

VENTURA COUNTY AIR POLLUTION CONTROL DISTRICT  
ADVISORY COMMITTEE MEETING  
October 28, 2014  
MINUTES

Chair Sara Head convened the meeting at approximately 7:33 p.m.

I. Director's Report

Mike Villegas, Air Pollution Control Officer, provided an update on the marine vessel speed reduction pilot program discussed at the last Advisory Committee meeting. The proposal was approved by the Board at the September meeting. District staff (Chuck Thomas, Planning Rules and Incentives Manager and Tyler Harris, Air Quality Engineer) attended a meeting in Santa Barbara today. There they found out four of the vessels did not meet the lower speed reduction target so they won't receive a financial incentive. They will try to get some additional transits scheduled before the end of the year to utilize the funds.

Mr. Thomas stated most of the ships missed the target speed by a tenth of a mile per hour – a very small amount. A member of the committee asked what happens to the money if they don't spend it all. Mr. Villegas stated it comes back to us as required in the MOU. Mr. Thomas stated the Marine Sanctuary staff will prepare a report near the end of the year which we will share with the committee.

Mr. Villegas continued his report with a response to questions from the last meeting regarding the emission inventory. Mr. Villegas referred to a handout with pie charts showing the 2012 NO<sub>x</sub> and ROG inventory which will be the baseline for the next air quality management plan (AQMP). For the NO<sub>x</sub>, you can see a large piece of the pie is the outer continental shelf (OCS) which is mostly marine shipping. There are some NO<sub>x</sub> sources out on San Nicolas Island but they are dwarfed by the marine shipping.

A committee member asked about the area the inventory covers. Mr. Villegas states it includes San Nicolas and it is much bigger than the 24 miles of state waters. But the only things out there are the two islands, San Nicolas and Anacapa and there is really nothing on Anacapa since it is basically a park. The oil platforms have some combustion but the rest is shipping and military aircraft. There were approximately 2,500 ship transits last year.

Mr. Thomas pointed out that even though the ships account for approximately 1/3 of the NO<sub>x</sub> emissions in our inventory they are outside our jurisdiction. We must account for the emissions in our modeling domain for the airshed model because it blows on shore. Santa Barbara gets some of it and some gets blown down to Los Angeles.

This is part of the reason for the vessel speed reduction demonstration program. We are trying to find a way to extend that program on a permanent basis. The program this year was a trial program to demonstrate the feasibility. Of course, the marine sanctuary foundation is interested

in protecting whales. Fortunately their interest and our interest coincide on the ship speed issue. Santa Barbara has been working on this for a number of years but made no progress until now because it is out in federal waters.

Mr. Villegas stated the International Maritime Organization (IMO) did stick to the deadline of 2017 for cleaner engines in new ships. Russia and some other countries asked for a delay but the IMO ruled against them. Also starting January 1, 2015 the 24 nautical mile state requirement for clean fuels will be replaced by IMO standards that cover 200 nautical miles from shore. The whole western United States will be a controlled area under IMO. This is fuel specification that is just a minor help with NOx but it has a major impact on diesel particulate and sulfur oxides. The clean fuel requirement allowed the District to shut down its sulfur dioxide monitor because levels were too low to justify continued monitoring.

Committee members discussed the issue that the NOx from shipping impacts our ozone attainment but we have no ability to control the emissions. Committee Member Thomas Lucas asked how many of the 2,500 ships dock at our port. Staff did not know an accurate number off hand but most transit the channel to one of the ports at Los Angeles or Long Beach.

Committee Member Joan Burns stated this is a common problem for many jurisdictions. For example, when she was a regulator in Wisconsin emissions from east Indiana caused the Milwaukee area to be a nonattainment zone. There was nothing the regulators in Wisconsin could do. Committee Member Keith Moore stated there is something you can do. You can ask for credit. You should not be penalized for issues out of your control. We should drive it up our ladder and make sure it is well known that we are impacted by something we have no control over. If we are missing attainment by only a few tons and here is an area we have no control over that exceeds our need for attainment it is not fair.

