



**ANTELOPE VALLEY AIR QUALITY MANAGEMENT  
DISTRICT**

**GOVERNING BOARD  
REGULAR MEETING**

**AGENDA**

TUESDAY, AUGUST 15, 2017  
10:00 A.M.

**LOCATION**

**AVAQMD District Office**  
43301 Division Street, Suite 206  
Lancaster, CA 93535  
661-723-8070

**BOARD MEMBERS**

Marvin Crist, Chair, City of Lancaster  
Ron Hawkins, Vice Chair, Los Angeles County  
Vern Lawson, Los Angeles County  
Ken Mann, City of Lancaster  
Steven Hofbauer, City of Palmdale  
Austin Bishop, City of Palmdale  
Newton Chelette, Public Member

**Call to Order – 10:00 a.m.**

Pledge of Allegiance.

Roll Call.

**Public Comments on any Agenda Item will be heard at the time of discussion of the Agenda Item. Public Comments not pertaining to Agenda Items will be heard during the PUBLIC COMMENT period, below.**

**1. PUBLIC COMMENT**

**CONSENT CALENDAR**

**The following consent items are expected to be routine and non-controversial and will be acted upon by the Board at one time without discussion unless a Board member, staff member or member of the public requests an item be held for discussion under DEFERRED ITEMS.**

2. Approve Minutes from Regular Governing Board Meeting of July 18, 2017.  
Presenter: Crystal Goree.
3. Monthly Activity Report. Receive and File. Presenter: Bret Banks.
4. Monthly Grant Fund Summary. Receive and File. Presenter: Bret Banks.
5. Approve payment to MDAQMD in the total amount of \$105,798.62, subject to availability of funds, for services provided during the month of June 2017.  
Presenter: Jean Bracy.

**ITEMS FOR DISCUSSION**

**DEFERRED ITEMS**

**PUBLIC HEARINGS**

6. Conduct a public hearing to consider the amendment of Rule 462 – *Organic Liquid Loading*: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the CEQA Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption amending Rule 462 – *Organic Liquid Loading* and directing staff actions. Presenter: Barbara Lods.

**NEW BUSINESS**

7. 1) Award an amount not to exceed \$50,000 in Mobile Source Emissions Reduction Program funds (AB 2766) to the Antelope Valley Fair Association for the purchase of a clean diesel pickup truck capable of operating on B20 biofuel; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames, technical project details, and execute an agreement, approved as to legal form. Presenter: Bret Banks.

## **ADMINISTRATIVE ITEMS**

8. **Reports:**

Governing Board Counsel.

Executive Officer/APCO, Staff.

9. **Board Member Reports and Suggestions for Future Agenda Items.**

Adjourn to Regular Governing Board Meeting of Tuesday, September 19, 2017.

If you challenge any decision regarding any of the listed proposals in court, you may be limited to raising only those issues you or someone else raised during the public testimony period regarding that proposal, or in written correspondence delivered to the Governing Board at, or prior to, the public hearing.

Due to time constraints and the number of persons wishing to give oral testimony, time restrictions may be placed on oral testimony regarding the above proposals. You may wish to make your comments in writing to assure that you are able to express yourself adequately.

***In compliance with the Americans with Disabilities act, if special assistance is needed to participate in the Board Meeting, please contact the Administrative Secretary during regular business hours at 661-723-8070, ext. 1. Notification received 48 hours prior to the meeting will enable the District to make reasonable accommodations.***

I hereby certify, under penalty of perjury, that this agenda has been posted 72 hours prior to the stated meeting in a place accessible to the public. Copies of this agenda and any or all additional materials relating thereto are available at the District Office at 43301 Division Street, Suite 206, Lancaster, CA 93535 or by contacting the Administrative Secretary at 661-723-8070, ext. 1 or by email at [cgoree@avaqmd.ca.gov](mailto:cgoree@avaqmd.ca.gov)

**Mailed & Posted on: Friday, 8/4/17.**

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Crystal Goree, Administrative Secretary

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
GOVERNING BOARD**

**\*\*\*\*NOTICE OF REGULAR MEETING\*\*\*\***

**NOTICE IS HEREBY GIVEN** that the **Governing Board of the Antelope Valley Air Quality Management District (District)** will conduct a **Regular Meeting on Tuesday, August 15, 2017 at 10:00 a.m.**

**SAID MEETING** will be conducted in the **Antelope Valley Air Quality Management District Offices Conference Room, 43301 Division Street, Suite 206, Lancaster, California, 93535.** Interested persons may attend and submit oral and/or written comments/statements at the meeting. It is requested that written comments/statements be submitted prior to the meeting.

A copy of the Agenda will be duly posted and may also be reviewed at the office of the **Antelope Valley Air Quality Management District, 43301 Division Street, Suite 206, Lancaster, California 93535.**

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
GOVERNING BOARD**

**CRYSTAL GOREE**  
**ADMINISTRATIVE SECRETARY**  
**PHONE: (661) 723-8070, Ext. 1.**

Mailed and Posted: **Friday, 8/4/17**  
**DATE**

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
GOVERNING BOARD MEETING  
TUESDAY, JULY 18, 2017  
ANTELOPE VALLEY DISTRICT OFFICE  
LANCASTER, CA**

**MINUTES**

Board Members Present:

Marvin Crist, Chair, City of Lancaster  
Ron Hawkins, Vice Chair, Los Angeles County  
Steve Hofbauer, City of Palmdale  
Austin Bishop, City of Palmdale  
Vern Lawson, Los Angeles County  
Ken Mann, City of Lancaster  
Newton Chelette, Public Member

**CALL TO ORDER**

Chair Crist called the meeting to order at 10:00 a.m. Board Member **HOFBAUER** led the Pledge of Allegiance. Roll call was taken.

**PUBLIC COMMENT**

**Agenda Item #1**

None.

**CONSENT CALENDAR**

**Agenda Item #2 - Approve Minutes from Regular Governing Board Meeting of June 20, 2017.** Presenter: Crystal Goree.

Upon Motion by **CHELETTE**, Seconded by **HOFBAUER**, and carried unanimously, the Board **Approved** Minutes from Regular Governing Board Meeting of June 20, 2017.

**Agenda Item #3 – Monthly Activity Report. Receive and file.** Presenter: Bret Banks.

Upon Motion by **CHELETTE**, Seconded by **HOFBAUER**, and carried unanimously, the Board Received and Filed Monthly Activity Report.

**Agenda Item #4 – Monthly Grant Fund Summary. Receive and file.**

Presenter: Bret Banks.

Upon Motion by **CHELETTE**, Seconded by **HOFBAUER**, and carried unanimously, the Board Received and Filed Monthly Grant Fund Summary.

**Agenda Item #5 - Receive and file the Financial Report for FY 17, the period April 2017 which provides financial information and budget performance concerning the current fiscal status of the District.** Presenter: Jean Bracy.

Upon Motion by CHELETTE, Seconded by HOFBAUER, and carried unanimously, the Board Received and Filed the Financial Report.

**Agenda Item #6 - Approve payment to MDAQMD in the total amount of \$105,593.75, subject to availability of funds, for services provided during the month of May 2017.** Presenter: Jean Bracy.

Upon Motion by CHELETTE, Seconded by HOFBAUER, and carried unanimously, the Board Approved payment to MDAQMD in the total amount of \$105,593.75, subject to availability of funds, for services provided during the month of May 2017.

## **ITEMS FOR DISCUSSION**

### **DEFERRED**

None.

## **PUBLIC HEARINGS**

**Agenda Item #7 - Conduct a public hearing to consider the amendment of Regulation III – Fees: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the CEQA Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending the Regulation and directing staff actions.** Presenter: Bret Banks.

Chair Crist opened Public Hearing. Bret Banks shared background information and staff report. Discussion ensued. Mr. Banks answered questions from the Board. Board Member MANN commented that historically, the District has not raised any fees, stating that the fee increase will allow the District to be more commensurate in supporting District work and programs. Chair Crist solicited public comment. There was no public comment. Chair Crist closed public hearing. Upon Motion by HAWKINS, Seconded by HOFBAUER, and carried unanimously, the Board received staff report; made a determination that the CEQA Categorical Exemption applies; waived reading of Resolution; adopted Resolution #17-05, making appropriate findings, certifying the Notice of Exemption, amending the Regulation and directing staff actions.

## **NEW BUSINESS**

**Agenda Item #8 - 1) Award an amount not to exceed \$134,310 in Carl Moyer Program and Mobile Source Emission Reductions Program (AB 2766) funds to Hemme Hay and Feed for the replacement of three older heavy-duty diesel vehicles with one newer clean diesel engine vehicle; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.** Presenter: Bret Banks.

