# **Final Statement of Reasons for Rulemaking**

Including Summary of Comments and Agency Responses

# PUBLIC HEARING TO CONSIDER PROPOSED AMENDMENTS TO REGULATION FOR THE STATEWIDE PORTABLE EQUIPMENT REGISTRATION PROGRAM

Public Hearing Date: February 26, 2004 Agenda Item Number: 04-2-3

# State of California AIR RESOURCES BOARD

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#### I. GENERAL

The Staff Report: Initial Statement of Reasons for Rulemaking (Staff Report) entitled Proposed Amendments to the Regulation for the Statewide Portable Equipment Registration Program, released January 9, 2004, is incorporated by reference herein.

## A. Description of Board Action

On February 26, 2004, the Air Resources Board (ARB or Board) conducted a public hearing to consider amendments to the Regulation for the Statewide Portable Equipment Registration Program (Statewide Regulation). The Statewide Regulation was first adopted by the Board on March 27, 1997, and amended on December 10, 1998. The amendments are being proposed to provide additional clarification on the types and uses of portable equipment that are eligible for registration under the Statewide Portable Engine Registration Program (Statewide Program), increase program fees to allow ARB to recover the costs of administering the program, and improve the clarity and enforceability of the Statewide Regulation.

At the February 26, 2004, public hearing, the Board unanimously adopted Resolution 04-8, approving the Proposed Amendments to the Statewide Regulation with modifications. The modifications were made available for a public comment period from May 13, 2004 to June 1, 2004. The Final Statement of Reasons (FSOR) updates the staff report by identifying and explaining the modifications that were made to the original proposal. The FSOR also summarizes the written and oral comments received during the 45-day comment period preceding the February 26, 2004, public hearing, the hearing itself, and the 15-day comment period for the proposed modifications, and contains the ARB staff's responses to those comments.

The Board approved the Amendments to the Statewide Regulation which modified title 13, California Code of Regulations (CCR), article 5, sections 2450, 2451, 2452, 2453. 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, and repealed section 2466.

# B. Modifications to the Original Proposal

Modifications to the original proposal were made to address comments received during the 45-day public comment period, and to clarify the regulatory language. In addition, additional modifications were approved by the Board at the February 26, 2004, hearing. A "Notice of Public Availability of Modified Text" with a copy of the modified proposed language was issued for a 15-day public comment period that began on May 13, 2004, and ended on June 1, 2004. The notice and the modified proposed language were sent to each of the individuals described in subsections (a)(1) through (a)(4) of section 44, title 1, CCR. Additionally, the notice and the modified language were made available on ARB's website and potentially affected industry was notified of the website posting, via an e-mail list server.

After the close of the public comment period, the Board's Executive Officer determined that, with the exceptions described below, no additional modifications should be made to the amendments to the Statewide Regulation. Responses to comments received during the public comment period for these modifications are presented in Section II of this FSOR. The Executive Officer subsequently issued Executive Order G-04-077 which adopted the amendments to the Statewide Regulation.

The modifications to the originally proposed amendments are described below and the rationale for making them:

### **Summary of Proposed Modifications**

#### Section 2451 Applicability

**(c)(5)(C)** This section was modified to allow the use of generators registered in the Statewide Program to supply power to the grid in the event they are needed to maintain grid stability during an emergency event. An emergency event is an unforeseen natural disaster or event that threatens public health.

**(c)(5)(E)** This section was modified and moved to section 2456(j). The modification allows engines registered in the Statewide Program prior to the effective date of the amended Statewide Regulation, and providing power to equipment ineligible for registration, to remain registered in the program.

Engines registered in the Statewide Program after the effective date of the amended Statewide Regulation, and used with ineligible equipment will be required to meet United States Environmental Protection Agency (U.S. EPA) and ARB non-road engine emission standards.

(d) This section was added to provide owners and operators of any portable engine or equipment that loses its eligibility in the Statewide Program 90 days after notification by ARB to apply to the appropriate district for a permit to operate. Operation of the engine or equipment can continue under the Statewide Program until the district takes final action on the permit application. Owners and operators of portable engines and or equipment that are subject to district permits are not relieved from complying with district permit requirements by ARB's failure to notify individually each owner or operator.

#### **Section 2452 Definitions**

- (c), (j),and (z) The "Note" at the end of section 2451(b)(2) describes certain limitations in the Federal Clean Air Act relating to the control of emissions from new engines rated less than 175 horsepower and used in farm and construction operations. Because it does not represent a requirement in the Statewide Regulation and is only intended to provide background information, the "Note" has been deleted. With the deletion of the "Note," the definitions contained in section 2452(c) for "construction equipment," section 2452(j) for "farm equipment," and section 2452(z) for "primarily used" are no longer necessary and have been deleted.
- (i) and (t) The modifications establish different initial application fees for existing program participants and initial program participants. Because of this, definitions were added to sections 2452(i) and (t) to define "Existing Program Participants" and "Initial Program Participants," respectively.
- **(y)** The definition of "**Portable**" contained in this section was modified to clarify that the period the portable engine or equipment unit is maintained at a storage facility shall be excluded from the residency time determination at a facility or stationary source.
- **(gg)** The definition for "**Resident Engine**" was modified to provide examples of acceptable documentation for demonstrating the residency of an engine operating in California.

# **Section 2453 Application Process**

**(e)(1)** In anticipation of receiving a large number of initial applications for registration in the Statewide Program, this section was modified to increase processing time from 90 days to 180 days up until December 31, 2005. After

December 31, 2005, the processing time will be reduced back to 90 days for all applications.

# **Section 2456 Engine Requirements**

(d)(5) This section was modified to provide clarification that portable engines manufactured under the flexibility provisions provided for in 40 CFR part 89 or title 13 of the California Code of Regulations qualify for registration under the Statewide Program.

# **Section 2458 Recordkeeping and Reporting**

- **(b)(6)(A)** This section was added to improve enforceability by requiring owners of portable engines registering in the Statewide Program and subject to daily fuel consumption limits to install and track fuel consumption with fuel flow meters.
- **(b)(6)(B)** This section was modified to clarify that owners of portable engines registered in the Statewide Program before the effective date of the amended Statewide Regulation and subject to daily fuel consumption limits can continue to track fuel consumption with a fuel flow meter, fuel tank stick test, or fuel purchase records.

#### Section 2461 Fees

(c) This section was added to require new program participants to pay an additional \$100 registration fee for each engine or equipment unit being registered in the Statewide Program. On or after January 1, 2006, the additional \$100 registration fee will be rescinded. Language was also added which clarifies that the increase in registration fees will not apply to applicants who have lost permit exemptions from the districts or as a result of legislative action.

