SCAP
SOUTHERN CALIFORNIA ALLIANCE OF PUBLICLY OWNED TREATMENT WORKS

November 7, 2016

Mr. Wayne Nastri, Acting Executive Officer
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, California 91765

Dear Mr. Nastri:

Re: Comments on the Draft 2016 Air Quality Management Plan

The Southern California Alliance of Publicly Owned Treatment Works (SCAP) appreciates this opportunity to provide comments on the Draft 2016 Air Quality Management Plan (Draft AQMP). SCAP represents 83 public agencies that provide essential water supply and wastewater treatment to nearly 19 million people in Los Angeles, Orange, San Diego, Santa Barbara, Riverside, San Bernardino and Ventura counties. SCAP's wastewater members provide environmentally sound, cost-effective management of more than two billion gallons of wastewater each day and, in the process, convert wastes into resources such as recycled water and biogas.

This transmittal is our third comment letter regarding the Draft AQMP, but our comments have yet to be addressed. Our members are troubled that some of the proposed control measures appear to negatively impact the beneficial use of biogas produced from municipal wastewater treatment plants and landfills. We would greatly appreciate modifications to the Draft AQMP to address our comments.

Overall, SCAP is concerned that SCAQMD has not been provided the regulatory authority to control ozone forming emissions in the South Coast Air Basin from mobile and federal sources, which constitute 88 percent of the emissions inventory. Accordingly, we object to the proposed "fair share" concept where SCAQMD, CARB and EPA would each reduce emission sources under their control by 50 percent. We believe that stationary sources are already well-controlled and achieving our "fair share" is not feasible without a significant infusion of incentive funding. The Draft AQMP fails to provide an adequate or reliable incentive funding mechanism for mobile and federal sources, which will likely be funded prior to stationary source control projects. Considering this reality, SCAP believes that CARB and EPA should be solely responsible for securing incentive funding for mobile and federal sources. The Clean Air Act was not crafted to penalize the South Coast Air Basin for CARB and EPA's failure to adequately control mobile and federal sources. We respectfully request that the AQMP be revised to ensure that stationary sources are not penalized in the event that CARB and EPA are unable to adequately control mobile and federal sources.

P.O. Box 231565
Encinitas, CA 92024-1565
Fax: 760-479-4881 Tel: 760-479-4880 Website: www.scap1.org Email: info@scap1.org

The following outlines our specific comments on the draft stationary source control measures contained in Appendix IV-A:

Cost effectiveness and feasibility:
SCAP applauds SCAQMD for placing a priority on feasible and cost-effective control measures. However, in order to ensure that control measures remain feasible and cost-effective, SCAQMD should perform an assessment of actual costs and the technological feasibility of certain rules. Rather than only estimating costs looking forward, we respectfully request that a third party consultant be retained to perform such an assessment looking backward. Specifically, the recent biogas limits contained in Rule 1110.2 should be assessed to validate staff's cost-effectiveness and technology feasibility assumptions. We believe that such an analysis would help refine cost-effectiveness assumptions and shed light on the reliability and cost-effectiveness of applicable biogas projects moving forward. Other recent rules, such as 1147, should also be assessed to help refine cost-effectiveness assumptions to be used during future rulemaking. We believe that such a third party assessment would provide greater transparency and validate whether emission reductions are truly cost-effective and feasible moving forward.

CMB-01 Transition to Zero and Near-Zero Emission Technologies for Stationary Sources:
Incentives:
Our members are increasingly concerned that incentive funding will not be available, while new requirements are imposed with little regard for cost-effectiveness or reliability. CMB-01 explains that "*Staff anticipates many facilities and stakeholders will come forth and participate once a working group is established and it will be determined the most cost effective means for distribution of funds to achieve emission reductions.*" Although we appreciate a working group will be established, the Draft AQMP lacks specificity regarding how funds will be distributed and whether cost-effective projects will be required to reduce emissions without incentive funding. We respectfully request that these details be outlined and vetted prior to the adoption of the AQMP.

Biogas:
This draft control measure seeks to replace traditional combustion sources with zero and near-zero emission technologies including electrification or fuel cells. This control measure continues to emphasize that biogas from wastewater treatment plants and landfills can be processed and cleaned for the use in fuel cells or transportation fuels. While our SCAP membership embraces these goals, we would again like to respectfully remind staff that biogas cleanup is not usually cost-effective and fuel cells have consistently failed prematurely due to stack failures, which then requires flaring in order to continue providing necessary management of the biogas. At minimum, to provide a realistic characterization, we again request that these challenges be discussed in the Draft AQMP.

As we have indicated in the past, we appreciate SCAQMD's support in incentivizing zero and near-zero biogas technologies. However, SCAQMD should clarify that biogas technologies are not truly commercially available, reliable or cost-effective yet. We are troubled that performance claims provided by vendors are not fully validated by SCAQMD prior to rule development and as a result our industry has been negatively impacted. Due to these inherent challenges, we request that a third party consultant be retained to perform such a validation prior to the adoption of future biogas rules and the emission reductions associated with such projects not be included in this AQMP.