Mr. Villegas stated he agrees it is not fair but he believed the Clean Air Act would need to be amended to allow us to remain out of attainment based on emissions outside of our jurisdiction. Mr. Moore said he believed we need to press this case forward to the State and our representatives and ask them to fix this so we are not penalized for something we cannot control.

Mr. Villegas stated Congressman Alan Lowenthal from Long Beach (CA District 47) will be in Oxnard meeting with District staff and Santa Barbara APCD staff among others. He represents the area including the port of Long Beach and is very familiar with marine shipping issues. Mr. Villegas stated he and our Board have sent letters to the federal administration pushing for the IMO treaties. The District Board and the Santa Barbara Board are aware of this issue.

Mr. Moore asked when we will know what is needed to reach attainment. Mr. Villegas stated initial modeling runs should be completed early next year. Mr. Thomas stated the Air Resources Board (ARB) is doing performance runs now and will start real modeling runs for attainment demonstrations next year.

Committee Member Randy Johnson asked how it would work if we were given some allowance for NO<sub>x</sub> outside of our control. Mr. Villegas stated he is not aware of any provisions in the Clean Air Act that allow for that flexibility. Mr. Lucas asked if we are close to reaching attainment, will slowing the ships down help. Mr. Villegas stated it will definitely reduce the NO<sub>x</sub> emissions if they slow down.

Mr. Moore asked what other areas on the chart are not under our control. Mr. Villegas stated on-road vehicles fall under state jurisdiction. Air districts and the state work together on the air quality management plan and state implementation plan. They are responsible for cars, trucks, buses, etc. and we handle stationary sources. So our control measures are all put together in the modeling run by ARB.

The fact that one piece of the NO<sub>x</sub> pie, on-road vehicles, is going to continue to drop is going to be a big help towards reaching attainment. Then the "other mobile" emissions will be dropping since we have federal help on locomotives and that type of thing. So actually, we have a situation where 75% of the emissions are not under our control. The Board is keenly aware that we control less than half of the emissions.

Mr. Moore observed this puts a major penalty on anyone that wants to live and work here. The District rules have a significant effect on local businesses, yet we are not getting any credit for the areas we do not control. We are simply penalizing ourselves.

Committee Member Alice Sterling asked if there is another discussion similar to this concerning airports and other large transportation nodes that other cities and counties do not have any jurisdiction over yet they are impacted. South Coast is a perfect example because they have the twin ports where a third of the shipping in the US occurs. The cargo drives right through the LA district on the 710 freeway. Then you have LAX which is one of the busier airports in the world. They are grappling with the same issues.

Mr. Johnson clarified the question about the issue of lack of control over these sources. Mr. Villegas stated that Committee Member Michael Kuhn forwarded him an article discussing an exceedance in the San Joaquin Valley where they had tracers showing some of the ozone precursors were from China. San Joaquin Unified Air Pollution Control District (SJVUAPCD) has asked for special dispensation to get the exceedance thrown out. Mr. Villegas will discuss this issue with the Director of SJVUAPCD next week.

Mr. Moore asked if we burn a lot of natural gas in Ventura County and what category will that fall under. Mr. Villegas stated we burn a fair amount of natural gas. It is covered under electric utilities which are 100% natural gas and other fuel combustion. Mr. Moore asked what the residential component is. Mr. Villegas stated it is included under other fuel combustion, the water heaters, residential heaters and stoves. It is a small portion and all residential heaters and water heaters are low NO<sub>x</sub> due to our point of sale rules.

That concludes the Director's Report.

II. Call to Order

Chair Sara Head called the meeting to order at approximately 7:50 p.m.