# **Section 2462 Duration of Registration**

(a) This section was modified to provide additional flexibility by allowing program participants to select either a three-year or a five-year registration and renewal schedule. In addition, Table 2 in section 2461 was modified to include the fees associated with a five-year registration and renewal schedule.

#### Other Miscellaneous Changes

Staff made minor non-substantive modifications throughout the Statewide Regulation to provide additional clarity and enforceability. Other non-substantive changes include correcting formatting and grammatical errors, and minor administrative changes and corrections.

# C. Fiscal Impacts for Schools and Local Agencies

The Board has determined that this regulatory action will result in a mandate to school districts and other local agencies that own or operate portable dieselfueled engines. However, the Board finds that any costs associated with such mandates are not reimbursable pursuant to Part 7 (commencing with section 17500), division 4, title 2 of the Government Code. The reason is that most, if not all, of these agencies are authorized to collect fees to recoup their costs under this section of the Government Code. In addition, the regulation applies to all entities that own or operate portable engines and, therefore does not impose unique requirements on local government agencies.

#### D. Consideration of Alternatives

Alternatives to this regulatory action were considered in the Staff Report: Initial Statement of Reasons For Proposed Rulemaking-Proposed Amendments to the Regulation for the Statewide Portable Equipment Registration Program, in accordance with Government Code section 11346.2. After responding to comments received, staff concluded that no reasonable alternative considered by the agency, or that has been otherwise been identified and brought to the attention of the agency would be more effective in carrying out the purpose for which the regulatory action was proposed. In addition, no alternative would be as effective and less burdensome to affected private persons than the action taken by the Board.

#### II. SUMMARY OF COMMENTS AND AGENCY RESPONSES

The Board received written comments in connection with the 45-day public comment period and oral comments at the February 26, 2004, hearing for the Proposed Amendments to the Statewide Portable Equipment Registration Program Regulation. The Board also received written comment(s) during the 15-day public comment period for the modified regulatory language. A list of commenters is set forth below, identifying the date and form of all comments that were submitted. Following the list is a summary of each comment or recommendation made regarding the proposed action, together with an explanation of how the proposed action has been changed to accommodate the comment or recommendation or the reasons for taking no action.

# A. Responses to Comments Received During the 45-day Public Comment Period and Board Hearing

Abbreviation

APA

James L. St. Martin, P.E.
Asphalt Pavement Association
Written Testimony: December 19, 2003

BJS Doug Van Allen

BJ Services Company

Oral Testimony: February 26, 2004

CAPCOA Larry Greene

California Air Pollution Control Officers

Association

Written Testimony: January 27, 2004,

February 24, 2004

Barbara Lee

California Air Pollution Control Officers

Association

Oral Testimony: February 26, 2004

CCEEB Victor Weisser

California Council For Environmental

and Economic Balance

Written Testimony: February 13, 2004

Cindy Tuck

California Council For Environmental

and Economic Balance

Oral Testimony: February 26, 2004

CIAQC Mike Buckantz

Construction Industry Air Quality

Coalition

Oral Testimony: February 26, 2004

CMAC Charles L. Rea

Construction Materials Association of

California

Written Testimony: February 11, 2004

COLAB Ayron M. Schoneman

Coalition of Labor Agricultural and

Business

Written Testimony: February 18, 2004

CRCC Robert C. Evans

California Rock Crushers Corporation Written Testimony: February 2, 2004

EMA Timothy A. French

Engine Manufacturers Association

Written Testimony: February 23, 2004

EMWD Daniel McGivney

Eastern Municipal Water District Oral Testimony: February 26, 2004

ERS Stan Holm

ExxonMobil Refining and Supply Written Testimony: February 13, 2004

GCI Geoff Boraston

Granite Construction, Inc.

Oral Testimony: February 26, 2004

GEER Shannon S. Broome

Counsel to GE Energy Rentals

Written Testimony: February 24, 2004

KJC David M. Rib

KJC Operating Company

Written Testimony: February 18, 2004

LACSD Frank Caponi

County Sanitation Districts of Los

Angeles County

Oral Testimony: February 26, 2004

MPAA Melissa Paatack

Motion Picture Association of America

(California Group)

Written Testimony: February 18, 2004

Sharon Rubalcava

Motion Picture Association of America Oral Testimony: February 26, 2004

NAV A.J. Gonzales

Chief of Staff for Environmental Department of the Navy, U.S. Navy Written Testimony: February 24, 2004

Randal Friedman

U.S. Navy

Oral Testimony: February 26, 2004

NSM Larie K. Richardson

North Star Minerals, Inc.

Written Testimony: January 9, 2004

PG&E Sven Thesen

Pacific Gas and Electric Company

(PG&E)

Written Testimony: February 18, 2004 Oral Testimony: February 26, 2004

PWS James Thomas

Pool Well Services

Written Testimony: January 30, 2004 Oral Testimony: February 26, 2004

SCHL Paul Able

Schlumberger

Oral Testimony: February 26, 2004

SDCAPCD Scott D. Underhill

San Diego Air Pollution Control District Written Testimony: January 30, 2004

Michael R. Lake

San Diego County Air Pollution Control

District

Written Testimony: February 25, 2004

SDG&E Austen D'Lima

San Diego Gas & Electric

Written Testimony: February 11, 2004

SMAQMD David Grose

Sacramento Metropolitan Air Quality

Management District

Oral Testimony: February 26, 2004

SMC Ken Barker

Sully-Miller Contracting

Oral Testimony: February 26, 2004

John Linnborn

Sully-Miller Contracting

Oral Testimony: February 26, 2004

TAI Becky L. Wood

Tiechert Aggregates, Inc.

Written Testimony: February 17, 2004

John H. Lane

Teichert Aggregates, Inc.

Written Testimony: February 18, 2004

VCI Mark Allegranza

Vassey and Company, Inc.

Written Testimony: February 25, 2004

WFD Robert Hassebrock

Weatherford

Oral Testimony: February 26, 2004

WSPA Tom Umenhofer

Western States Petroleum Association Oral Testimony: February 26, 2004

# Comments and Responses

# 1. Applicability

1.1 Comment: The proposed amendments remove the eligibility of portable engines from the Statewide Program if the engine is used to power equipment that is ineligible for registration or subject to district permits. These units include boilers, heaters, hot asphalt plants, and soil remediation units. Several commenters requested that the proposed amendment in section 2451(c)(5)(E) be deleted or modified to allow currently registered engines to remain in the Statewide Program. [APA], [CMAC], [CIAQC], [CRCC], [CCEEB], [LACSD], [EMWD], [SMC], [GCI]

Agency Response: Based on comments received at the hearing, the Board directed staff to reevaluate the proposed amendment in section 2451(c)(5)(E). ARB staff determined that less than 50 registered engines would be affected by the proposed amendments and that these engines account for considerably less than one percent of the total diesel particulate matter emissions and NOx emissions from diesel-fueled portable engines. Because of the small number of engines and insignificant impact on air emissions, ARB staff is proposing to delete the proposed amendment in section 2451(c)(5)(E) and allow engines that are currently registered in the Statewide Program to remain eligible.