Bret Banks shared background information, staff recommendation and answered questions from the Board. Upon Motion by **HAWKINS**, Seconded by **BISHOP** and carried unanimously, the Board awarded an amount not to exceed \$134,310 in Carl Moyer Program and Mobile Source Emission Reductions Program (AB 2766) funds to Hemme Hay and Feed for the replacement of two or three older heavy-duty diesel vehicles with one newer clean diesel engine vehicle; and authorized the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

**Agenda Item #9 - 1) Award an amount not to exceed \$18,520 in Mobile Source Emission Reductions Program (AB 923) funds to Palmdale Water District toward the purchase and installation of Electric Vehicle Charging Stations; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.** Presenter: Julie McKeehan.

Julie McKeehan shared background information and staff recommendation. Upon Motion by **LAWSON**, Seconded by **CHELETTE** and carried unanimously, the Board awarded an amount not to exceed \$18,520 in Mobile Source Emission Reductions Program (AB 923) funds to Palmdale Water District towards the purchase and installation of Electric Vehicle Charging Stations; authorized the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

## **ADMINISTRATIVE ITEMS**

### **Agenda Item #10 - Reports**

Governing Board Counsel – None.

Executive Director/APCO – Bret Banks shared presentation on the Wildfire Smoke Impacts on the Antelope Valley. Mr. Banks shared information regarding smoke advisories and recent wildfire locations.

Bret Banks provided an update on the Palmdale Energy Project (PEP), stating that the Presiding Member's Proposed Decision by the California Energy Commission Committee assigned to review the PEP will conduct a Committee Conference to receive comments on the project on Monday, 7/24/17, 10:00 a.m. at the California Energy Commission offices in Sacramento, CA.

Bret Banks provided an update on the Palmdale Energy Project (PEP). The U.S. Environmental Protection Agency – Region IX will provide an overview of the proposed project to answer questions related to air quality impacts. The meeting will be held at Steve Owen Memorial Park, Stanley Kleiner Activity Center on Saturday August 5, 2017 from 10:00 am-11:30 am.

Bret Banks provided information on the A.V. Valley Fever Walk, stating that the first annual walk will be held at Apollo Park, Lancaster, CA, 8:00 am until 12 noon, Saturday 8/12/17. The event is free and open to the public.

The meeting was adjourned at 10:30 a.m. to the District's 20<sup>th</sup> Anniversary Celebration. Our next regularly scheduled Governing Board Meeting will be held on Tuesday, August 15, 2017.

### **CELEBRATION**

#### **Antelope Valley Air Quality Management District 20<sup>th</sup> Anniversary, July 18, 2017.**

- I. Opening comments and background information provided by Bret Banks. Mr. Banks provided information on the history and establishment of the District and acknowledged colleagues that were implemental in the process. Mr. Banks shared a letter from Brad Poiriez, Executive Director, Mojave Desert AQMD, congratulating the District on its monumental milestone. Mr. Banks introduced Antelope Valley District Staff.
- II. Lisa Moulton, District Director, Congressman Steve Knight's Office, presented a certificate of congratulations to Chair Christ. Remarks by Board Member Vern Lawson, expressing his appreciation to District Staff.
- III. Chair Marvin Crist commended the Board on a job well done, thanking the Board and District Staff. Board Member Austin Bishop presented a certification of thanks to Bret Banks, on behalf of the City of Palmdale. Remarks by Board Member Steve Hofbauer, expressing gratitude to the Board and staff for a fine job.
- IV. Cake was served. Photo op.



## Item #3 - Monthly Activity Report – July 2017

	<u>July 2017</u>	<u>July 2016</u>	<u>YTD (7/1/18)</u>
Complaints	2	4	2
Complaint Investigations	2	3	2
Asbestos Notifications	6	13	6
Asbestos Inspections	0	2	0
Facility Inspections	28	29	28
Facility Inspections Completed (%)	96	99	96
Permit Inspections	57	57	57
Permit Inspections in Compliance (%)	100	96	100
Notice of Violation (NOV)	1	4	1

### \*Outstanding NOVs

- AV00000187, Issued 02/2016
- AV00000207, Issued 06/2017
- AV00000208, Issued 07/2017

### Project Comment Letters – July 2017

**Attached**

		AVAQMD CEQA PROJECTS				
		BOARD MEETING				
		08/15/2017				
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
7/14/2017	Lancaster	Gas Station and mini-mart	Gas station and mini-mart on the northwest corner of Avenue I and 20th Street West	Dust, Permits, CARB Equip	8/11/2017	7/24/2017
7/3/2017	Lancaster	Antelope North Solar Project	Solar project on 430 acres generally bound by Avenue D-8, Avenue G, 100th Street West and 110th Street West	Dust and CARB Equip	7/31/2017	7/24/2017
7/12/2017	Lancaster	Cannibis Cultivation-Fox Field	Cannibis cultivation/manufaturing facility on 32 acres located at William J Barnes Avenue and 47th Street West	Dust, Permits, CARB Equip	8/14/2017	7/25/2017
7/12/2017	Lancaster	Cannibis Cultivation-Onion Building	Cannibis cultivation/manufacturing facility on approx 13 acres located at West Avenue H-6 and Trevor Avenue	Dust, Permits, CARB Equip	8/14/2017	7/25/2017
7/24/2017	Palmdale	Tentative Tract Map 74955	TTM 74955 for the proposed project located on 41.24 acres at the northeast corner of 70th Street East and Kingman Drive	Dust and CARB Equip	8/5/2017	7/25/2017
7/24/2017	Palmdale	Quikrete	CUP 17-012 for 93,000 sf building on 20 acres south of Palmdale Blvd between 75th and 80th Street East	Dust, Permits, CARB Equip	8/12/2017	7/27/2017

# ITEM #4 - MONTHLY GRANT FUND SUMMARY

**AB 2766 (\$4 DMV Fee) Annual Allocation for Mobile Projects** **\$407,605.00**

**AB 923 (\$2 DMV Fee) Annual Allocation for Mobile Projects** **\$581,000.00**

## AB 2766 & AB 923 CURRENT BALANCES

### AB 2766 PROJECT & ADMIN. FUNDS

<i>Action Date</i>	<i>Project Name</i>	<i>Approved Action</i>
Apr-14	Antelope Valley Fair Assoc. CNG Bus Engine Repair AV0414#10	-11193.96 paid
Apr-14	AFV Program Add'l Funds AV0414#11	-101524.52 paid
Jun-14	AFV Program Add'l Funds AV0414#11	-24742.69 paid
May-14	Antelope Valley Mall Electric Infrastructure AV0514#13	-45817.00 paid
Jul-14	Antelope Valley HSD AV0714#9	-13500.00 paid
Jul-14	City of Palmdale Electric Infrastructure AV0714#10	-49729.00 paid
Aug-14	AFV Program Add'l Fnds AV0414#11	-14425.00 paid
Aug-14	AVEK Water Agency AV0814#9	-12000.00 paid
Aug-14	Yates Trucking Inc. AV0814#10	-15761.00 paid
Dec-14	City of Lancaster Traction Seal Project AV1214#9	-200000.00 paid
Jan-15	R & R Pipeline, Inc. Grant Funds Returned	20700.00 rec'd
Jan-15	AFV Program Add'l Funds AV0414#11	-17000.00 paid
Mar-15	Projected AFV applications for 2015	-60000.00 paid
Apr-15	Return of Truck Retrofit Funds	6718.00 rec'd
Jun-15	AVTA - Public Transit Programs AV0615#11 /0715#S-1	-178000.00 paid
Oct-15	AFV Program Add'l Funds AV0414#11	-14000.00 paid
Feb-16	LA County Sheriff's Alt. Patrol Project AV0216#9	-50000.00 paid
Mar-16	AVC Equipment Replacement AV0314#14	-1886.00 paid
Mar-16	AVLAW, LLC EV Charging Repair AV0316#11	-2117.00 paid
Apr-16	AV Produce TRU Replacement Project AV0416#12	-16203.00 paid
Apr-16	LA County Sheriff's Bio Diesel Truck Project AV0416#11	-50000.00 paid
Jul-16	City of Palmdale Electric Infrastructure ADA Req AV0716#10	-59700.00 paid
Aug-16	AFV Program Add'l Funds AV0816#9	-34500.00 paid
Aug-16	AVC Free Fare Pilot Program for Students AV0816#7	-30000.00 paid
Sep-16	LA Cty Sheriff's Bike Patrol Proj. Palmdale/Lancaster AV0916#11	-35143.00 paid
Sep-16	AVTA - Public Transit Programs AV0916#8	120000.00 paid
Dec-16	A-Z Engine Systems Repair AV1216#12	3756.00 paid
Feb-17	AFV Program Add'l Funds AV0117#8	-40000.00 paid
Mar-17	VAVR Program - Projects to EES AV0317#9	-60000.00 paid
May-17	American Plumbing Services AV0517#8	-37748.00 pending
May-17	AV Fair Assoc. Forklift Replacement Project AV0517#9	-24370.00 pending
Jun-17	Electric Commerical Grounds Keeping Pilot Program AV0617#13	-127500.00 pending
Jul-17	Hemme Hay & Feed Off-road/On-road Vehicle Project AV0717#	-\$134,310.00 pending

### AB 2766 PROJECTS CURRENT BALANCE

**\$123,357.00**

### AB 2766 PROJECTS BALANCE PENDING APPROVAL

### *Pending Action*

Aug-17 AV Fair Assoc. B20 Truck Project AV0817#?