III. Roll Call

Present

Joan Burns

Thomas Lucas

Robert Cole

Paul Meehan

Raymond Garcia

Keith Moore

Sara Head

Richard Nick

Randy Johnson

Alice Sterling

Michael Kuhn

Steven Wolfson

Kim Lim

Absent

Martin Hernandez (excused)

Hugh McTernan (excused)

Staff

Mike Villegas

Chuck Thomas

Stan Cowen

Tyler Harris

Public

Richard Steck (Delta Liquid Energy)

David Cortez Jr. (AmeriGas Propane)

IV. Minutes

Chair Head commented that her first name is misspelled on the first page. A committee member pointed out two errors – on page 3 “closes” should be “closest” and on page 8 “Mandalay” is misspelled. Minutes were approved with the above changes. Ms. Sterling abstained since she did not attend the August meeting.

V. Committee Comment

Committee Member Joan Burns stated she wanted to discuss an anti-idling ordinance. She knows the District does not regulate mobile sources but wants to know if, in theory, could the District set an anti-idling ordinance for individual cars. She knows there is one in place for

trucks by the state. Mr. Johnson noted technology will eventually overshadow this because electric vehicles will automatically shut down and restart.

Ms. Burns acknowledged that but said we have had two periods of extreme heat and during both periods there was not a single day where she did not encounter at least one vehicle sitting in a parking lot running. She wonders if this might be an opportunity to partner with the safety community. In Wisconsin it is illegal to leave an unattended car running and the police will come after you for it because they do not want to deal with all of the stolen cars.

There is another big safety issue because one of the cars she saw running had children in it. If one of them inadvertently hit a vehicle control it could be very dangerous. She understands it is minor in comparison to shipping traffic or the rule proposal for review, but it is upsetting.

Mr. Villegas stated he remembers a paper that looked at whether it is better to sit in a line at the drive through at a fast food restaurant or to turn off the car and go inside. He could not remember the conclusion of the paper. Cars can create more pollution on startup rather than keeping them running. Ms. Burns asked if the issue could be brought up at a CAPCOA meeting. Mr. Villegas said he would do that next week.

Ms. Burns stated in Wisconsin they tried to pass an idling ordinance that was broader than just diesel fleet and it failed for political reasons. Mr. Villegas stated all of the county vehicles that the District uses have a sticker in them instructing the driver not to leave them idling. Mr. Kuhn stated he encountered a situation where there was a gathering of police officers with dogs, and all eleven of the police cars were running in the parking lot with dogs in them.

Mr. Villegas stated the City of Oxnard has an ordinance that if you leave your car idling in your driveway they will give a ticket. But that is based on safety and auto theft issues rather than pollution. Ms. Burns stated that a public information campaign could also be effective. Mr. Villegas stated it could be similar to one of the District's "don't top off" campaigns. It could be couched as a quality of life issue covering both safety and air pollution.

Mr. Moore noted this could be effective as a campaign at a large filling station like Costco where a bunch of cars are waiting in line idling. Ms. Sterling suggested installing conveyor belts like a car wash. Committee Member Kim Lim put the problem in a larger perspective as energy waste. The government building is vacant now but the air conditioning runs all night long.

Mr. Moore asked if there was any update on the timed traffic light issue. Mr. Villegas stated staff is monitoring the issue. He also noted legislation had been introduced to make it easier to fund signal synchronization projects but he could not recall if it passed.

Mr. Lim stated he thought there was already an idling rule. Mr. Villegas responded that the existing rule applies to diesel trucks and buses, and they are very good about shutting off now. The idling limit is 5 minutes. ARB asked districts to help with enforcement on that issue. Our

enforcement staff had to get involved when we were getting noise complaints about trucks idling at Lowes and Home Depot stores, where the loading bays were right next to houses.

VI. Chairman's Report

There was no chairman's report.

VII. Public Comment

There was no public comment.

VIII. Old Business

There was no old business.

IX. New Business

Mr. Villegas stated he thanked the committee last time for attending to deal with administrative issues and told you next meeting would have a rule with some meat to it. This meeting we have a rule that will achieve around 100 tons per year of reactive organic compound emissions reductions. This level of emission reduction is very significant at this stage of our air program.

