



August 23, 2018 | Submitted Electronically

Mr. David Edwards, Ph.D.
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California Air Resources Board
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Re: SCPPA Comments on the July 27, 2018 Preliminary Discussion Draft of the Proposed Regulation for the Reporting of Criteria Pollutants and Toxic Air Contaminants

Thank you for the opportunity to provide comments on the California Air Resources Board's (CARB or Board) Preliminary Discussion Draft (PDD or Draft) regarding potential changes to the Criteria Pollutants and Toxic Air Contaminants proposed reporting regulation towards implementing Assembly Bill 617 (C. Garcia, 2017). SCPPA appreciates both the importance of, and complexity with, helping support community-level emission inventories and emissions reduction plans, and towards establishing a uniform statewide system of annual reporting of emissions of criteria air pollutants and toxic air contaminants for specified stationary sources.

The Southern California Public Power Authority (SCPPA) is a joint powers agency whose members include the cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside, and Vernon, and the Imperial Irrigation District. Our Members collectively serve electricity to nearly five million people throughout Southern California. Each Member owns and operates a publicly-owned electric utility governed by a board of local officials who are directly accountable to their constituents.

Each SCPPA Member has a duty to provide reliable power to their customers – many of whom reside in disadvantaged communities – at affordable rates, while also complying with all applicable local, regional, state, and federal environmental and energy policies. Currently, SCPPA and our Members own, operate, or have binding long-term procurement arrangements with 39 generation and natural gas projects and three transmission projects, generating power in California or importing from Arizona, New Mexico, Utah, Oregon, Washington, Nevada, Texas, and Wyoming. This is in addition to individual, Member-owned or contracted and operated transmission, generation, and natural gas projects throughout the Western United States. All are funded through municipally-backed financing mechanisms, which often come with terms that complicate our Members' abilities to quickly respond to substantial policy shifts that require near-term implementation.

These proposals directly impact electricity sector practices and market operations throughout the Western grid. Therefore, it is of the utmost importance that any proposed regulatory changes reflect well-structured, balanced, and lasting policies that function in concert to achieve the statutory goals via the most cost-effective means possible. As stewards of public funding, we look forward to working with CARB and air district staff toward a final program design that can be feasibly implemented while achieving our shared interest in maximizing environmental and public health benefits for Californians at an affordable cost. Our comments are as follows:

SCPPA Concerns Regarding Applicability Criteria (§93401)

Under §93401(a)(4), the PDD criteria would apply to the owners or operators of any facility located in California, as described, including: "A facility that has one or more permit(s) to operate issued by an air district, emits any criteria pollutant or toxic air contaminant as defined in this article, and is located within the boundary of a community selected by the CARB Governing

Board pursuant to Health and Safety Code sections 42705.5 or 44391.2” as amended by Assembly Bill 617. The PDD also highlights a note that, “Air Districts have indicated that this applicability criterion requires additional staff resources.”

SCPPA is concerned that this fourth applicability criteria would essentially apply to *all* permitted sources within a selected community. This would very likely *substantially* increase the number of facilities submitting emission reports to the air districts, raising a question as to whether an air district (like the South Coast Air Quality Management District) would have both the funding and staff resources to review and verify the accuracy of data for these reporting purposes – much less conduct an extensive outreach program to notify and educate all such source operators (*e.g.*, facilities with emergency back-up generators, small businesses not previously subject to emissions reporting) about these new emissions reporting requirements.

SCPPA would instead encourage CARB to work with the air districts to determine the most practical and feasible approach. One alternative may be to use emissions estimates from the permitted equipment as an area source rather than requiring each individual facility to submit an annual report. Doing so may be an overly burdensome approach when considering current air district emissions reporting procedures and requirements, and the potential unintended consequences that may inadvertently affect emissions data.

SCPPA Concerns Regarding Emissions Report Contents (§93404)

While we understand there is a directive under Assembly Bill 617, for CARB to prepare “a monitoring plan regarding the availability and effectiveness of toxic air contaminant and criteria air pollutant advanced sensing monitoring technologies and existing community air monitoring systems, as well as the need for and benefits of establishing additional community air monitoring systems” there is also a qualifier that air districts take into account “technical capabilities, cost, and the degree to which additional data would materially contribute to an understanding of community risk” when potentially requiring fence-line monitoring or other real-time, on-site monitoring.

Under §93404(a)(5), the PDD would require a facility owner or operator to develop and submit criteria pollutant and toxics air contaminant emissions data to the air district in which the facility is located, in a format determined by the local air district for: (D) release location exit gas flow rate if applicable; (E) release location exit gas temperature; and (F) if the release location type is “stack” then: 1. release location stack diameter in feet, 2. release location exit gas velocity in feet per minute, and 3. flow rate in actual cubic feet per minute.

SCPPA is concerned that, given the varying operating conditions of electric generation facilities on a day-to-day or even minute-to-minute basis depending upon real-time demand, that this information may not be available for compliance purposes. Flue gas temperature, flow rate, and velocity at the “stack” exit vary with operating conditions and therefore are not single numbers. They can vary based upon the amount of fuel used and, furthermore, are not measured at the “stack” exit. SCPPA also notes that while many electric generating facilities located within the South Coast Air Quality Management District area may be owned by publicly-owned utilities, a number of them are not operated by these same utilities because they are members of the California Independent System Operator (which operates the facilities as needed). We urge CARB to work with electric generating facility owners and operators to determine what operating condition the reporter should use. Depending upon how this information is intended to be used, and for the purposes of modeling, it is imperative that CARB achieve an accurate emissions inventory based upon technical feasibility for owners and operators alike.

SCPPA Concerns Regarding Enforcement (§93407)

SCPPA understands and appreciates staff’s intent to provide additional text, pending further discussions with stakeholders, on the enforcement provision; however, we are concerned that reporters would be subject to enforcement both from the pertinent air district and from CARB (which will require reporters to sign an attestation that the report is accurate and complete). We would appreciate additional discussions with and clarification from CARB staff on how “accurate” will be defined. Given the constantly-changing nature of electricity generation – particularly with ongoing efforts to integrate more intermittent renewable resources into the system – SCPPA would also like to better understand how a reporter could amend a report to correct an inadvertent error.

CONCLUSION

SCPPA and our Members remain ready to constructively meet with CARB staff and other agencies to work towards mutually agreeable solutions that best advance the State's climate change goals in an affordable manner for California POU ratepayers.

Respectfully submitted,



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