans, stating Regulation 12, Rule 12: Flare Control recognizes that flares are first and foremost a safety device and requires FMP annual updates to ensure continuous improvement. The regulation prohibits flaring at a refinery unless that flaring is caused by an

emergency or is consistent with a refinery's Flare Minimization Plan (FMP). He provided information about the flare system, described prevention measures to reduce emissions, and commitments to implement all feasible prevention measures.

Mr. Saltz reviewed 6-year daily flaring trends from 2001-2007 with voluntary flare monitoring versus standardized monitors which revealed consistent results. He presented a post flare monitoring daily flaring trend from January 2004-June 2008 which shows reductions in overall emissions for NMHC, CH₄ and SO₂ emissions. He said the FMP annual update should include any new prevention measure identified as a result of analysis of flaring as a result of planned major maintenance activity, flaring as a result of issues of gas quality and quantity, and flaring caused by recurrent failure and staff continues in its analysis of updates, the updates are available to the public for a 30-day comment period, with APCO approval within 45 days of the comment period.

There were no questions or comments from Committee members and no action to be taken, and the report was received and filed.

8. **Committee Member Comments/Other Business:** There were none.
9. **Time and Place of Next Meeting:** Monday, 9:30 a.m., December 15, 2008.
10. **Adjournment:** The meeting adjourned at 10:46 a.m.

/s/ Lisa Harper
Clerk of the Boards