-\$50,000.00

### AB 2766 PROJECTS BALANCE PENDING APPROVAL

**\$73,357.00**

**AB 923 PROJECT & ADMIN. FUNDS**

<i>Action Date</i>	<i>Project Name</i>	<i>Approved Action</i>
Jan-15	AVSTA CNG School Bus Purchase AV0115#7	-100000.00 paid
Apr-15	Calandri SonRise Farms ERP Project #3 AV0415#8	-78372.75 paid
Apr-15	2016 Lawn Mower Exchange Program	-11200.00 paid
May-15	Gene Wheeler Farms ERP Project #2 AV0515#10	-142010.00 paid
Aug-15	VAVR Program - Projects & Admin. to EES AV0815#6	-60000.00 paid
Nov-15	Calandri SonRise Farms Repower Project #4 AV1115#9	-116471.00 paid
Jan-16	Antelope Valley Farming ERP Project #1 AV0116#8	-181530.00 paid
Mar-16	Ebee Streetlight EV Charging Project AV0316#10	-25000.00 pending
Apr-16	VAVR Program - Admin to EES AV0416#10	-60000.00 paid
Apr-16	2016 Lawn Mower Exchange Program	-11200.00 paid
Aug-16	Calandri SonRise Farms Harvesting Project AV0816#8	-406,065.00 partial paid
Oct-16	Antelope Valley Farming ERP Project #2 AV1016#10	-12,940.38 paid
Dec-16	AVSTA CNG Tank Replacement AV1216#11	-63,377.00 paid
Dec-16	SCE Charge Ready Pilot Project AV1216#10	-48,819.20 pending
Feb-17	City of Pamdale Vanpool/Infrastructure Project AV0117#12	-164,928.00 pending
Feb-17	City of Lancaster Vanpool/Infrastructure Project AV0117#11	-61,925.00 pending
Mar-17	2017 Lawn Mower Exchange Program AV0317#10	-10,730.00 pending
Jul-17	Palmdale Water District EV Charging Project AV0717#9	-18520.00 pending

**AB 923 PROJECTS CURRENT BALANCE**

*Action Date*    *Project Name*  
 No Pending Projects

**\$176,211.93**

*Pending Action*

**AB 923 PROJECTS BALANCE PENDING APPROVAL**

**\$176,211.93**

**CARL MOYER PROGRAM PROJECT FUNDS**

<b>Mar-15 Carl Moyer Prog. Funds Year 17 Awarded to AVAQMD</b>	<b>637511.00</b> recv'd
<b>Mar-15 Carl Moyer Interest (FY 13-14) added to Year 16</b>	<b>834.45</b> recv'd
Apr-15 Calandri SonRise Farms ERP Project #3 AV0415#8	-284211.25 paid
Apr-15 High Desert Dairy ERP Project #3 AV0415#7	-134239.00 paid
Nov-15 Bill's Landscaping ERP Project #1 AV1115#7	-78873.00 paid
Nov-15 Gall Brothers Engineering ERP Project #1 AV1115#8	-138715.00 paid
<b>Feb-16 MDAQMD Year 16 Transfer AV0216#7</b>	<b>324480.00</b> recv'd
Mar-16 High Desert Dairy ERP Project #4 AV0316#8	-139,224.00 paid
Mar-16 Calandri SonRise Farms ERP Project #5 AV0316#9	-83,983.00 paid
<b>Mar-15 Carl Moyer Prog. Funds Year 18 Awarded to AVAQMD</b>	<b>659588.00</b> recv'd
Apr-16 Lane Ranch & Co. ERP Project AV0416#8	-99,989.56 paid
Apr-16 Bill's Landscaping ERP Project #2 AV0416#9	-79,916.00 paid
Jun-16 Calandri SonRise Farms Forklift Project #6 AV0616#8	-60,985.00 paid
Jun-16 Antelope Valley Fair Assoc. Forklift Project AV0616#9	-51,460.00 paid
Jul-16 Bolthouse ERP Project AV0716#11	-18,927.00 paid
Jul-16 South Pac Industries ERP Project AV0716#9	-181,114.00 paid
Sep-16 High Desert Dairy ERP Project #4 AV0916#9	-158,663.00 paid
Sep-16 Gall Brothers Engineering ERP Project #2 AV0916#10	-77,896.00 paid
Oct-16 Antelop Valley Farming ERP Project #2 AV1016#10	-34,943.62 paid
Apr-17 Carl Moyer Prog. Funds Year 19 Tentative Allocation	<b>669,301.00</b> pending
May-17 AV Fair Assoc. AV0517#9	-15,130.00 pending
Jun-17 High Desert Dairy ERP Project #6 AV0617#	-170,159.00 pending

**CARL MOYER PROJECTS CURRENT BALANCE**

No Pending Projects

**\$485,507.00**

**CARL MOYER PROJECTS BALANCE PENDING APPROVAL**

**\$485,507.00**

**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

*AGENDA ITEM 5*

**DATE:** August 15, 2017

**RECOMMENDATION:** Approve payment to MDAQMD in the total amount of \$105,798.62, subject to availability of funds, for services provided during the month of June 2017.

**SUMMARY:** The District contracts for services with MDAQMD; invoices for services are presented for payment.

**CONFLICT OF INTEREST:** None

**BACKGROUND:** Key expenses are staff; six positions are assigned to the local office. In this billing format staff time conducted in the performance of administering the Carl Moyer and AB 2766 programs is listed separately for program accountability. The Carl Moyer Program is a source of revenue used to reimburse some program administrative expenses. Operating expenses are paid directly and accounted in the Financial Report. Staff will be available to answer questions as needed.

This payment request represents services rendered for June 2017 in the amount of \$105,798.62, including amounts accrued for services rendered or supplies purchased but not yet billed or paid this fiscal year.

**REASON FOR RECOMMENDATION:** The AVAQMD Governing Board must authorize all payments to the MDAQMD.

**REVIEW BY OTHERS:** This item was reviewed by Allison Burns, Special Counsel as to legal form; and by Bret Banks, Executive Director/APCO, on or before August 4, 2017.

**FINANCIAL DATA:** The contract and direct expenditure amounts are part of the approved District budget for FY 17. No change in appropriations is anticipated as a result of the approval of this item.

**PRESENTER:** Jean Bracy, Deputy Director/Administration

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cc: Jean Bracy  
Laquita Cole  
Michelle Powell



**Mojave Desert AQMD**  
 14306 Park Avenue  
 Victorville, CA 92392  
 760.245.1661

Due Date **DUE UPON RECEIPT**  
 Invoice Date **6/30/2017**  
 Invoice Number **41641**

# INVOICE

<b>Bill To :</b>
<b>ANTELOPE VALLEY AQMD</b> <b>43301 DIVISION ST. SUITE 206</b> <b>LANCASTER, CA 93535</b>
<b>Company ID 10193</b>

<b>FY17</b>	<b>Amount</b>
Professional Services	167.22
Overhead	12,992.81
Travel & Training	24.84
Antelope Valley AB2766	5,846.92
Antelope Valley Moyer	3,836.25
AV AB923	1,922.36
Antelope Valley PERP	292.86
Program Staff	80,715.36
<p>TO INSURE PROPER CREDIT -            PLEASE INCLUDE A COPY OF THE INVOICE WITH YOUR PAYMENT</p> <p>FOR CREDIT CARD PAYMENTS            PLEASE VISIT <a href="http://www.mdaqmd.ca.gov">www.mdaqmd.ca.gov</a></p>	
	<b>Invoice Total 105,798.62</b> <b>Amount Paid 0.00</b> <b>Balance Due 105,798.62</b>
<p><b>MAKE CHECKS PAYABLE TO MOJAVE DESERT AQMD</b>  <b>PLEASE INCLUDE THE INVOICE NUMBER ON THE CHECK</b></p>	

**ANTELOPE VALLEY AQMD  
Program Staff  
FY 2016-17**

<b>Program</b>	<b>FY 15-16 Contracted Hours</b>	<b>Calendar Yr 2015 Actual Hours*</b>	<b>FY 16-17 Contracted Hours</b>	<b>Average Contract Cost/hr</b>	<b>Annual Contract Cost</b>	<b>FTE</b>
Lancaster Office	12,480	12,480	12,480	\$65.51	\$817,595	6.00
Planning, Grants, and Rulemaking	250	255	265	95	25,206	0.13
Air Monitoring and Surveillance	525	431	440	82	36,184	0.21
Compliance	250	303	310	94	29,089	0.15
Stationary Sources	150	259	270	77	20,781	0.13
Executive Management and Legal	750	627	630	124	78,015	0.30
Community Relations & Education	100	75	80	95	7,635	0.04
Administration	1,100	1,087	1,115	87	96,860	0.54
<b>TOTAL</b>	<b>15,605</b>	<b>15,517</b>	<b>15,590</b>		<b>\$ 1,111,365</b>	<b>7.50</b>
<b>Full Time Equivalents (FTE)</b>	<b>7.50</b>	<b>7.46</b>	<b>7.50</b>			
<b>Administrative Costs</b>			<b>14.00%</b>			

<b>Fiscal Year Comparison:</b>	<b><u>Contract Cost</u></b>	<b><u>FTE</u></b>
Fiscal Year 2015-16	\$ 1,237,940	7.50
Fiscal Year 2016-17	\$ 1,111,365	7.50
Percent Change:	-11.4%	-5%

\*Hours for calendar year 2015 are provided as a point of reference compared to last fiscal year and next fiscal year.