In addition, in order to minimize the future impacts of new portable engines associated with district permitted equipment and seeking registration in the Statewide Program, ARB staff is proposing to add section 2456(j). This section requires engines new to the Statewide Program and used to power equipment that is ineligible for registration or subject to district permits, to meet certified U.S. EPA/ARB emission standards for newly manufactured nonroad engines.

1.2 <u>Comment:</u> Section 2451(c)(5)(C) should be either deleted or modified to allow generators to temporarily feed the grid or isolated segments by a utility for purposes of grid maintenance or upgrade or to prevent grid collapse. [SDG&E], [PG&E]

<u>Agency Response:</u> Based on the comments received, ARB staff has modified this section to provide flexibility for the use of generators to maintain grid stability during emergency events or other unforeseen events that affect grid stability.

This provision does not allow the use of registered generators to power the grid during grid maintenance and upgrades. Grid maintenance and upgrades are planned operations and can involve the use of large generators for a significant period of time to feed the electrical grid. The use of portable generators in this manner can result in adverse localized air quality impacts. Because these are planned operations, we believe that it is appropriate to require engine operators to obtain permits from the local air district. The districts can then evaluate and require mitigation measures to minimize air quality impacts where necessary.

1.3 Comment: The commenter requests clarification that certain applications of portable engines are allowed and not subject to section 2451(c)(5)(D). The applications include the use of generators to power dehumidification equipment at buildings after flooding caused by fire sprinkler discharge, to provide temporary power supply at environmental remediation projects and to power equipment at film shoots. Other applications include generators to power equipment at concerts where the voltage requirements of the equipment are incompatible with power specification of the building, and to provide temporary power for stationary expansion projects. These applications require quick response time that is not amenable to awaiting a lengthy permit issuance process. [GEER]

Agency Response: ARB staff believes that the applications using portable generators to power dehumidification equipment, off-site film shoots, and equipment at concerts are appropriate uses under the Statewide Program, especially in the cases where the voltage requirements (50 megahertz instead of 60 megahertz) can only be supplied by portable generators.

However, staff believes that using portable equipment to power environmental remediation projects and provide temporary power to stationary projects are examples where district permits should be required. Environmental remediation projects typically involve the cleanup of toxic materials and can have potential air releases of toxic air contaminants. The toxic air impacts resulting from these projects need to be evaluated by district staff on a case-by-case basis to ensure impacts on public health are minimized. Where portable equipment is used to provide temporary power for stationary source expansions, staff believes the local district is best suited to evaluate potential impacts of adding additional emissions to an existing stationary source.

1.4 Comment: The commenter pointed out that their emergency generators are covered under the Stationary Engine ATCM, which allows a specific number of hours of operation for maintenance and testing, but does not have provisions for operations during annual maintenance "blackouts" periods when they are separated from incoming power. The commenter requests that the definition of "Emergency Use" in the proposed amendments to the Statewide Regulation be expanded to include loss of normal electrical power service due to necessary maintenance of electrical breakers. In that case, the use of a generator for maintenance of

electrical breakers would not count as hours under "Maintenance & Testing" provisions of the Stationary Engine ATCM. [KJC]

<u>Agency Response</u>: ARB staff did not make any changes to the Emergency Use provision as requested by the commenter. The emergency generators at this facility are subject to the Stationary Engine ATCM and as such are not subject to this rulemaking.

1.5 <u>Comment:</u> The commenter recommends that section 2451(c)(5)(D) be modified to allow reasonable time for engine start-up, shutdown, and testing of registered generators during interruptions of electrical power plus a reasonable time for engine start-up, shutdown, and testing. [PG&E]

Agency Response: The proposed amendment to the Statewide Regulation allows the operation of registered generators during unforeseen interruptions of electrical power from the serving utility; however, it limits the operation to not exceed the time of the actual interruption of power. This would include reasonable time for the start-up and shutdown of the generators. Staff is not proposing to allow the testing of generators during the emergency situations. It is more appropriate to test generators during non-emergency situations.

1.6 Comment: At times, there is not enough electrical power in a grid to meet all needs. It takes the utilities up to 18 months in some instances to get additional capacity, even in urban areas. The commenter suggests that Section 2451(c)(5)(D) be modified to allow portable generators to be used "where grid power is unavailable" instead of just at "remote operations." [TAI]

Agency Response: This section was not modified as suggested by the commenter. ARB staff's intent with the proposed amendment is to limit the use of registered generators only to remote locations where grid power is truly unavailable. Removing the remote location language and adding in the language "where grid power is unavailable," will broaden the potential for the use in densely populated areas where the operation of large generators has the potential for adverse air quality impacts. In these cases, the operator should obtain permits from the local district.

As stated in TAI's comment letter, generators used for these activities are typically greater than 500 brake-horse-power and could remain at the same site for up to 18 months; however, the Statewide Regulation limits the use of portable engines at a location for no more than 12 months.

1.7 <u>Comment:</u> A reasonable period of time should be allowed for operators of portable engines, whose engines are no longer eligible for the Statewide

Program, to apply and obtain permits from the local air districts. [CMAC)], [ERS]

<u>Agency Response:</u> To address this comment, section 2451(d) was added, which allows the statewide registration for these engines to remain valid until the district grants or denies a permit for the engine or equipment unit.

1.8 Comment: Many companies have received economic benefits by operating portable engines without registrations or district permits. The proposed amendments will allow these companies to register these engines in the Statewide Program. As with district best available control technology requirements, ARB should allow only engines into the Statewide Program that can meet State and federal emission standards. Also, if the regulation is reopened to allow illegal engines to obtain registration, the Statewide Program should require the replacement of older engines with newer engines as districts currently require. [PWS]

Agency Response: Staff agrees that some companies may have received economic benefits by not having to pay registration or district permitting fees. To remove the economic advantage, ARB and district enforcement staffs have been conducting a statewide portable engine inspection program to find engines that are operating without district permits or Statewide registrations. Engine owners found to be operating without district permits are issued Notices of Violation, and appropriate enforcement actions will be taken by district enforcement staff.