Stan Cowen, Air Quality Engineer, gave a presentation on the proposed new rule, Rule 74.33 Liquefied Petroleum Gas Transfer or Dispensing. The basis for this rule is under state law, a requirement for all feasible measures under the California Clean Air Act (CCAA). The emission source is propane transfer. There are lots of uses of propane in the county and wherever people use propane in a combustion source they have to fill the tanks so there are emissions associated with that.

This rule was based on South Coast Air Quality Management District (South Coast or SCAQMD) Rule 1177. So we are piggy-backing on the work they did there. Another basis for the rule is the National Fire Protection Association (NFPA) Code 58, part of the fire code. We will discuss the proposed rule requirements, exemptions, emissions reductions and costs.

We are proposing to adopt the South Coast rule almost word for word with one big exception. We are reducing the reporting requirements, which are restricted to applying only to the larger facilities, the bulk plants that have the manpower to handle reports.

Health and Safety Code Section 40914 requires all feasible measures. We have a choice, either reduce emissions by 5% every year or adopt all feasible measures. This proposed rule is considered a feasible measure as required by this section. The rule is identified as feasible based on several factors:

- successful implementation by the South Coast;

- availability of low emission components, retrofits and replacement parts; and
- cost effectiveness (estimated by SCAQMD as \$0.85 per pound of ROC reduced).

New sources are typically required to spend up to \$9 per pound of ROC reduced, so this is much less expensive.

There are several sources of emissions in the inventory. Forklifts are a relatively large source. There are about 1,500 of them used by many different companies including warehouses, manufacturing, etc. The tanks must be filled so there are transfer emissions from that process. Residential furnaces use propane if they are off the natural gas grid. BBQ tanks, the small 20-lb cylinders are subject to the rule, except exchange cylinders are not affected since there are no emissions associated with the exchange program. They use a scale to determine if they are overfilled or not so there are no overfilling emissions.

Agricultural operations use propane in wind machines, flame weed control and standby generators. Oilfield service is a fairly large source. There are 45 portable tank degassing rigs and they must use propane as a fuel for the process heating since they are portable. This oilfield equipment has District permits. Portable asphalt batch plants also use propane for process heaters.

There are a handful of large bulk plants in the County. These are the largest facilities that handle propane in the county. The rule defines a bulk plant as any facility that has at least one propane tank with capacity of 10,000 gallons or larger. There are two emissions standards associated with bulk plants. The first is for vapor tightness during transfer; the standard is 10,000 ppm or lower using method 21 (portable hydrocarbon analyzer). The second standard for bulk plants is liquid tight – a liquid leak greater than 3 drops per minute or visible mist it is considered not liquid tight.

Two categories of components are subject to the rule in the proposal. One is the fixed liquid level gage (FLLG), also known as bleeder gages. The other is transfer connectors which includes valves and couplings. The proposed rule will require these components be retrofitted or replaced with low emission versions of these components.

FLLG are used to prevent overflow of tanks and cylinders. There is a dip tube that goes into the tanks or cylinder. When the liquid reaches the dip tube, liquid propane is forced through the tube out through a valve and an orifice.

When transfer lines (liquid supply lines or vapor return lines) are disconnected, they are opened to the atmosphere. Emissions are generated in that operation.

There are also potential leaks from this equipment. The proposal includes a leak detection and repair component to address emissions from leaks.

SCAQMD Rule 1177 is the basis for this proposed rule. SCAQMD adopted Rule 1177 in 2012. They had seven working group meetings, 13 site visits and they worked closely with the Western Propane Gas Association (WPGA) during the rule development. We also worked closely with WPGA – they attended both of our workshops and we had numerous discussions with them.

SCAQMD estimated about 6 tons per day emissions so this is a significant emissions source at this late stage in rule development for them as well. The cost effectiveness of \$0.85 per pound does not include the cost savings of collecting the propane, which is a valuable fuel. The reduction of fugitive emissions will result in a cost savings and safety benefit.

The propane industry has been under numerous regulations mainly for safety and fire prevention. Propane is very flammable and is heavier than air. They add odorant to it just like natural gas so you can detect leaks. They are already regulated by DoT, CalOSHA and the Fire Code so they are quite familiar with regulations.