**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

*AGENDA ITEM 6*

**DATE:** August 15, 2017

**RECOMMENDATION:** Conduct a public hearing to consider the amendment of Rule 462 – *Organic Liquid Loading*: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the CEQA Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption amending Rule 462 – *Organic Liquid Loading* and directing staff actions.

**SUMMARY:** Rule 462 is proposed for amendment to address a vapor leak measurement issue identified by USEPA; clarify rule definitions and requirements; and improve rule enforceability

**BACKGROUND:** The Antelope Valley Air Pollution Control District (AVAPCD) was created by statute on July 1, 1997, with a jurisdiction of the Los Angeles County portion of the South Coast Air Quality Management District (SCAQMD) that was not within the South Coast Air Basin. SCAQMD rules in effect in the AVAPCD remained in effect until the AVAPCD Governing Board superseded or amended them. On January 1, 2002 the AVAQMD was formed pursuant to statute (Health & Safety Code §§41300 et seq.) to replace the AVAPCD. The rules of the AVAPCD also remain in effect until the AVAQMD Governing Board supersedes or amends them.

The Federal Clean Air Act (FCAA) requires areas designated non-attainment and classified moderate and above to implement Reasonably Available Control Technology (RACT) for sources subject to Control Technique Guidelines (CTG) documents issued by United States Environmental Protection Agency (USEPA) and for “major sources” of Volatile Organic Compounds (VOCs) and Oxides of Nitrogen (NO<sub>x</sub>) which are ozone precursors. The District adopted the *8-Hour Reasonably Available Control Technology – State Implementation Plan Analysis (RACT SIP Analysis)* in July 2015 for the 2008, 75 ppb ozone National Ambient Air Quality Standards (NAAQS). This document committed to amending Rule 462 to address a vapor leak measurement issue previously identified by USEPA, remove compliance dates that are no longer applicable and clarify rule definitions and requirements.

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Cc: Barbara Lods



**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

**AGENDA ITEM 6**

**PAGE 2**

This rule is subject to the CTG's titled *Control of Hydrocarbons from Tank Truck Gasoline Loading Terminals*, (EPA-450/2-77-026, October 1977), *Control of Volatile Organic Compound Leaks from Gasoline Tank Trucks and Vapor Collection Systems* (EPA-450/2-78-051, December 1978) and *Control of Volatile Organic Emissions from Bulk Gasoline Plants* (EPA-450/2-77-035, December 1977). The AVAQMD is now proposing to amend Rule 462 – *Organic Liquid Loading* to reflect current federal RACT.

Rule 462 was originally adopted on 01/09/76 by the So.Cal.APCD and subsequently amended by the SCAQMD on 05/05/78, 10/14/79, 04/04/86, 12/07/90 and 06/09/95. The 06/09/95 version of Rule 462 as amended by the SCAQMD is the version in the AVAQMD rule book.

SCAQMD submitted the 06/09/95 version of Rule 462 for inclusion to the SIP. USEPA finalized a limited approval/limited disapproval on 11/13/97 (62 FR 60784) for Rule 462. This FR notice specifically excludes the AVAQMD from the SCAQMD approval. Pursuant to USEPA guidance, since final action had not been taken on the rule for the AV portion of the jurisdiction at the time of separation from SCAQMD the 06/09/95 version is not considered "sip pending". Therefore, the last SIP approved version of Rule 462 would be the 10/14/1979 SCAQMD amendment (47 FR 29668, 07/08/82) as there was no action shown for the 04/04/86 version, and no final action on the 12/07/1990 version.

The proposed amendment of Rule 462 – *Organic Liquid Loading* addresses the 2015 *RACT SIP Analysis* commitment to amend Rule 462 and also addresses a vapor leak measurement issue identified by USEPA; clarifies rule definitions and requirements; and improves rule enforceability. The proposed amendments are based on the CTGs, and South Coast Air Quality Management District Rule 462 – *Organic Liquid Loading* (Amended May 14, 1999, 64 FR 39037, 07/21/99, deemed to be RACT by USEPA). A Notice of Exemption, Categorical Exemption (Class 8; 14 Cal. Code Reg. §15308) will be prepared by the AVAQMD for the Amendment of Rule 462 pursuant to the requirements of CEQA.

**REASON FOR RECOMMENDATION:** Health & Safety Code §§40702 and 40703 require the Governing Board to hold a public hearing before adopting rules and regulations. Also, 42 U.S.C. §7410(l) (FCAA §110(l)) requires that all SIP revisions be adopted after public notice and hearing.

**REVIEW BY OTHERS:** This item was reviewed as to legal form by Karen Nowak, District Counsel and by Bret Banks, Executive Director/APCO on or before July 31, 2017.

**FINANCIAL DATA:** No increase in appropriation is anticipated.

**PRESENTER:** Barbara Lods, Air Quality Specialist

**RESOLUTION \_\_\_\_\_**

**A RESOLUTION OF THE GOVERNING BOARD OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS, CERTIFYING THE NOTICE OF EXEMPTION, AMENDING RULE 462-ORGANIC LIQUID LOADING AND DIRECTING STAFF ACTIONS.**

On, August 15, 2017, on motion by Member Board Member Name, seconded by Member Board Member Name, and carried, the following resolution is adopted:

**WHEREAS**, the Antelope Valley Air Quality Management District (AVAQMD) has authority pursuant to California Health and Safety Code (H&S Code) §§40702, 40725-40728 to adopt, amend or repeal rules and regulations; and

**WHEREAS**, the Antelope Valley Air Pollution Control District (AVAPCD) was created by statute on July 1, 1997, with a jurisdiction of the Los Angeles County portion of the South Coast Air Quality Management District (SCAQMD) that was not within the South Coast Air Basin; and

**WHEREAS**, SCAQMD rules in effect in the AVAPCD remained in effect until the AVAPCD Governing Board superseded or amended them; and

**WHEREAS**, on January 1, 2002 the AVAQMD was formed pursuant to statute (H&S Code §§41300 et seq) to replace the AVAPCD; and

**WHEREAS**, the rules of the AVAPCD also remain in effect until the AVAQMD Governing Board supersedes or amends them; and

**WHEREAS**, the Federal Clean Air Act (FCAA) requires areas designated non-attainment and classified moderate and above to implement Reasonably Available Control Technology (RACT) for sources subject to Control Technique Guidelines (CTG) documents issued by United States Environmental Protection Agency (USEPA) and for “major sources” of Volatile Organic Compounds (VOCs) and Oxides of Nitrogen (NO<sub>x</sub>) which are ozone precursors.; and

**WHEREAS**, the District adopted the *8-Hour Reasonably Available Control Technology – State Implementation Plan Analysis (RACT SIP Analysis)* in July 2015 for the 2008, 75 ppb ozone National Ambient Air Quality Standards (NAAQS).; and

**WHEREAS**, this document committed to amending Rule 462 to address a vapor leak measurement issue previously identified by USEPA, remove compliance dates that are no longer applicable and clarify rule definitions and requirements; and

**RESOLUTION \_\_\_\_\_**

1       **WHEREAS**, this rule is subject to the CTG’s titled *Control of Hydrocarbons from Tank Truck*  
2 *Gasoline Loading Terminals*, (EPA-450/2-77-026, October 1977), *Control of Volatile Organic Compound*  
3 *Leaks from Gasoline Tank Trucks and Vapor Collection Systems* (EPA-450/2-78-051, December 1978)  
4 and *Control of Volatile Organic Emissions from Bulk Gasoline Plants* (EPA-450/2-77-035, December  
5 1977); and

6       **WHEREAS**, the AVAQMD is now proposing to amend Rule 462 – Organic Liquid Loading to  
7 reflect current federal RACT; and