Staff believes that it is important to get both certified and uncertified engines into regulatory programs so that they can comply with future regulatory requirements and reduce emissions in an orderly manner. The proposed amendment allows engine owners until December 31, 2005, to submit applications to register uncertified engines into the Statewide Program. Starting in 2010, all uncertified engines in the program will have to meet ARB/U.S. EPA non-road emission standards, which comply with best available control requirements for portable engines. In addition, the Portable Engine ATCM will require all portable engines operating in California to meet increasingly more stringent fleet emission rate averages in 2013, 2017 and 2020. This will require operators to meet these fleet averages with progressively cleaner engines.

The proposed amendment imposes an additional \$100 registration fee to uncertified engines new to the Statewide Program. ARB staff plans to make available to the districts a list of operators that have submitted applications for registering uncertified engines into the Statewide Program. This list will allow the districts to identify and evaluate whether these engines were operating without district permits and take appropriate actions against those operators.

1.9 <u>Comment</u>: The proposed PERP amendments need to be harmonized and fully aligned with the federal regulatory provisions affording much-needed flexibility to nonroad equipment manufacturers under the Transitional Program for Equipment Manufacturers ("TPEM"). [EMA]

Agency Response: ARB staff has modified section 2456(d)(5) so that engines built under the TPEM flexibility provisions pursuant to 40 CFR part 89 or Title 13 of the California Code of Regulations are not subject to the most stringent emission standard requirement. Therefore, engines manufactured under the flexibility provision qualify for registration under the Statewide Program.

1.10 <u>Comment</u>: The commenter is concerned with the requirement in the Statewide Regulation that may force the retirement of pre-Tier 1 engines in 2010 that were manufactured under the flexibility provision. [EMA]

Agency Response: The original Statewide Regulation, which was adopted in 1997, had the requirement of only allowing certified engines in the program beginning in 2010. The goal was to have only the certified engines operating in the program in 2010. This goal remains today. ARB staff believes that allowing pre-Tier 1 engines to continue operating after 2010 would impact the emission reduction targets included as part of the original Statewide Regulation.

# 2. <u>Definitions</u>

2.1 <u>Comment:</u> In section 2452(00) the definition of "volatile organic compound" should be consistent with the federal definition and should simply cite the EPA definition. [NAV]

<u>Agency Response:</u> There are slight differences in the federal and State definition of "volatile organic compound". The definition used for this regulation is consistent with the definition of "volatile organic compounds" used in other regulations adopted by the Board.

2.2 <u>Comment:</u> The definitions of "stationary versus portable" should be clarified such that it is clear that mobile equipment is classified as portable. [KJC]

Agency Response: ARB staff believes that no further clarification of these definitions is necessary. Portable is defined as residing at the same location for less than 12 consecutive months. Any engine or equipment unit that operates 12 months or more at a single location would be considered a stationary engine at that source.

2.3 Comment: The commenter is concerned that the definition of "Equivalent Replacement" is eliminated and "Identical Replacement" is left in. The example given is with rock crushing and recycling operations where conveyors are used. Conveyors are manufactured by local welding shops and are not given a manufacturer or model number. If a conveyor needs to be replaced, the commenter believes that the definition of equivalent replacement is a better fit than identical replacement. [TAI]

Agency Response: No change was made in response to this comment. Under the definition of "identical replacement", a conveyor could be replaced provided it was the same type and had the same rated capacity as the conveyor being replaced.

# 3. Monitoring, Recordkeeping, Reporting

3.1 <u>Comment:</u> All portable equipment that has time or fuel-use limitations should be required to have non-resettable hour and/or fuel-use meters for improved enforceability of the Statewide Regulation. [CAPCOA]

Agency Response: The regulation has been modified to require portable equipment new to the Statewide Program that are subject to hour limitations to install non-resettable hour meters. Likewise, portable equipment new to the program and subject to fuel usage limitations are required to install fuel flow meters.

3.2 <u>Comment:</u> The commenter recommends that, where technically feasible and necessary to verify compliance with operational limits, registered equipment units have monitoring devices to measure mass or volume throughputs and that these monitoring devices be maintained in good working order. [SDCAPCD]

Agency Response: No change was made in response to this comment. The Statewide Regulation currently requires operators of equipment units to maintain daily records of total process weight or throughput. The operators are required to have a monitoring device to measure mass or volume associated with the operation of equipment units. The operators are responsible for maintaining and ensuring that the monitoring devices are in good working order.

3.3 Comment: The Statewide Regulation preempts the districts from permitting or registering portable engines if these engines are registered in the Statewide Program. Some owners and operators of portable engines such as military tactical support operators, have interpreted this to mean that they are not required to submit fuel usage data to the districts for preparing accurate emission inventories and evaluating toxic impacts as mandated by AB 2588. Since the districts need reliable information, the

commenter recommends, at a minimum, that annual facility-wide fuel use information be required for those engines. [SDCACPD]

Agency Response: No changes were made in response to this comment. Under State law, the districts have authority to collect annual fuel usage or other data from facility operators, including military tactical support operators, for the purposes of developing emission inventories and evaluating toxic impacts. To the extent recordkeeping is required under the Statewide Program, the districts can obtain copies of those records. However, where recordkeeping is not required under the Statewide Regulation, districts can only request records to the extent they are available for equipment registered under the Statewide Program.

3.4 <u>Comment:</u> The commenter recommends that the daily log requirements in section 2458 subpart (b) and (c) should be removed (except for section 2456(g) for emergency portable generators). The reason is that the costs of maintaining and organizing the logs, as well as employee training to fill out the logs outweighs their environmental value. [PG&E]

Agency Response: No changes were made in response to this comment. The proposed amendment to the recordkeeping and reporting requirements, including daily logs, were developed in consultation with affected stakeholders. Maintaining daily logs are necessary to ensure the enforceability of hourly or fuel use limits, as well as the daily emission limits for carbon monoxide, particulate matter, and oxides of nitrogen that are contained in section 2456(g).

3.5 <u>Comment:</u> The recordkeeping for "emergency operations" in section 2458 (b) should apply at the first visit after the emergency operation. [NAV]

Agency Response: No changes were made in response to this comment. For enforceability purposes, ARB staff believes that it is necessary to record the date and the time when a generator is turned on and off when they are operated during emergency or unforeseen events. As indicated in their comment letter, the facility operator indicated that log sheets for generators are maintained with the equipment. ARB staff believes that minimal time and resources is needed to record the necessary information that is required for the operation of a generator during emergencies or unforeseen events.

3.6 <u>Comment:</u> The words "<u>during days of operation</u>" should be added in section 2458 to clarify that log entries are only needed when equipment has actually been used. [NAV], [PG&E]

<u>Agency Response</u>: No changes were made in response to this comment. ARB staff agrees that the daily log entries only need to be completed on

days when the engines are operated. This issue will be clarified in an implementation guidance document being developed by ARB staff.