Emergency Diesel Engines:
Considering our members provide an essential public service by treating wastewater and conveying drinking water, we are very concerned about the proposed emergency diesel engine requirements. In the event of a major earthquake event or other significant emergency, sanitation and drinking water infrastructure must have a source of uninterrupted reliable power. Fuel cells, battery storage and alternative fuels are not currently able to provide such a reliable source of backup emergency power. As acknowledged by the Draft AQMP, "*...some essential back-up power applications (hospitals, communications, transportation, etc.) require capabilities for long-term power and fuel storage or delivery under extreme emergency conditions.*" The Draft AQMD should be revised to clarify that essential public services must maintain the ability to respond to a long-term power disruption using a reliable and available fuel.

Similarly, our members have concerns regarding requiring the ability for Tier 4 engines to operate during an extended emergency. SCR systems associated with Tier 4 diesel engines rely upon urea, which can be depleted in an emergency. The Draft AQMP should also establish the regulatory framework needed to ensure that Tier 4 engines can be used reliably in the event of a significant emergency.

CMB-03 Emission Reductions from Non-Refinery Flares:
SCAP is extremely concerned that the Draft AQMP now indicates that our sector will need to clean biogas for vehicle fuel/pipeline injection project or, if not feasible, utilize equipment to produce power and/or heat. This measure continues to indicate that if all other options are infeasible, the installation of newer flares at BACT will be required. Based upon our experience with Rule 1110.2, we believe that SCAQMD staff already deems alternatives to flaring to be feasible and cost-effective. As outlined above, we respectfully request that a third party consultant be retained to validate the cost-effectiveness and feasibility of the technology needed to comply with biogas control measures.

While we appreciate the acknowledgement that flares are needed for emergency or backup capacity, we are concerned that our previous comments regarding the wastewater sector inventory were not addressed. For example, our previous comments requested that the inventory be amended to reflect that we only contribute 0.01 tons per day of NOx. Considering wastewater flares are an insignificant source of NOx and they are normally used for emergency or backup purposes, SCAP requests that the inventory be revised and the AQMP include an acknowledgment that wastewater flares are an insignificant source of NOx emissions.

MCS-01 Improved Breakdown Procedures and Process Re-Design:
As we have previously commented, SCAP requests that this measure be excluded from the AQMP. This measure will not achieve any emission reductions and EPA's Startup Shutdown Malfunction (SSM) policy is currently being challenged by 36 states. In the event this control measure cannot be removed from the AQMP, we request that a description of the ongoing litigation and potential flexibility afforded by EPA should be included in MCS-01. States subject to EPA's SIP-Call have proposed alternative compliance approaches that should be considered by SCAQMD prior to any amendment or repeal of Rule 430, if the SSM policy is upheld by the D.C. Circuit.

BCM-10 Emission Reductions from Greenwaste Composting:
SCAP again requests that developing technology not be specifically discussed in the AQMP unless the actual performance can be demonstrated and validated in commercial and sector specific applications.

As described in our previous comment letters, we remain confused by the focus on food waste digestion in association with a greenwaste composting control measure. This draft control measure indicates that increased anaerobic digestion capacity *"...at Sanitation Districts could lower emissions of NH3 and VOC for certain waste streams..."* We agree that wastewater treatment plants can reduce emissions associated with food waste, but we are unaware of any technology that would allow wastewater treatment plant digesters to process greenwaste. Please revise this control measure to exclude the discussion of greenwaste digestion at wastewater treatment plants.

BCM-05 Ammonia Emission Reductions from NOx Controls:
While we appreciate staff's verbal clarification that this proposed control measure is only intended for large-scale projects and will not impact the NOx control systems associated with Rule 1110.2, we again respectfully request that this clarification be memorialized in the AQMP.

Last, but not least, we would like to remind staff that Clean Air Act Section 185 penalties will be triggered by either the depletion of non-SIP approved funding mechanisms outlined in Rule 317 or by non-attainment of the 8-hour ozone standard. As outlined above, our members believe that stationary sources will bear the brunt of this AQMP because CARB and EPA appear to be unwilling or unable to significantly control mobile and federal source emissions. Because Section 185 would penalize major stationary sources due to lack of control over mobile and federal sources, we respectfully request SCAQMD's commitment to lobby for the revision of this provision of the Clean Air Act, if triggered.

We would like to take this opportunity to thank you again for supporting legislation and policies that will provide financial incentives for the productive use of biogas. Please do not hesitate to contact Mr. David Rothbart of the Los Angeles County Sanitation Districts, SCAP Air Quality Committee Chair, should you have any questions regarding our comments on the Draft AQMP at (562) 908-4288, extension 2412.

Sincerely,

John Pastore, Executive Director

cc: Dr. Philip Fine, SCAQMD