8       **WHEREAS**, rule 462 was originally adopted on 01/09/76 by the So.Cal.APCD and subsequently  
9 amended by the SCAQMD on 05/05/78, 10/14/79, 04/04/86, 12/07/90 and 06/09/95; and

10       **WHEREAS**, the 06/09/95 version of Rule 462 as amended by the SCAQMD is the version in the  
11 AVAQMD rule book; and

12       **WHEREAS**, SCAQMD submitted the 06/09/95 version of Rule 462 for inclusion to the SIP; and

13       **WHEREAS**, USEPA finalized a limited approval/limited disapproval on 11/13/97 (62 FR 60784)  
14 for Rule 462; and

15       **WHEREAS**, this FR notice specifically excludes the AVAQMD from the SCAQMD approval;  
16 and

17       **WHEREAS**, pursuant to USEPA guidance, since final action had not been taken on the rule for  
18 the AV portion of the jurisdiction at the time of separation from SCAQMD the 06/09/95 version is not  
19 considered “sip pending”; and

20       **WHEREAS**, therefore, the last SIP approved version of Rule 462 would be the 10/14/1979  
21 SCAQMD amendment (47 FR 29668, 07/08/82) as there was no action shown for the 04/04/86 version,  
22 and no final action on the 12/07/1990 version; and

23       **WHEREAS**, the proposed amendment of Rule 462 – *Organic Liquid Loading* addresses the 2015  
24 *RACT SIP Analysis* commitment to amend Rule 462; and

25       **WHEREAS**, the proposed amendments are based on the CTGs, and South Coast Air Quality  
26 Management District Rule 462 – *Organic Liquid Loading* (Amended May 14, 1999, 64 FR 39037,  
27 07/21/99) deemed to be RACT by USEPA; and

28 //

**RESOLUTION \_\_\_\_\_**

1           **WHEREAS** the District has the authority pursuant to California Health and Safety Code (H&S  
2 Code) §40702 to adopt, amend or repeal rules and regulations; and

3           **WHEREAS**, the proposed amendments to Rule 462 are clear in that they are written so that the  
4 persons subject to the rule can easily understand the meaning; and

5           **WHEREAS**, the proposed amendments to Rule 462 are in harmony with, and not in conflict with  
6 or contradictory to any state law or regulation, federal law or regulation, or court decisions; and

7           **WHEREAS**, they do not interfere with any federal applicable requirement concerning attainment  
8 or Reasonable Further Progress (RFP) pursuant to the Federal Clean Air Act (FCAA); and

9           **WHEREAS**, the proposed amendments do not impose the same requirements as any existing state  
10 or federal regulation because the proposed amendment to Rule 462 does not impose the same  
11 requirements as an existing state or federal law or regulation; and

12           **WHEREAS**, a public hearing has been properly noticed and conducted, pursuant to H&S Code  
13 §40725, concerning the proposed amendments to Rule 462; and

14           **WHEREAS**, a Notice of Exemption, a Categorical Exemption (Class 8, 14 CCR §15308) for the  
15 proposed amendments to Rule 462, completed in compliance with the California Environmental Quality  
16 Act (CEQA), has been presented to the AVAQMD Board; each member having reviewed, considered and  
17 approved the information contained therein prior to acting on the proposed amendments to Rule 462, and  
18 the AVAQMD Board having determined that the proposed amendments will not have any potential for  
19 resulting in any adverse impact upon the environment; and

20           **WHEREAS**, the Board has considered the evidence presented at the public hearing; and

21           **NOW, THEREFORE, BE IT RESOLVED**, that the Governing Board of the AVAQMD finds  
22 that the proposed amendments to Rule 462 – *Organic Liquid Loading* are necessary, authorized, clear,  
23 consistent, non-duplicative and properly referenced; and

24           **BE IT FURTHER RESOLVED**, that the Governing Board of the AVAQMD hereby makes a  
25 finding that the Class 8 Categorical Exemption (14 CCR §15308) applies and certifies the Notice of  
26 Exemption for the proposed amendments to Rule 462; and

27 //

28 //

**RESOLUTION \_\_\_\_\_**

1           **BE IT FURTHER RESOLVED**, that the Board of the AVAQMD does hereby adopt, pursuant to  
2 the authority granted by law, the proposed amendments to Rule 462, as set forth in the attachments to this  
3 resolution and incorporated herein by this reference; and

4           **BE IT FURTHER RESOLVED**, that this resolution shall take effect immediately upon adoption,  
5 that the Clerk of the Board is directed to file the Notice of Exemption in compliance with the provisions  
6 of CEQA.

7 **PASSED, APPROVED AND ADOPTED** by the Governing Board of the Antelope Valley Air Quality  
8 Management District by the following vote:

9 AYES:                   MEMBER:  
10 NOES:                   MEMBER:  
11 ABSENT:                MEMBER:  
12 ABSTAIN:               MEMBER:

13  
14 STATE OF CALIFORNIA        )  
15 COUNTY OF LOS ANGELES    )        SS:  
16                                    )

17           I, Crystal Goree, Administrative Secretary of the Antelope Valley Air Quality Management  
18 District, hereby certify the foregoing to be a full, true and correct copy of the record of the action as the  
19 same appears in the Official Minutes of said Governing Board at its meeting of August 15, 2017.

20 \_\_\_\_\_  
21 Deputy Clerk of the Governing Board,  
22 Antelope Valley Air Quality Management District.  
23  
24  
25  
26  
27  
28

## RULE 462

### Organic Liquid Loading

#### (A) General

##### (1) Purpose

- (a) This rule is intended to control emissions of Volatile Organic Compounds (VOC) from Facilities that load Organic Liquids with a vapor pressure of 1.5 psia (77.5 mm Hg) or greater under actual loading conditions into any tank truck, trailer, or railroad tank car.

##### (2) Applicability

- (a) The provisions of this rule shall apply to all Organic Liquid loading facilities that are defined as Class “A”, “B” or “C” facilities pursuant to Section (B) of this rule.

#### (B) Definitions

For the purpose of this rule, the following definitions shall apply:

- (1) “Background” - The ambient concentration of organic vapors in the air measured according to the EPA Method 21.
- (2) “Class “A” Facility” - Any Facility which loads 20,000 gallons (75,700 liters) or more on any one day of Organic Liquids into any tank truck, trailer, or railroad tank car.
- (3) “Class “B” Facility” - Any Facility which:
  - (a) was constructed before January 9, 1976 and loads more than 4,000 gallons (15,140 liters) but not more than 20,000 gallons (75,700 liters) of Gasoline on any one day into any tank truck, trailer, or railroad tank car.
  - (b) was constructed before January 9, 1976 and loads not more than 4,000 gallons (15,140 liters) of Gasoline on any one day, but more than 500,000 gallons (1,892,500 liters) of Gasoline in any one calendar year, into any tank truck, trailer, or railroad tank car.

- (c) was constructed after January 9, 1976 and loads not more than 20,000 gallons (75,700 liters) of Gasoline on any one day into a tank truck, trailer or railroad tank car.
- (4) “Class “C” Facility” - Any Facility existing before January 9, 1976 which loads not more than 4,000 gallons (15,140 liters) of Gasoline on any one day and not more than 500,000 gallons in any one calendar year, into any tank truck, trailer, or railroad tank car.
- (5) “Exempt Compounds” - Those compounds listed in 40 CFR 51.100(s).
- (6) “Facility” - An Organic Liquid or Gasoline loading rack or set of such racks that load Organic Liquid or Gasoline into tanks, trailers or railroad cars, which are located on one or more contiguous properties within the District, in actual physical contact or separated solely by a public roadway or other public right-of-way, and are owned or operated by the same person or persons under common control.
- (7) “Facility Vapor Leak” - The escape of organic vapors from a source other than a tank truck, trailer or railroad tank car in excess of 3,000 ppm as methane above Background when measured according to EPA Method 21. A Facility Vapor Leak source does not include liquid spillage or condensate resulting from "Liquid Leaks".
- (8) “Gasoline” - Any petroleum distillate or petroleum distillate/alcohol blend or alcohol, except any liquefied petroleum gas (LPG), which has a vapor pressure of 1.5 psia (77.5 mm Hg) or greater under actual loading conditions and is used as a fuel for internal combustion engines.
- (9) “Liquid Leak” - The dripping of liquid organic compounds at a rate in excess of three drops per minute from any single leak source other than the liquid fill line and vapor line of disconnect operations.
- (10) “Liquid Leak from Disconnect Operations” - Defined as:
- (a) more than two milliliters of liquid drainage per disconnect from a top loading operation; or
  - (b) more than ten milliliters of liquid drainage per disconnect from a bottom loading operation.
- Such liquid drainage shall be determined by computing the average drainage from three consecutive disconnects at any one loading arm.
- (11) “Organic Liquid” - Any liquid compound containing the element carbon that has a vapor pressure of 1.5 psia (77.5 mm Hg) or greater under actual loading conditions excluding liquefied petroleum gases (LPG), methane, carbon

monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonate, and Exempt Compounds.

