



COUNTY OF GLENN

Air Pollution Control District

Marcie Skelton, Air Pollution Control Officer/CUPA Director
720 N. Colusa Street ♦ P.O. Box 351 ♦ Willows, CA 95988
(530) 934-6500 ♦ Fax (530) 934-6503
www.countyofglenn.net

Expedited Schedule for the Implementation of BARCT per the Requirements of AB 617

January 2019

Executive Summary

A new State law requires the Glenn County Air Pollution Control District (District) Board to take action and adopt a schedule of potential rulemaking. The law directs the District to evaluate writing new Regulations that apply to specific natural gas industry businesses identified by the State. If this schedule is approved by the Board, District staff would evaluate the benefits two new Regulations that would affect at least one local company in the natural gas extraction industry; a Spark Ignited Engine Regulation and a small natural gas fired Boiler Regulation. Preliminary research by the District indicates that neither of these proposed Regulations would be cost-effective to adopt.

Assembly Bill 617 (AB 617) {C. Garcia} was signed by Governor Jerry Brown on July 26, 2017, amends California Health and Safety Code section 40920.6, and requires the following:

1. The California Air Resources Board (CARB) must develop a uniform statewide system of annual reporting of emissions of criteria air pollutants and Toxic Air Contaminants (TACs) for use by certain categories of stationary sources
2. By October 1, 2018, CARB must prepare a monitoring plan for monitoring criteria pollutants and TACs as well as the need for any additional community monitoring systems.
3. CARB must select, based on the monitoring plan, the highest priority locations for deployment of community monitoring systems.
4. By October 1, 2018, and at least every five years after, CARB must develop a statewide strategy to reduce emissions of TACs and criteria pollutants in communities affected by a high cumulative exposure burden.
5. **Air districts that are in nonattainment for one or more air pollutants must adopt an expedited schedule for the implementation of Best Available Retrofit Control Technology (BARCT) for each industrial source that, as of January 1, 2017, was subject to a specified 'market-based compliance mechanism'. BARCT applies to existing Regulations but if they do not exist, new Regulations may be adopted.**
6. CARB must establish and maintain a statewide clearinghouse that identifies the best available control technology, best available retrofit control technology for criteria air pollutants, and related technologies for the control of TACs.
7. The maximum generally applicable criminal and civil penalties for violations of air pollution laws from non-vehicular sources has increased to \$5,000, which will now annually adjust based on the California Consumer Price Index.

Item 5, related to the adopting an expedited schedule for the potential implementation of BARCT, is pertinent to the District at this time.

Regulatory Language and Analysis

This State law requires Districts to adopt a schedule of BARCT regulation implementation. BARCT rules amend existing District Regulations but in the case that no specific District Regulations exist, new Regulations are adopted. In the Districts circumstance, it does not have a BARCT regulation so new rules would need to be evaluated. This schedule referenced in Item 5 is a timeframe for the District to potentially adopt new Regulation(s) specific to certain facilities in the natural gas industry identified by CARB.

The precise language in AB 617 (Health & Safety Code § 40920.6) (**in italics**) that pertains to the District and the District's analysis are as follows:

“(c) (1) On or before January 1, 2019, each district that is a nonattainment area for one or more air pollutants shall adopt an expedited schedule for the implementation of best available retrofit control technology (BARCT), by the earliest feasible date, but in any event not later than December 31, 2023.”

The District is categorized by the state of California as being nonattainment for Particulate Matter $\leq 10\mu\text{m}$ (PM10) for the California Ambient Air Quality Standard. The District only being out of attainment for this one State standard is a testament to our good air quality. The referenced expedited schedule for implementation of BARCT is this document. Any rules that are amended or passed as a result of this schedule should have compliance dates beginning no later than December 31, 2023. A Board meeting will be held to adopt this expedited schedule and separate future Board meetings and public comment periods would address any potential rulemaking.

“(2) The schedule shall apply to each industrial source that, as of January 1, 2017, was subject to a market-based compliance mechanism adopted by the state board pursuant to subdivision (c) of Section 38562.”

The District has only one company that is subject to a “market-based compliance mechanism” such as CARB’s mandatory Greenhouse Gas reporting. California Resources Production Corporation (CRPC) operates in Glenn County and is subject to a “market-based compliance mechanism” as it is a large oil and gas production company that produces oil and natural gas throughout California. The fuel burning permitted equipment at CRPC well sites would be subject to potential new regulations.

“(3) The schedule shall give highest priority to those permitted units that have not modified emissions-related permit conditions for the greatest period of time. The schedule shall not apply to an emissions unit that has implemented BARCT due to a permit revision or a new permit issuance since 2007.”

None of the CRPC permitted units have had modified emissions-related permit conditions due to rule changes nor BARCT implementation since 2007. The proposed schedule would entail writing new rules as the District does not have a BARCT rule, a Spark Ignited Engine Regulation, nor a small natural gas fired Boiler Regulation that could be amended to implement BARCT at CRPC facilities. Natural gas production equipment permitted at California Resource Production Corporation facilities within the

District include small natural gas dehydrators (boilers) and relatively small natural gas compressors (Spark Ignited Engines).

“(d) Prior to adopting the schedule pursuant to paragraph (1) of subdivision (c), a district shall hold a public meeting and take into account:”

“(1) The local public health and clean air benefits to the surrounding community.”

All of the CRPC facilities are remotely located natural gas extraction facilities. None of the State identified sources represent a risk to local public health; each is in compliance with all current air quality-related health requirements, including all of criteria, hazardous and toxic air contaminants.

“(2) The cost-effectiveness of each control option.”

The District evaluates every rule proposal and BARCT analysis for cost effectiveness, and will do so for any rule that may be adopted according to this AB 617 schedule.

“(3) The air quality and attainment benefits of each control option.”

As each of the permitted units at the CRPC sources meet the Districts current Best Available Control Technology standards, AB 617 BARCT implementation within the District may result in small local air quality benefits but no attainment benefit as these sources emit very small amounts of Particulate Matter or other attainment criteria pollutants.

Conclusion

As required by AB 617, the following expedited schedule for the implementation of best available retrofit control technology, by the earliest feasible date, but in any event not later than December 31, 2023, is being proposed to the Glenn County Air Pollution Control District Board:

Item	Scheduled Date
Adopt Implementation Schedule	Initially December 18, 2018 and rescheduled for January 29, 2019 for further analysis
Public Hearing presenting rulemaking efforts related to AB 617. Specifically a Spark Ignited Engine Regulation and/or a Boiler under 1MMBTU/Hr Regulation	No later than December 31, 2021
First compliance deadlines for potential rulemaking outlined in public hearing	No later than December 31, 2023