Rule 1177 requires retrofitting of the specified components with low emission versions. Valves, connectors and FLLG are being upgraded by this rule.

The proposed rule requirements are basically the same as the South Coast rule with the exception that the reporting requirements are limited to the larger bulk plants. The components that must be upgraded are the same as in the South Coast rule. The leak detection and repair (LDAR) requirements are similar to our oilfield rule 74.10.

We are not proposing to revise District Rule 23 – Exemptions from Permit. The equipment subject to the proposed rule does not currently require District permits and the proposal will keep that the same. No new permitting will be required for this equipment. The vessels are pressurized so they are not considered a significant source. However, there are significant emissions during the transfer operations so that is what this rule will regulate.

One exception is the oilfield tanker truck loading operations. These operations are currently subject to permit requirements. I had the opportunity to observe a loading operation at Aera Energy. They requested I visit to observe the lack of emissions. So we are proposing an exemption for these facilities based on the fact they are already regulated by existing rules 71.3 and 74.10. Rule 71.3 covers transfer emissions and Rule 74.10 has LDAR requirements. Aera currently has vapor recovery, primary and secondary overfill protection and nitrogen purge lines. There were very little emissions from the operation.

The leak detection and repair program applies to the bulk plants and the LPG dispensing facilities. So the large facilities and the smaller retail service dispensing facilities are covered. The proposal requires daily physical leak checks. Facilities must observe, looking for leaks or evidence of leaks, either by smell (due to odorant), hissing, frosting or staining. Also every 90 days must do a bubble test using a soap solution or EPA Method 21 which uses an analyzer. So they have a choice to use either type method.

There is an employee training requirement so they become aware of the rule and its requirements for recordkeeping, etc. Any component found leaking is removed from service and tagged. It

must be repaired or the component replaced and re-inspected prior to returning to service. The requirements are typical of a LDAR program.

Operators must keep a record of each leak they find. They must keep the log for two years. The log must record the type of leak, date and time leak discovered, date and time leak repaired, name of person who performed the repair and their employer name and phone number, leaking component name and location and description of the repair. This requirement is straight out of the South Coast rule.

Since there are no permitting requirements, it is essential that we have some recordkeeping to show there is compliance with the rule. We are counting on purchase records for low emission FLLG and connectors. They need to keep the purchase records for five years. The records must identify the component, manufacturer, and number purchased. For bulk facilities, need vapor recovery equalization system and the need to keep records according to the manufacturer's specifications.

Additional records for compliance demonstration must show that the low emission components qualify as low emission. These should meet technical criteria established by the rule demonstrating the part is low emission.

For bulk plants only, there is a reporting requirement. They must report the inventory of low emission parts they have installed on their facility and their trucks, including FLLG and connectors.

Mr. Cowen described the parts showing pictures in the presentation. The diameter of the orifice for the FLLG will go from 0.055 inches for standard part to 0.025 inches for low emission part. Battelle Institute did a study for industry and found vapor emissions decreased by 74% and liquid emissions decreased by 59% just by changing the orifice size.

Ms. Sterling asked if the filling takes a longer time with the smaller orifice. Mr. Cowen stated it does take longer to fill larger tanks with the low emission FLLG.

Low emission FLLG must be installed on an estimated 2,000 residential and 280 commercial tanks in the county. Estimated cost is \$10 per part and \$50 for installation. The proposed deadline is January 1, 2017 to complete all installations. We are giving them extra time to come into compliance. Along with the low cost, this should make it more feasible to retrofit all tanks.

For forklifts, they can install low emission FLLG or use fill by weight or other alternative to prevent overflow. There are two methods – volume fill and gravity fill. Gravity fill is the slower method, because with the volume fill pump and motor you can force the gas through. The cost is about the same, but field tests show gravity fill is six times slower with low emission FLLG. In that case, facilities probably don't want to wait to fill the tanks. So there are alternatives. They can convert to fill by volume which involves a pump. They can use a cylinder exchange program or replace with a larger tank and add a pump and motor. Again the proposed deadline is January 1, 2017.