- (12) “Submerged Fill Loading” - A type of Organic Liquid loading operation where the discharge opening is completely submerged when the liquid level above the bottom of the vessel is eight centimeters (3.2 inches) or higher.
- (13) “Switch Loading” - The transfer of Organic Liquids with a vapor pressure of less than 1.5 psia (77.5 mm Hg) under actual loading conditions into any tank truck, trailer or railroad tank car that was loaded with an Organic Liquid with a vapor pressure of 1.5 psia (77.5 mm Hg) or greater, immediately preceding the transfer.
- (14) “Transfer Equipment” - Shall consist of all the components of the liquid loading line between the liquid pump and the transporting vessel, and the vapor return line from the transporting vessel to the storage tank, or to and including the Vapor Recovery System.
- (15) “Transport Vessel” - A tank truck, trailer or railroad tank car that is equipped to receive and transport Organic Liquid.
- (16) “Transport Vessel Vapor Leak” - The escape of organic vapors from a Transport Vessel in excess of 100 percent of the lower explosive limit when monitored according to the CARB Vapor Recovery Test Procedure TP 204.3 – *Determination of Leak(s)*.
- (17) “Vapor Disposal System” - The control equipment designed and operated to reduce VOC emissions into the atmosphere.
- (18) “Vapor Recovery System” - A vapor gathering system which is capable of collecting and returning discharged hydrocarbon vapors and gases during loading of Organic Liquids into Transport Vessels, back to a stationary storage container, or into an enclosed process system.
- (19) “Volatile Organic Compound (VOC)” - Any volatile compound containing the element carbon, excluding methane, carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonate, and Exempt Compounds.

## (C) Requirements

- (1) Loading Requirements at Class “A” Facilities
  - (a) Each Class “A” Facility shall be equipped with a CARB certified Vapor Recovery System and/or disposal system.



- (b) Each vapor recovery and/or disposal system at a Class “A” Facility shall be equipped with a continuous monitoring system (CMS) that is installed, operated, and maintained according to the manufacturer's specifications and is approved by the Executive Officer or designee.
  - (c) The transfer of Organic Liquids shall be accomplished in such a manner that the displaced organic vapors and air are vented, under design conditions, to the vapor recovery and/or disposal system.
  - (d) Each vapor recovery and/or disposal system shall reduce the emissions of VOCs to 0.08 pound or less per thousand gallons (10 grams per 1,000 liters) of Organic Liquid transferred.
  - (e) Any Class “A” Facility transferring Gasoline into any truck, trailer, or railroad tank car shall be designed and operated for bottom loading only.
  - (f) The Transfer Equipment shall be operated and maintained so that there are no overfills, Facility Vapor Leaks, Liquid Leaks, or Liquid Leaks from disconnect operations.
  - (g) The backpressure in the vapor recovery and/or disposal system shall not exceed 18 inches of water column pressure.
- (2) Loading Requirements at Class “B” Facilities
- (a) Each Class “B” Facility shall be equipped with a CARB certified Vapor Recovery System.
  - (b) Such system shall be designed and operated to recover at least 90 percent of the displaced vapors.
  - (c) The backpressure in the Vapor Recovery System shall not exceed 18 inches of water column pressure.
  - (d) Any Class “B” Facility transferring Gasoline into any truck, trailer, or railroad tank car, shall be designed for bottom loading only.
  - (e) The Transfer Equipment shall be operated and maintained so that there are no overfills, Facility Vapor Leaks, Liquid Leaks, or Liquid Leaks from disconnect operations.
- (3) Loading Requirements at Class “C” Facilities
- (a) Each Class “C” Facility shall be equipped and operated for Submerged Fill Loading or bottom fill loading. All Gasoline or equivalent vapor pressure Organic Liquids shall be transferred in this manner.
  - (b) The Transfer Equipment shall be operated and maintained so that there are no overfills, Liquid Leaks, or Liquid Leak from disconnect operations.

- (4) Loading Requirements for Transport Vessels
- (a) No person shall allow loading or unloading of Organic Liquid or other use or operation of any Transport Vessel unless the vessel has a valid certification of vapor integrity as defined by the applicable Air Resources Board Certification and Test Procedures, pursuant to Health and Safety Code Section 41962(g).
  - (b) Transport Vessel vapor leaks from dome covers, pressure vacuum vents or other sources shall be determined in accordance with the CARB Vapor Recovery Test Procedure TP-204.3 – *Determination of Leak(s)*.
  - (c) The Transport Vessel shall be operated so that there are no Transport Vessel Vapor Leaks or Liquid Leaks.
- (5) Switch Loading
- (a) Uncontrolled Switch Loading is prohibited except at Class “C” facilities.
- (6) Leak Inspection Requirements
- (a) The owner and operator of any Class “A”, “B”, or “C” Facility shall be required to perform an inspection of the vapor collection system, the Vapor Disposal System, and each loading rack handling Organic Liquids, for Facility Vapor Leaks or Liquid Leaks of VOC’s on one of the following schedules:
    - (i) monthly if sight, sound, and smell are used as detection methods.
    - (ii) quarterly if an organic vapor analyzer (OVA) is used to monitor for Facility Vapor Leaks.
  - (b) Each detection of a leak shall be repaired or replaced within 72 hours. If the leaking component cannot be repaired or replaced within 72 hours, the component shall be taken out of service until such time the component is repaired or replaced. The repaired or replacement component shall be reinspected the first time the component is in operation after the repair or replacement.
- (7) CARB Certification
- (a) Within 30 calendar days after completing construction of any new or modified vapor recovery and/or disposal system, the owner/operator of a Class “A” or Class “B” facility shall submit a written request to CARB for certification of the new or modified vapor recovery and/or disposal system.

(D) Compliance Determination/Test Methods

- (1) Compliance with the emission limit of organic vapors as specified in (C)(1)(d) shall be determined according to EPA Method 25A, 25B or SCAQMD Method 501.1, as applicable.
- (2) Continuous Monitoring System required pursuant to (C)(1)(b) shall be in compliance with Code of Federal Regulation Title 40 Part 63 Subpart R Section 63.427 and Code of Federal Regulations Title 40 Part 60 Appendix B, as applicable.
- (3) Compliance with the vapor recovery efficiency as specified in (C)(2)(b) shall be determined according to CARB Vapor Recovery Certification Procedure CP-202 – *Certification Procedure for Vapor Recovery Systems of Bulk Plants*.
- (4) Determination of Facility Vapor Leaks as defined in (B)(7) shall be conducted according to EPA Method 21.
- (5) Any other alternative test method approved in writing by the Executive Officer, CARB, and USEPA may be used only when none of the test methods identified in this section are applicable.
- (6) When more than one test method or set of test methods are specified for any testing, a violation of any requirements of this rule established by any one of the specified test methods or set of methods shall constitute a violation of the rule.

(E) Recordkeeping

- (1) The owner and operator of any Class “A”, “B”, or “C” Facility, in order to verify the classification of such Facility, shall maintain a daily log of the throughput and a summary of the throughput for the calendar year to date, of the liquid organic compounds subject to the provisions of this rule. A log showing daily compliance shall suffice to satisfy this requirement.
- (2) The owner and operator of any Class “A”, “B”, or “C” Facility shall maintain records for verification of compliance with the requirements in paragraph (C)(6). The records shall include, but are not limited to, inspection dates, description of leaks detected, repair/replacement dates, and reinspection dates.
- (3) All records shall be maintained at the Facility for at least two years and shall be available to the Executive Officer or designee upon request.

(F) Distribution of Responsibilities

- (1) The owner and operator of any Class “A”, “B”, or “C” Facility shall be responsible and liable for complying with the provisions of paragraphs (C)(1), (C)(2), (C)(3), and (C)(6) and sections (D) and (E) of this rule, and for maintaining the equipment at the Facility in such condition that it can comply with the requirements of this rule if properly operated. If employees of the owner or operator of the Facility supervise or affect the transfer operation, the owner or operator of the Facility shall be responsible for ensuring that the transfer operation complies with all requirements of this rule and that the Transfer Equipment is properly operated.
- (2) The owner, operator, and driver of a Transport Vessel shall be responsible and liable for complying with paragraphs (C)(4) and (C)(5) of this rule.

(G) Exemptions

- (1) The provisions of subparagraphs (C)(1)(f), (C)(2)(e) and (C)(3)(b) shall not apply to components found in violation of Facility Vapor Leaks or Liquid Leaks either of which is detected and recorded originally by the owner or operator, provided the repair or replacement of applicable equipment is completed within the specified period as given in subparagraph (C)(6)(b).
- (2) The provisions of subparagraphs (C)(1)(a) and (C)(1)(b) shall not apply to vapor recovery and/or disposal systems which vent displaced hydrocarbon vapors to an adjacent refinery flare or other combustion device that receives gaseous streams from other refinery sources.