3.7 <u>Comment:</u> The proposed recordkeeping and reporting amendments will increase cost and labor and will result in extensive and unnecessary paperwork for business owners with little reward and will limit participation. [VCI], [COLAB]

Agency Response: No changes were made in response to this comment. ARB staff does not believe that the proposed amendments to the recordkeeping and reporting requirements will result in extensive and unnecessary paperwork for business owners. The amendments clarify the methods (non-resettable hour meters or fuel flow meters) to be used to maintain daily records for those operators who are subject to daily recordkeeping requirements. Also, the amendments require operators to maintain daily records of the location, date of operation, and hours of operation for generators used to provide power to a building or stationary source during emergencies and unforeseen power interruptions.

The proposed amendments to the recordkeeping and reporting requirements were developed in consultation with affected stakeholders, including members from the construction industry, local, state, and federal agencies, the entertainment industry, the oil and gas well services industry, and rental equipment industry. In general, recordkeeping and reporting requirements contained in the Statewide Regulation are the minimum requirements necessary to ensure the enforceability of the regulation for uncertified engine operators.

# 4. Notification

4.1 <u>Comment:</u> Notification should occur more frequently than after five days of operation. The delay in notification effectively prevents the local air districts from conducting inspections and likely encourages the use of unregistered equipment. Operators should be required to provide, at a minimum, same day notification for all portable equipment operations within the air districts. A centralized ARB-operated notification clearinghouse should be developed where equipment operators would provide notification of their operations. [CAPCOA], [SMAQMD]

Agency Response: No changes were made in response to this comment. The five-day notification requirement was negotiated between ARB and the districts during the initial development of the Statewide Regulation in 1997. At the February 26, 2004 hearing, the Board considered the same day or next day notification proposal from CAPCOA. The Board determined that same day or next day notification was overly burdensome and costly to the operators of portable equipment, especially in cases

where an engine is operated in two or three districts during a working day. In general, portable engines are mobile and operate for short duration at a given site. Most likely, the engine may be gone from a job site before the districts can get out to the site and inspect the engine. Staff believes that the five-day notification requirement is still appropriate considering how portable engines are operated.

In addition, a centralized notification system is not necessary because it is more efficient for the districts to receive the notifications directly from the engine operators, rather than for ARB staff to receive the notification and then transmit the information to the districts. The development and ongoing maintenance of a centralized clearinghouse is resource intensive. The effectiveness of this clearinghouse would greatly depend on the participation of the equipment operators, which is not guaranteed. For a web-based clearinghouse, most operators do not have access to a computer or an internet provider in the field to make a notification.

4.2 <u>Comment:</u> The exemption from notification requirement for rental fleets of portable engines rated less than 200 horsepower should be removed. [CAPCOA]

Agency Response: No changes were made in response to this comment. The exemption from notification requirements for small rental engines was negotiated between ARB and the districts during the initial development of the Statewide Regulation in 1997. The exemption minimizes the impacts of multiple notifications to districts by renters of small portable engines. ARB staff believes that the exemption is still valid.

4.3 <u>Comment:</u> Portable engines being used as "identical replacements" should be registered and the operators should be required to notify the appropriate air district. [CAPCOA]

Agency Response: The identical replacement provision covers a situation where a company needs to bring in an unregistered engine to replace a broken or failed registered engine in order to keep operations going with minimal down time. The amendment to the Statewide Regulation requires operators who want to replace a registered engine with an identical unregistered replacement engine to submit an application to ARB to have the replacement engine registered in the program. An operator is not able to operate the replacement engine under the Statewide Program until ARB staff deems the application complete.

4.4 <u>Comment:</u> The notification requirements in section 2459 should be removed. [PG&E]

Agency Response: ARB staff is not proposing to remove the notification requirements as requested by PG&E. The notification requirements contained in the Statewide Regulation are necessary to assist districts with the enforcement of the program. The only proposed change in the notification requirements is a clarification that operators of portable equipment moving back into their designated home district are not subject to notification requirements, provided that the home district is identified at the time of registration. The change is to reduce the number of notifications that a company would have to make when they are moving equipment back to their home district.

4.5 Comment: The Motion Picture Association of America (MPAA) is concerned about the California Air Pollution Officers Association comment requesting same day notification whenever portable equipment is used within an air district. They believe that this is an extremely onerous requirement given the amount of equipment in use and increases the cost of doing business in this state and urge the Board to retain the present notification requirements. [MPAA]

Agency Response: No changes were made in response to this comment. At the hearing, the Board considered the same day notification proposal from CAPCOA. The Board determined that the proposal was overly burdensome and costly to the operators of portable equipment, especially in cases where an engine is operated in two or three districts over the course of a day.

# 5. Fees

5.1 <u>Comment:</u> The current inspection fee does not allow the districts to fully recover their costs when inspecting state registered equipment. ARB should increase the inspection fee in section 2461 of the PERP regulation. [SDCAPCD], [CAPCOA]

Agency Response: The Board directed ARB staff to work with the districts and affected parties to develop a fee schedule that allow the districts to recover their costs to enforce the Statewide Program. Staff has held a public workshop and had meetings with the districts and affected industries to discuss district fees. The work to resolve the issues is ongoing between all parties and resolution is hopeful.

5.2 <u>Comment:</u> North Star Minerals is opposed to the proposed registration and renewal fee increase of three hundred percent. [NSM]

Agency Response: As specified in Health and Safety Code section 41752(d), ARB is authorized to charge fees to cover the cost of implementing the program. To recover costs needed to implement the

program, ARB staff proposes to increase initial registration fees from \$30 to \$90 per year and renewal fees from \$30 to \$75 per year. Even with the program fee increases, the costs to register or renew a portable engine in the Statewide Program are considerately less than district permit and renewal fees. As an example, the costs for district permits in California for a 500 horsepower engine can range from \$150 to \$2,200 and renewal fees can range from \$90 to \$1,000 per year. District permit costs are even higher if permits are required in multiple districts. Under the Statewide Program, you can operate a portable engine throughout the State once that engine is registered in the program at no additional cost.

5.3 <u>Comment:</u> In order to provide sufficient funds, the district inspection fee should be "capped" at \$175 per inspection. In addition, there should be an annual "Local Program" fee of \$75 per engine per year. [CAPCOA], [SMAQMD]

Agency Response: As directed by the Board, ARB staff is continuing to work with CAPCOA and affected industries to establish a district fee schedule sufficient to recover the costs of enforcing the Statewide Regulation.