So for forklifts there are options facilities must consider if they want faster filling. It may cost a lot more to change systems.

The other main source category is low emission connectors. The parts are available from several vendors. They are all off-the-shelf parts available from more than one source. Looking at 93% reduction in liquid emissions for one-inch hose fills, for example from a bobtail truck to customer tank or forklift cylinder filling. For filling 20-lb cylinders (BBQ cylinder) they achieve 98% less vented liquid.

There is a list of these low emission connectors in the staff report. The proposed rule will reference a table of compliance certified parts on the District's web site. The table came from the industry association. They have an incentive program where they provide 75% rebates on the low emission parts. As new parts become available, we will update the certified list of complying parts. The couplings and valves are defined as low emission in the South Coast rule as allowing a maximum of 4 cubic centimeters of emissions when disconnecting. That is the criteria to qualify for inclusion in the table.

Mr. Cowen discussed a slide with photographs of the difference between emissions from standard and low emission parts.

Another slide shows details of the BBQ cylinder valve. Since 2002 there has been a requirement for an overfill protection device float. These valves have primary and secondary overfill protection. The exchange program is not affected.

Mr. Moore asked for additional clarification on how the FLLG works. The level of liquid rises up to the dip tube. Once it hits the dip tube, when the valve is open liquid comes out of the orifice. The FLLG is only open during filling and is closed as soon as the tank is full. The FLLG is bleeding gas as long as the filling operation continues, that is why changing to a smaller orifice bleeds less. The float provides dual overfill protection and shuts off the flow once the tank is full.

The exemptions are right out of the South Coast rule. There are no new requirements for APCD permits. The rule does not apply to containers less than four gallons in volume. The 20-lb cylinders used for BBQ are five-gallon tanks. It does not apply to tanks installed in recreational vehicles (RV). Tanks storing fuel used for propulsion are not exempt. Equipment subject to oilfield rules 71.3 and 74.10 are exempt from the proposed rule.

Mr. Moore asked about the number of RV in the county and emissions from filling propane tanks on them. Mr. Cowen stated the rule applies to the RV tank if it is used to power the vehicle engine.

South Coast estimated 70% control overall. On that basis, the proposed rule will reduce propane emissions approximately 104 tons per year. Cost effectiveness of 85 cents per pound without including product savings.

Mr. Cowen summarized the presentation and asked for questions.

Committee Member Steven Wolfson noted forklifts are a large contributor. He asked if any consideration had been given to converting to electric propulsion. Mr. Thomas stated that would fall under the jurisdiction of the California Air Resources Board. Mr. Wolfson said the electrical forklift technology is getting to the point where it is almost reliable. Mr. Lim stated most of their forklifts at Procter and Gamble are hydrogen fuel cell.

Mr. Wolfson asked if vapor recovery lines would be possible on portable cylinders, similar to gasoline vapor recovery. Mr. Johnson stated he believed the emissions would disperse too quickly to be captured with overhead capture. Mr. Cowen stated it would have to be some kind of pressurized system.

Mr. Moore asked about the pressure in the tanks. Mr. Richard Steck of Delta Liquid Energy, a major propane supplier, answered that it depends on ambient temperature and it can vary from 50 psi to 125 psi.

Mr. Wolfson also requested clarification on section B.2.c of the rule which allows "one or both". Mr. Cowen stated this allows them to over control without penalty. If the tank has a low emission FLLG, they can still fill by weight with the FLLG closed or use another alternative technology. Since the fill by weight technique is expensive, you have the choice to install a low emission FLLG.

Committee Member Paul Meehan questioned the meaning of some reduction strategy working. Mr. Cowen stated the wording is right out of the Health and Safety Code. Everyone is using the all feasible method alternative because no air district has been able to meet the 5% reduction every year.

Mr. Meehan also questioned the exemption of tanks installed on RV. Tanks installed on RV are exempt by the South Coast rule. If they cannot remove the tanks from the vehicle, it might be impossible to install a retrofit valve. Retrofits are required both on tank valves and on filling systems at dispensing stations.