See SIP table

at: [http://avaqmd.ca.gov/files/aa5e9c334/AVAQMD%20State%20Implementation%20Plan%20\(SIP\)%20Table.pdf](http://avaqmd.ca.gov/files/aa5e9c334/AVAQMD%20State%20Implementation%20Plan%20(SIP)%20Table.pdf)

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*Antelope Valley*  
Air Quality Management District

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Draft  
Staff Report  
Proposed Amendments to  
Rule 462 – *Organic Liquid Loading*

For adoption on  
August 15, 2017

43301 DIVISION ST., SUITE 206,  
LANCASTER, CALIFORNIA 93535-4649  
PHONE (661) 723-8070  
FAX (661) 723-345

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**STAFF REPORT**  
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# STAFF REPORT

## Rule 462– *Organic Liquid Loading*

### I. PURPOSE OF STAFF REPORT

A staff report serves several discrete purposes. Its primary purpose is to provide a summary and background material to the members of the Governing Board. This allows the members of the Governing Board to be fully informed before making any required decision. It also provides the documentation necessary for the Governing Board to make any findings, which are required by law to be made prior to the approval or adoption of a document. In addition, a staff report ensures that the correct procedures and proper documentation for approval or adoption of a document have been performed. Finally, the staff report provides evidence for defense against legal challenges regarding the propriety of the approval or adoption of the document.

### II. EXECUTIVE SUMMARY

The Antelope Valley Air Pollution Control District (AVAPCD) was created by statute on July 1, 1997, with a jurisdiction of the Los Angeles County portion of the South Coast Air Quality Management District (SCAQMD) that was not within the South Coast Air Basin. SCAQMD rules in effect in the AVAPCD remained in effect until the AVAPCD Governing Board superseded or amended them. On January 1, 2002 the AVAQMD was formed pursuant to statute (Health & Safety Code §§41300 et seq.) to replace the AVAPCD. The rules of the AVAPCD also remain in effect until the AVAQMD Governing Board supersedes or amends them.

The Federal Clean Air Act (FCAA) requires areas designated non-attainment and classified moderate and above to implement Reasonably Available Control Technology (RACT) for sources subject to Control Technique Guidelines (CTG) documents issued by United States Environmental Protection Agency (USEPA) and for “major sources” of Volatile Organic Compounds (VOCs) and Oxides of Nitrogen (NO<sub>x</sub>) which are ozone precursors. The District adopted the *8-Hour Reasonably Available Control Technology – State Implementation Plan Analysis (RACT SIP Analysis)* in July 2015 for the 2008, 75 ppb ozone National Ambient Air Quality Standards (NAAQS). This document committed to amending Rule 462 to address a vapor leak measurement issue previously identified by USEPA, remove compliance dates that are no longer applicable and clarify rule definitions and requirements. This rule is subject to the CTG’s titled *Control of Hydrocarbons from Tank Truck Gasoline Loading Terminals*, (EPA-450/2-77-026, October 1977), *Control of Volatile Organic Compound Leaks from Gasoline Tank Trucks and Vapor Collection Systems* (EPA-450/2-78-051, December 1978) and *Control of Volatile Organic Emissions from Bulk Gasoline Plants* (EPA-450/2-77-035, December 1977). The AVAQMD is now proposing to amend Rule 462 – *Organic Liquid Loading* to reflect current federal RACT.

Rule 462 was originally adopted on 01/09/76 by the So.Cal.APCD and subsequently amended by the SCAQMD on 05/05/78, 10/14/79, 04/04/86, 12/07/90 and 06/09/95. The 06/09/95 version of Rule 462 as amended by the SCAQMD is the version in the AVAQMD rule book.

SCAQMD submitted the 06/09/95 version of Rule 462 for inclusion to the SIP. USEPA finalized a limited approval/limited disapproval on 11/13/97 (62 FR 60784) for Rule 462. This FR notice specifically excludes the AVAQMD from the SCAQMD approval. Pursuant to USEPA guidance, since final action had not been taken on the rule for the AV portion of the jurisdiction at the time of separation from SCAQMD the 06/09/95 version is not considered “sip pending”. Therefore, the last SIP approved version of Rule 462 would be the 10/14/1979 SCAQMD amendment (47 FR 29668, 07/08/82) as there was no action shown for the 04/04/86 version, and no final action on the 12/07/1990 version.

The proposed amendment of Rule 462 – *Organic Liquid Loading* addresses the 2015 *RACT SIP Analysis* commitment to amend Rule 462. The proposed amendments are based on the CTGs, and South Coast Air Quality Management District Rule 462 – *Organic Liquid Loading* (Amended May 14, 1999, 64 FR 39037, 07/21/99) deemed to be RACT by USEPA.

### III. STAFF RECOMMENDATION

Staff recommends that the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD or District) amend proposed Rule 462 – *Organic Liquid Loading* and approve the appropriate California Environmental Quality Act (CEQA) documentation. This action is necessary satisfy 42 U.S.C. §§7511a (FCAA) §182) which requires that ozone non-attainment areas implement RACT for sources that are subject to CTGs and for major sources of ozone precursors.

#### IV. LEGAL REQUIREMENTS CHECKLIST

The findings and analysis as indicated below are required for the procedurally amendments to Rule 462 – *Organic Liquid Loading*. Each item is discussed, if applicable, in Section V. Copies of related documents are included in the appropriate appendices.

##### **FINDINGS REQUIRED FOR RULES & REGULATIONS:**

- X Necessity
- X Authority
- X Clarity
- X Consistency
- X Nonduplication
- X Reference
- X Public Notice & Comment
- X Public Hearing

##### **REQUIREMENTS FOR STATE IMPLEMENTATION PLAN SUBMISSION (SIP):**

- X Public Notice & Comment
- X Availability of Document
- X Notice to Specified Entities (State, Air Districts, USEPA, Other States)
- X Public Hearing
- X Legal Authority to adopt and implement the document.
- X Applicable State laws and regulations were followed.

##### **ELEMENTS OF A FEDERAL SUBMISSION:**

N/A Elements as set forth in applicable Federal law or regulations.

##### **CALIFORNIA ENVIRONMENTAL QUALITY ACT REQUIREMENTS (CEQA):**

- N/A Ministerial Action
- N/A Exemption
- X Negative Declaration
- N/A Environmental Impact Report
- X Appropriate findings, if necessary.
- X Public Notice & Comment

##### **SUPPLEMENTAL ENVIRONMENTAL ANALYSIS (RULES & REGULATIONS ONLY):**

- X Environmental impacts of compliance.
- N/A Mitigation of impacts.
- N/A Alternative methods of compliance.

##### **OTHER:**

- X Written analysis of existing air pollution control requirements
- X Economic Analysis
- X Public Review

## V. DISCUSSION OF LEGAL REQUIREMENTS

### A. REQUIRED ELEMENTS/FINDINGS

This section discusses the State of California statutory requirements that apply to the proposed amendments Rule 462. These are actions that need to be performed and/or information that must be provided in order to amend the rule in a procedurally correct manner.

#### 1. State Findings Required for Adoption of Rules & Regulations:

Before adopting, amending, or repealing a rule or regulation, the District Governing Board is required to make findings of necessity, authority, clarity, consistency, non-duplication, and reference based upon relevant information presented at the hearing. The information below is provided to assist the Board in making these findings.

##### a. Necessity:

The proposed amendments to Rule 462 are necessary to address a vapor leak measurement issue identified by USEPA; clarify rule definitions and requirements; and improve rule enforceability.

##### b. Authority:

The District has the authority pursuant to California Health and Safety Code (H & S Code) §40702 to adopt, amend or repeal rules and regulations.

##### c. Clarity:

The proposed amendments to Rule 462 are clear in that they are written so that the persons subject to the rule can easily understand the meaning.

##### d. Consistency:

The proposed amendments to Rule 462 are in harmony with, and not in conflict with or contradictory to any state law or regulation, federal law or regulation, or court decisions. They do not interfere with any federal applicable requirement concerning attainment or Reasonable Further Progress (RFP) pursuant to the Federal Clean Air Act (FCAA).

##### e. Nonduplication:

The proposed amendments to Rule 462 do not impose the same requirements as any existing state or federal law or regulation

because the District is amending this rule in response to federal VOC RACT requirements.

f. Reference:

The District has the authority pursuant to H & S Code §40702 to adopt, amend or repeal rules and regulations.

g. Public Notice & Comment, Public Hearing:

Notice for the public hearing for the proposed amendments to Rule 462 was published on July 14, 2017. See Appendix “B” for a copy of the public notice. See Appendix “C” for copies of comments, if any, and District responses.