5.4 <u>Comment:</u> Any fee increase should be carefully considered in light of program efficiency and true program cost. [VCI], [COLAB]

Agency Response: At the hearing, the Board carefully considered the fee increases in light of program efficiency and program cost and adopted the fee increases. As specified in Resolution 04-8, the Board found that the proposed amendments allow the ARB to fully recover costs to implement and enforce the program.

5.5 <u>Comment:</u> Increased fees would limit additional participation in the Statewide Program. [VCI], [COLAB]

Agency Response: ARB staff does not believe that the increased fees would limit additional participation in the Statewide Program. Compared to district permit and renewal fees, the registration fees are considerably less expensive. Although this program is a voluntary program, it provides additional flexibility to the operators by allowing them to operate throughout the state without having to obtain multiple district permits. Multiple district permits would add more costs to the engine operators. However, if an operator finds that it is less expensive to obtain district permits, then they can choose that option instead of registering in the Statewide Program

## 6. Outreach of Unregulated Engines

6.1 <u>Comment</u>: What is ARB's and the air districts' plan to identify unregulated engine owners. [PWS]

Agency Response: ARB's Enforcement Division and the local districts have implemented a statewide inspection program for portable engines and associated equipment. As part of this effort, focus is being placed on the equipment that may be operating without district permits or statewide registration. Since the Statewide Program is voluntary, the districts are taking the necessary enforcement actions, including non-compliance penalties, for operators operating without district permits. Those operators would have to comply with district permitting requirements.

6.2 <u>Comment:</u> Participation in the program is very low, with only 1/3 of all eligible equipment currently registered. CAPCOA recommends ARB should enhance outreach, reporting procedures and resources to increase compliance. [CAPCOA]

<u>Agency Response:</u> As the Board directed, ARB staff is developing an outreach program for portable engines and equipment units. Because the Statewide Program is voluntary, ARB staff will work closely with local districts to enhance outreach to affected parties.

# 7. Toxics

7.1 <u>Comment:</u> Equipment registered in the Program must be required to minimize emissions of, and exposure to, toxic air contaminants to the maximum degree feasible. [CAPCOA]

Agency Response: The proposed amendments to the Statewide Regulation were developed in conjunction with the Portable Engine ATCM. The strategy used by ARB staff in these two rulemaking efforts was to establish an orderly timeline to replace in-use portable engines with cleaner engines over time; thereby, reducing emissions of and exposure to toxic air contaminants to the maximum degree feasible. Retrofit controls are not currently available or have not been verified in accordance to the "Verification Procedures for In-Use Strategies to Control Emissions from Diesel Engines" in Title 13, CCR, commencing with section 2700.

The current Statewide Regulation and the Portable Engine ATCM require, by January 1, 2010, all portable engines operating in California to meet at U.S. EPA or ARB nonroad emission standards. In addition, the Portable Engine ATCM requires all portable engines operating in the State,

including registered engines, to meet progressively more stringent fleet average standards in 2013, 2017, and 2020. To meet the more stringent standards, the engines will have to be either replaced or retrofitted with a verified technology. By 2020, ARB staff estimated that overall, diesel PM emissions and exposures from portable engines will be reduced by 95 percent and both NOx and ROG emissions will be reduced by nearly 80 percent.

7.2 <u>Comment:</u> Engines registered in the program must provide sufficient information for their potential risks to be assessed consistent with the requirements of the Air Toxics Hot Spots Information and Assessment Act in order to protect sensitive receptors. [CAPCOA]

Agency Response: No changes were made in response to this comment. Facilities subject to the Air Toxics Hot Spots Information and Assessment Act should be accountable for emission activities onsite, including emissions from Statewide registered equipment where its activities are routine and predictable. It is the responsibility of the facility to collect the emission information from activities that occur within its boundaries.

7.3 Comment: Registered equipment should be required to install feasible controls as soon as they become available to minimize emissions of, and exposure to, toxic air contaminants to the maximum degree feasible.

Controls for portable equipment should be actively promoted, verified and certified as expeditiously as possible. [CAPCOA]

Agency Response: See agency response to Comment 7.1. Also, ARB staff is committed to verifying retrofit controls for in-use portable diesel engines as expeditiously as possible provided equipment manufacturers submit applications to ARB for verification. ARB staff has worked diligently with control equipment manufacturers to encourage pursuit of verification for retrofit systems. While there have been verified control technologies for stationary engines, no control technologies have been verified at this time for use on portable engines.

Because there are no verified technologies for portable engines, the most effective option for ARB staff in developing the amendments to the Statewide Regulation and the Portable Engine ATCM was to reduce emissions from portable engines through the replacement of older dirtier engines with newer cleaner engines. In the coordinated rulemaking, ARB staff retained January 1, 2010, as the date for only allowing portable engines that meet U.S. EPA or ARB nonroad emission standards to continue operating in the state.

For the long term, the Portable Engine ATCM allows time for the development of retrofit control technologies to reduce emissions from

portable engines. ARB staff will conduct a technology review for portable engines no later than 2008. If the technology review determines that retrofit technologies are available, then the schedule for implementation of the fleet averages may be revised to take advantage of the availability of the technologies.

7.4 <u>Comment:</u> The regulation should establish a platform to better assess and reduce health risks from these sources because portable equipment represents a significant portion of the ambient cancer risk from diesel particulate. [CAPCOA]

Agency Response: With the tools available today, it is difficult to evaluate health risks from portable diesel-fueled engines. The current methodologies for evaluating health risk are based upon exposure to the emissions of a source for 24 hours a day over 70 years. In contrast, by definition, portable engines do not operate in one location for more than 12 months. For most projects using portable diesel-fueled engines, the engines operate less than five days. Consequently, ARB staff does not believe a method to evaluate health risks from portable equipment can be developed that would provide meaningful results. ARB staff believes a more effective approach is to focus on the expedited replacement of engines with new lower emitting engines, thereby reducing emissions and any associated public health risks.

# 8. Operation of Portable Engines Around Schools

8.1 <u>Comment:</u> CCEEB questions whether a special provision for the operation of portable engines around schools is necessary and feasible in the Statewide Regulation and concurs with staff to not include a schools provision at this time. [CCEEB]

<u>Agency Response</u>: At the hearing, the Board directed staff to consider the feasibility of further reducing emissions near schools and to report back to the Board on those efforts. ARB staff is continuing to evaluate potential options for the operation of portable engines near schools and will make recommendations to the Board at a later date.

8.2 <u>Comment</u>: MPAA supports the ARB staff's proposal to continue to study the use of portable engines near schools. MPAA requests that any restrictions for portable engines operated near schools recognize the mobile and unpredictable nature of making motion pictures. In addition, MPAA requests that the definition of school be clarified to not include parking lots and to exclude employer sponsored schools from requirements that affect the use of portable engines near schools. [MPAA]

<u>Agency Response</u>: As directed by the Board, ARB staff is evaluating potential options for reducing diesel PM emissions from portable dieselfueled engines that operate near schools and will make recommendations to the Board at a later date.