Committee Member Richard Nick asked how the information will be dispersed to the general public. We have no idea how many tanks are in the county. Mr. Cowen responded that the propane industry will inform its customers. When the deadline comes, they will tell customers they cannot refill tanks that have not been retrofitted, similar to the valve retrofit in 2002 due to safety concerns. Since the tank is not worth the \$60 it costs for retrofit, public customers will exchange the tank, which typically costs \$20 for a full tank. BBQ tanks are a large part of the emission inventory so they must be captured in the rule.

Mr. Moore asked about how many tons of LPG are consumed annually in Ventura County. Mr. Cowen consulted the public attendees, who responded they sell over a million gallons of LPG per year. LPG is approximately 4 pounds per gallon, so if a million gallons is sold per year that equates to 2000 tons of LPG combusted annually.

Mr. Moore asked for clarification on the terms reactive organic compounds (ROC) and reactive organic gases (ROG). Mr. Villegas responded that the terms are interchangeable, but in the planning world people tend to use ROG while in the rules world we use ROC.

Mr. Moore asked about other control efforts for ROC and mentioned an increase in natural gas vehicles. Mr. Cowen stated natural gas is methane, which is not an ROC so natural gas is exempt from ROC emission control efforts because it does not form ozone. Mr. Johnson noted that the same emission controls used on gasoline vehicles such as catalytic converters will also be used on natural gas vehicles. Mr. Moore clarified his question asking what other compounds are considered ROC and what emission controls are in place. Mr. Villegas responded that solvents are a large slice of the ROC pie, such as cleaning solvents, degreasers, solvents used in paints and adhesives, gasoline which is controlled with phase 1 and phase 2 vapor recovery, and pesticides which fall under the Department of Pesticide Regulation.

Many sources of ROC are subject to other District rules. The District has rules covering coatings, oilfields which are a large source of ROC, gasoline transfer and dispensing, and even consumer products such as hair spray and deodorant. The emissions from LPG transfer that will be regulated by the proposed rule are considered part of the petroleum industry emissions.

Ms. Burns asked about information on enforcement and compliance in the SCAQMD and what is the reason for some of the recordkeeping requirements. She said she appreciated that we reduced some of the paperwork requirements and that everyone needs to prove compliance by keeping records, but she questions the need for an annual report after 2017 and the need to keep records of fixing leaks as opposed to just tagging them out. There seems to be a lot of recordkeeping requirements for what part is replaced and on what date and she is curious if SCAQMD has been enforcing this and are people complying.

Mr. Cowen responded that according to the WPGA, the trade association for the industry, they found the recordkeeping to be reasonable. Once facilities conducted the leak detection program for several months and fixed all of the leaks, then they no longer find many. The recordkeeping becomes more manageable after the initial leaks have been repaired.

Ms. Burns requested more justification for the annual report, saying a one-time certification might be sufficient. Mr. Cowen stated the reporting requirements in the South Coast rule affect a lot more facilities. The reporting requirements in the proposed rule only affect the four or five bulk plants in Ventura County which are larger companies like AmeriGas. The facility on Vineyard visited by Mr. Cowen stated they are already in compliance with the South Coast rule. They may already have the records available.

Ms. Burns also asked about industry comments during the workshop and conference call and any concerns expressed. Mr. Cowen stated the main concern, since we are right next to LA County, was that the rules be consistent. A lot of the propane comes from LA County – they have plants and bring delivery trucks to Ventura County. They wanted to make sure the two rules were similar so it is easier to comply with both. We did receive comments from EPA that we needed to move closer to the South Coast rule. There was concern about including the smaller facilities

in the reporting requirements so we excluded them. The only complaints were that they needed additional time to come into compliance.