8.3 <u>Comment</u>: Supports the inclusion of additional requirements to further limit the emissions from portable diesel-fueled engines operating near schools. [MPAA]

<u>Agency Response</u>: As indicated above, ARB staff is assessing the options for reducing diesel PM emissions from portable diesel-fueled engines that operate near schools and will make a recommendation to the Board at a later date.

# 9. General Comments

9.1 <u>Comment</u>: The processing time for certified engines should remain within the 30-day period. [PWS]

Agency Response: The current Statewide Regulation allows ARB staff 90 days to process and approve a portable engine application. ARB staff has been able to process certified engine applications within a 30-day period and will make every effort to maintain that processing time. However, in anticipation of an increased workload from new applications as a result of the amendments, ARB staff is proposing to retain the 90-days timeframe for certified engines and extend the processing time for uncertified resident engines to 180 days. The processing time extension for uncertified resident engines will last until December 31, 2005. After that date, the Statewide Regulation reverts to the 90-day timeframe to approve both certified and uncertified engines.

9.2 <u>Comment:</u> The emission standards that are specified in section 2456 need to be more specific. [NAV]

Agency Response: No changes were made in response to this comment. The emission standards specified in section 2456 reference 40CFR86, 40CFR89, and Title 13 of the California Code of Regulations. Because engine emission standards established in these regulations are periodically updated, reference to these regulations is necessary to avoid having to unnecessarily amend the Statewide Regulation each time there is a change.

9.3 <u>Comment:</u> Registered Tactical Support Equipment (TSE) should not be included in a facilities emission inventory. Section 2456(I) should be modified to read "<u>Further, emissions from registered TSE shall not be</u>

included in Title V or New Source Review applicability determinations, or in a facilities emissions inventory." [NAV]

<u>Agency Response:</u> No changes were made in response to this comment. Under existing authority, districts are responsible for developing complete emission inventories for sources under their jurisdiction. This would include emission sources, such as TSE, which operate within district permitted stationary sources.

9.4 <u>Comment</u>: In lieu of reopening PERP to allow illegal engines to obtain statewide registration, air districts should reopen their regulations to allow permitting of older engines. [PWS]

Agency Response: No changes were made in response to this comment. ARB staff believes that regardless of whether engines are allowed into the Statewide Program or permitted by local districts, significant emission reductions will be achieved resulting in cleaner air and reduced public exposure to toxic air contaminants.

9.5 <u>Comment:</u> The existing state Portable Equipment Registration Program has resulted in excess emissions. [CAPCOA]

Agency Response: No changes were made in response to this comment. ARB staff strongly disagrees with this comment. The Statewide Program has resulted in over 20,000 engines and equipment units being registered in the Statewide Program. The majority of this equipment has been operating without district permits prior to coming into the Statewide Program. Staff's analysis shows that under the Statewide Program engines are being replaced with cleaner lower emitting engines at an accelerated rate resulting in significant reductions of NOx and PM emissions. Furthermore, when the fleet averaging standards become effective starting in 2013, additional significant emission reductions of criteria and toxic air pollutants will be achieved under the Statewide Program.

9.6 <u>Comment:</u> The regulation should clarify that portable equipment operated at locally permitted or Title V facilities in any manner that supplements, replaces, or operates in concert with permitted equipment or is used in power generation, the portable equipment registration is invalid and a permit to operate is required. [CAPCOA]

Agency Response: No changes were made in response to this comment. Portable equipment that operates at a stationary source does not automatically become ineligible under the Statewide Program, even if the source is subject to Title V. For this reason, registered engines can operate at stationary sources such as airports and wastewater treatment

facilities, provided the engines remain portable within the stationary source. However, the Statewide Regulation as currently drafted, allows the Executive Officer to determine on a case-by-case basis if an engine or equipment unit qualifies as part of a stationary source. Where it is determined that an engine or equipment unit is part of a stationary source, the Statewide Registration can be revoked or a registration application denied.

9.7 <u>Comment:</u> The commenters are concerned with CAPCOA's comment that when portable equipment is operated at a locally permitted or Title V facility that supplements, replaces or operates in concert with permitted equipment or is used for power generation, the portable registration are invalid and a permit to operate is required. [TAI], [MPAA]

Agency Response: (See above response to Comment 9.6).

9.8 <u>Comment:</u> The registration documents margin size and type font should be decreased. [PG&E]

<u>Agency Response:</u> No changes were made in response to this comment. Staff evaluated the margin size and type font of the registration documents and determined them to be appropriate.

9.9 <u>Comment:</u> The registration period should be increased from three to five years, or include the option of registering for three, five or even seven years. [PG&E]

Agency Response: In response to this comment, ARB staff modified section 2462(a) and Table 2 of the Statewide Regulation (Fee Schedule) to allow program participants to select either three-year or a five-year registration and renewal schedules.

9.10 <u>Comment:</u> In some cases, the manufacturer's nameplate on a portable equipment unit may be missing or the nameplate is illegible. The commenter suggests that, additional language should be added in section 2453 (g)(5) to allow an engine owner to submit an owner operator unique identification code if specific detailed information about the engine is missing. Missing information on the nameplate includes engine make and model, manufacture year, rated brake-horsepower, throughput, capacity, emission control equipment, and serial number. The suggested language is as follows: "and an internal owner operator unique identifier code.

Should some or all of the information be missing the owner/operator may submit instead an owner/operator unique identification code provided that the identification code is clearly visible and permanently affixed to the unit." [PG&E]

Agency Response: No changes were made in response to this comment. To ensure enforceability, the manufacturer's nameplate on an engine is very important in determining if an engine is uncertified or certified. Uncertified engines have additional recordkeeping and reporting requirements and are on track to be replaced in 2010 with a certified engine by an engine operator. More importantly, after December 31, 2005, the nameplate allows determination whether an engine qualifies to be registered under the Statewide Program. The engine owner needs to contact the manufacturer for a replacement nameplate.

If the nameplate is illegible or in a location where the nameplate information is not visible, ARB staff will allow the engine into the Statewide Program; however, the information on the nameplate will have to be provided by the owner to ARB staff at a later specified date.

9.11 Comment: The requirements in sections 2457(b)(2)(e) and (b)(3)(I) for mitigating dust from roads and open areas is too broad. Section 2457(b)(2)(e) and (b)(3)(I) should be revised to read: "Open areas and roads subject to vehicular traffic within the portable equipment project site shall be paved, watered, or chemical palliatives applied to prevent fugitive emissions in excess of 20 percent opacity or Ringelman 1." [NAV]

<u>Agency Response:</u> ARB staff did not change this section as requested by the commenter. The requirements in the Statewide Regulation for mitigating dust from roads and open areas are consistent with the requirements that the districts have on their permits.

9.12 <u>Comment</u>: PG&E requests confirmation that the use of portable equipment will be allowed under the Statewide Program for facility electrical upgrades, routine and non-routine transmissions and equipment and upgrades at small towns and industrial complexes, routine and non-routine transmissions and equipment and upgrades at generating facilities, and electrical supplies to new industrial, commercial, or housing developments. [PG&E]

Agency Response: No changes were made in response to this comment. Because the above activities are planned in advance, ARB staff believes that it is appropriate for these operators to apply to the districts for permits. There is no information provided as to the duration that these generators are operated or the size (power ratings) of the generators that are used in these activities. By applying for permits, district staffs can evaluate and mitigate any potential air quality impacts from the use of portable equipment in each of the activities.

# B. Responses to Comments Received During the 15-Day Public Comment Period on Modifications to the Proposed Amendments to the Statewide Regulation

GM George Merino

Written Testimony: May 26, 2004

GHA Gene Hosford

Gene L. Hosford Associates

Written Testimony: May 25, 2004

GGA Ronald E. Suess

Geysers Geothermal Association

Written Testimony: May 28, 2004,

PG&E Sven Thesen

Pacific Gas and Electric Company

Written Testimony: June 1, 2004

ST/KK Sven Thesen and

Kathleen Kramer

Written Testimony: June 1, 2004

# 10. General Comments Received During the 15-Day Comment Period

10.1 Comment: Government regulations are too restrictive. (GM)

Agency Response: California has a very serious air quality problem and many areas around the State are unable to meet the required State and federal ambient air quality standards for various air pollutants, including ozone. In order to protect public health, air quality regulations have been and are being developed to reduce emissions using best available control technology and taking into consideration, the costs to the public and affected industries. Although the Statewide Program is voluntary, the program allows owners of portable engines the flexibility to operate portable equipment throughout the State and is less expensive than having to obtain district permits.

10.2 <u>Comment:</u> Owner/operator operates a generator that powers a portable screen at a sand and gravel quarry and is concerned that the engine will lose its registration due to the proposed changes. (GHA)

Agency Response: As a point of clarity, a generator used to power a portable screen at a sand and gravel plant was proposed to lose its registration as a result of the proposed change in section 2451(c)(5)(E). However, as directed by the Board, ARB staff reevaluated the impact to the proposed amendment contained in section 2451(c)(5)(E). Due to a small number of engines and small impact on emissions, ARB staff is now

proposing to withdraw the amendment proposed in section 2451(c)(5)(E). This will allow those engines to remain eligible under the Statewide Program. Staff is proposing to add section 2456(j), which requires engines new to the Statewide Program and are used to power equipment that are permitted by the districts or equipment that is ineligible for registration, to meet a federal or California standard for newly manufactured non-road engines.

10.3 Comment: The proposed amendment to section 2453(e) would temporarily provide a 180-day processing time for engine applications. The longer processing would cause negative economic impacts to prospective applicants since they would be unable to use the portable engines until they received the registration. The commenter recommends that an interim registration be granted once the application has been received and it has been confirmed that the engine is the appropriate certified unit. (GGA)

ARB Response: No changes were made in response to this comment. Currently, ARB staff is processing certified engine applications and sending out the registrations in less than 30 days. Notifying a company of interim registration and sending the necessary documentation would take valuable staff time and resources away from completing the original registration applications.

The proposal to extend the processing time to 180 days applies only to uncertified resident engines. The extension was proposed in anticipation of a large number of applications that are expected from operators of uncertified resident engines. The 180 days processing period for resident engines lasts until December 31, 2005, and after the date, the processing period reverts back to a 90-day timeframe for completing registration applications. ARB staff will make every effort to maintain the processing of certified engine applications within the 30-day timeframe for certified engines. Staff also plans to complete resident engine applications in a timeframe substantially less than 180 days.

10.4 <u>Comment:</u> Section 2451 should be modified to allow an exemption for the use of generators used for electrical or other upgrades of the grid. [PG&E]

Agency Response: No changes were made in response to this comment. Upgrades of the electrical grid are planned operations and involve the use of large generators for a significant period of time to feed and maintain the grid. The use of portable generators to feed the electrical grid can result in potential air quality impacts, especially, in an urban area. Because these are planned operations, we believe that is appropriate to require the utility companies that operate these generators to obtain permits from the

districts. The districts can then evaluate and require mitigation measures to minimize any air quality impacts from these generators.

10.5 <u>Comment:</u> Section 2451(c)(5)(D) should be modified to add that the operation of registered generators shall not exceed the time of the actual interruption of power <u>plus a reasonable time for engine start-up</u>, shutdown, and testing. [PG&E]

Agency Response: The operation of a portable engine during an actual electrical interruption includes the starting and shutting down of the engine; however, the testing of the engine should not be included during an actual interruption of power because it can be performed during periods of non-emergency interruptions.

10.6 <u>Comment:</u> The registration documents margin size and type font should be decreased. [ST/KK]

<u>Agency Response:</u> No changes were made in response to this comment. Staff evaluated the margin size and type font of the registration documents and determined it is appropriate.

C. Responses to Comments Received During the Second 15-Day Public Comment Period on Modifications to the Proposed Amendments to the Statewide Regulation

ARB staff issued a second 15-day notice on modifications to the proposed amendments to the Statewide Regulation regarding a proposal to increase certain fees for the local air districts and to provide a list of references used in the rulemaking. ARB staff decided to withdraw the proposal discussed in the second 15-day notice. Therefore, ARB staff will not need to respond to public comments submitted regarding the proposed modifications to the uniform district fee schedule.

Staff also needs to correct the dates on two of the references listed in the second 15-day notice.

The incorrect reference dates are:

CARB, 2001. California Air Resources Board. *Policies and Actions for Environmental Justice*. Sacramento, California. April 2001.

CARB, 2002b. California Air Resources Board. *Public Hearing to Consider Amendments to the Ambient Air Quality Standards for Particulate Matter and Sulfates*. May 2002.

The corrected reference dates are:

CARB, 2001. California Air Resources Board. *Policies and Actions for Environmental Justice*. Sacramento, California. December 2001.

CARB, 2002b. California Air Resources Board. *Public Hearing to Consider Amendments to the Ambient Air Quality Standards for Particulate Matter and Sulfates*. June 20, 2002.