Mr. Cowen asked the industry representatives in attendance if they had any comments or concerns they wanted to add. Mr. Richard Steck made a comment that he believed the proposed rule's recordkeeping requirements might be more stringent than Rule 1177. He mentioned page 5 of the proposed rule requires records of inspections where he believes the South Coast rule only requires records of repairs. They examined the text of both rules. There was discussion of the requirements and intent among several committee members, staff and Mr. Steck. It was determined that the proposed rule requires records of inspections at bulk loading facilities and transfer and dispensing facilities and not at delivery sites. Therefore, Mr. Steck agreed that the requirement to keep records of the quarterly inspections was acceptable.

Ms. Sterling stated there might be insurance requirements for inspections. Mr. Steck stated that as part of standard industry practice for many years they do safety checks at the beginning of every shift. Certain safety criteria need to be met. These standards have been in place for a long time.

Committee Member Raymond Garcia made a motion to recommend approval of the proposed rule as presented. Committee Member Randy Johnson seconded the motion. The Chair allowed additional committee discussion.

Mr. Meehan asked about filling the 20-lb tanks and if the vapor remaining inside is displaced when adding liquid to the tank. If so, the size of the orifice would not matter because all of the vapor must be displaced anyway. Would that mean all of the emissions reductions come from restricting the liquid that is emitted when the tank reaches the full level? Mr. Cowen stated Battelle conducted an emissions test and found vapor and liquid emissions reductions. Also, liquid emissions are much greater amount of material than vapor emissions.

Mr. Steck stated all of the vapor does not need to be displaced when filling a tank. Some vapor will be compressed and any pressures over 30 psi will liquefy the vapor. If less vapor is emitted during filling, then more of it will be compressed back into liquid when the tank is full.

Mr. Lucas asked the industry representatives if the public will see additional cost because of this rule. Mr. Steck stated that by 2017 a lot of homeowners with BBQ tanks will be forced to exchange their cylinders to get upgraded valves. It will be less hassle and about the same expense to buy a new tank rather than retrofit the existing tank. Mr. Meehan asked if they could just replace the little screw with the orifice. Mr. Steck stated that might be possible but there is currently no low emission FLLG manufactured for BBQ cylinders. All of our large storage tanks, cargo tanks and domestic tanks are or will be compliant. But he is not aware of a compliant piece of equipment that is available for the BBQ cylinders.

Mr. Steck stated the larger companies are mostly already compliant with their equipment. In Ventura County his company became compliant when the South Coast rule went into effect to take advantage of the rebate money.

Committee Member Robert Cole asked why we still have a compliance date two years out if that is the case. Why not bring the compliance date closer and gain emissions reductions sooner? Mr. Steck responded saying certain FLLG are not field-replaceable. The rule gives extra time so when those tanks come in for service or have to be repaired the low emission valve can be installed at that time. This involves evacuating the tank, and the tanks that do not need to be evacuated are mostly already done.

Mr. Meehan asked about the procedure for draining or evacuating a tank that needs repair. He mentioned for dive tanks he just opens the valve and lets the compressed air out. If that is true for propane in certain circumstances that could nullify the gains from this rule. Mr. Steck stated the only time they would evacuate the vapor out of a tank would be in an emergency situation. Other than that they would pump it down, and they have compressors that can pull the vapors out of the tank. There is also equipment that uses burners to cleanly burn it off similar to a gas range only much bigger. The burners burn clean, not like a flare at a refinery. In an emergency where they cannot stop a leak, they will allow it to vent to atmosphere but they must take precautions such as evacuating the area.

The Chair asked if there were any more comments from members of the public. Mr. David Cortez Jr. asked about fees associated with non-compliance after 2017. Mr. Villegas responded that it would be a notice of violation issued and penalties applied through that process. Violations would likely only be issued to a bulk plant or other dispensing facility.

The Chair stated there is a motion on the table to recommend adoption of this rule with no changes and called the question. Mr. Villegas called the roll and the motion passed unanimously.

#### X. Adjournment

Ms. Sterling made a brief statement commending staff for the quality of the presentation and the staff report. She also thought the detailed minutes were very helpful especially since she was unable to attend the last meeting.

Having no further business, the chair adjourned the meeting at approximately 9:10 p.m.

Prepared by:

Tyler Harris  
Air Pollution Control District Staff