2. Federal Elements (SIP Submittals, Other Federal Submittals).

Submittals to USEPA are required to include various elements depending upon the type of document submitted and the underlying Federal law that requires the submittal. The information below indicates which elements are required for the proposed amendments to Rule 462 and how they were satisfied.

a. Satisfaction of Underlying Federal Requirements:

The FCAA requires areas designated non-attainment and classified moderate and above to implement RACT for sources subject to CTG documents issued by USEPA and for “major sources” of VOCs and NO<sub>x</sub> that are ozone precursors. Because the District has an existing SIP rule for this CTG category, the District committed to adopting an updated RACT rule for organic liquid loading as part of the *RACT SIP Analysis*. The AVAQMD is proposing to update Rule 462 – *Organic Liquid Loading* to reflect current federal RACT as determined by comments from USEPA, CTG requirements, other related national rules and guidance, and the rules of other California air districts with nonattainment designations. USEPA approved SCAQMD Rule 462 – *Organic Liquid Loading* amended May 14, 1999 as a RACT rule on July 21, 1999 (64 FR 39037) and this rule was used as a basis for amendment

b. Public Notice and Comment:

Notice for the public hearing for the proposed amendments to Rule 462 was published on July 14, 2017. See Appendix “B” for a copy of the public notice. See Appendix “C” for copies of comments, if any, and District responses.

c. Availability of Document:

Copies of the proposed amendments to Rule 462 and the accompanying draft staff report were made available to the public on July 14, 2017.

d. Notice to Specified Entities:

Copies of the proposed amendments to Rule 462 and the accompanying draft staff report were sent to all affected agencies. The proposed amendments were sent to the California Air Resources Board (CARB) and U.S. Environmental Protection Agency (USEPA) on July 14, 2017.

e. Public Hearing:

A public hearing to consider the proposed amendments to Rule 462 has been set for August 15, 2017.

f. Legal Authority to Adopt and Implement:

The District has the authority pursuant to H&S Code §40702 to adopt, amend, or repeal rules and regulations and to do such acts as may be necessary or proper to execute the duties imposed upon the District.

g. Applicable State Laws and Regulations Were Followed:

Public notice and hearing procedures pursuant to H&S Code §§40725-40728 have been followed. See Section (V)(A)(1) above for compliance with state findings required pursuant to H&S Code §40727. See Section (V)(B) below for compliance with the required analysis of existing requirements pursuant to H&S Code §40727.2. See Section (V)(C) for compliance with economic analysis requirements pursuant to H&S Code §40920.6. See Section (V)(D) below for compliance with provisions of the CEQA.

## B. WRITTEN ANALYSIS OF EXISTING REQUIREMENTS

H & S Code §40727.2 requires air districts to prepare a written analysis of all existing federal air pollution control requirements that apply to the same equipment or source type as the rule proposed for modification by the district.

The FCAA requires areas designated non-attainment for ozone and classified moderate and above to adopt and maintain RACT rules to control the emissions of VOCs and NO<sub>x</sub> for categories which the USEPA has adopted a CTG and for all categories where there are major stationary sources of air pollution (42 U.S.C. §7511a(b)(2), FCAA 182(b)(2)).

For purposes of the FCAA, the District has been designated non-attainment for ozone and classified severe-17.

The AVAQMD committed to amending Rule 462 – *Organic Liquid Loading* as part of the recently adopted *RACT SIP Analysis*.

## C. ECONOMIC ANALYSIS

### 1. General

Rule 462 is equivalent to a rule that was determined by USEPA to be RACT<sup>1</sup>, so a cost effectiveness analysis is not necessary, as SCAQMD determined the proposed amendments address a SIP approval issue and enhance rule enforceability. As a result, no cost impacts are expected from the proposed amendments.<sup>2</sup>

### 2. Incremental Cost Effectiveness

Pursuant to H&S Code §40920.6, incremental cost effectiveness calculations are required for rules and regulations which are adopted or amended to meet the California Clean Air Act (CCAA) requirements for Best Available Retrofit Control Technology (BARCT) or “all feasible measures” to control volatile compounds (VOCs), oxides of nitrogen (NO<sub>x</sub>) or oxides of sulfur (SO<sub>x</sub>). This requirement does not apply to the proposed amendments to Rule 462 since it does not require BARCT or “all feasible measures.”

## D. ENVIRONMENTAL ANALYSIS (CEQA)

Through the process described below the appropriate CEQA process for the proposed amendments to Rule 462 was determined.

1. The proposed amendments to Rule 462 meet the CEQA definition of “project”. They are not “ministerial” actions.

2. The proposed amendments to Rule 462 are exempt from CEQA review because they will not create any adverse impacts on the environment. This rule has been strengthened by removing a vapor leak measurement distance, clarifying rule definitions and requirements and improving rule enforceability. Because there is no potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies. Copies of the documents relating to CEQA can be found in Appendix “D”.

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<sup>1</sup> South Coast Air Quality Management District Rule 462 – *Organic Liquid Loading* (Amended May 14, 1999, 64 FR 39037, 07/21/99)

<sup>2</sup> South Coast Air Quality Management District Rule 462 Staff Report dated 05/14/1999, CEQA and Socioeconomic Analysis



E. SUPPLEMENTAL ENVIRONMENTAL ANALYSIS

1. Potential Environmental Impacts

The District does not anticipate any potential environmental impacts of compliance with the proposed amendments to Rule 462, as the amendments will address a vapor leak measurement issue identified by USEPA, impose additional controls and clarify rule requirements and improve rule enforceability.

2. Mitigation of Impacts

N/A

3. Alternative Methods of Compliance

N/A

F. PUBLIC REVIEW

See Staff Report Section (V)(A)(1)(g) and (2)(b), as well as Appendix “B”

VI. TECHNICAL DISCUSSION

A. SOURCE DESCRIPTION

This rule applies to all Organic Liquid loading facilities that are defined as Class “A”, “B” or “C” facilities pursuant to Section (B) of this rule.

B. EMISSIONS

As an administrative action, this rule amendment would not have any direct impact on the issuance of air contaminants. This rule has been strengthened by removing a vapor leak measurement distance, clarifying rule definitions and requirements and improving rule enforceability.

C. CONTROL REQUIREMENTS

Please see section (C) of the rule for control requirements. Control requirements consist of loading requirements for Class “A”, “B” and “C” facilities, transport vessels, switch loading, and leak inspection.

D. PROPOSED RULE SUMMARY

This section gives a brief overview of the proposed amendments to Rule 462.

The rule formatting has been updated for consistency with other District rules.

Section (B) The following definitions have been updated:

- Exempt Compounds
- Facility Vapor Leak
- Transport Vessel Vapor Leak

Subsection (C)(1)(a) and (C)(2)(a) remove compliance dates that are no longer applicable

Subsection (C)(1)(g) Add backpressure requirement derived from SCAQMD Rule 462.

Former Section (e) The Compliance Schedule has been removed as all compliance dates have passed and are no longer applicable. Any requirements contained in this section which may still be applicable have been moved to subsection (C).

Subsection (D) Remove compliance dates that are no longer applicable.

## E. SIP HISTORY

### 1. SIP History.

Prior to 1975 the original air district for the Antelope Valley region was the Los Angeles County Air Pollution Control District that had a jurisdiction covering the entire county of Los Angeles. In 1975, the Southern California APCD was created. It was a joint powers authority that had a jurisdiction covering all of the counties of Los Angeles, Orange, Riverside and San Bernardino. The SCAQMD came into existence pursuant to statute on February 1, 1976 and originally covered only the areas within the South Coast Air Basin (SCAB). The legislation was thereafter amended to allow non-SCAB areas to “opt in.” Los Angeles County exercised this option and thus the Antelope Valley became a part of SCAQMD. On July 1, 1997 the AVAPCD replaced the SCAQMD as the agency with jurisdiction over the Los Angeles County portion of the Mojave Desert Air Basin (MDAB). On January 1, 2002 the AVAPCD was replaced by the AVAQMD. Pursuant to both statutory changes, the rule and regulations of the predecessor district were retained until the Governing Board adopted, amended or rescinded them. At the first meeting of both the AVAPCD and the AVAQMD, the respective Governing Boards reaffirmed all the rules and regulations in effect at the time the agency changed.

The jurisdiction of the AVAPCD and the AVAQMD were specified in the statutes as the portion of the Los Angeles County contained within the MDAB. The MDAB was formerly known as the Southeast Desert Air Basin (SEDAB). In 1997 the SEDAB was split into the MDAB and the Salton Sea Air Basin. Descriptions of these air basins can be found in 17 Cal. Code Regs. §§60109 and 60144. Since USEPA adopts SIP revisions in California as effective within jurisdictional boundaries of local air districts, when the local air district boundaries change the SIP as approved by USEPA for that area up to the date of the change remains as the SIP in that particular area. Thus, upon creation of the AVAPCD on July 1, 1997 the AVAPCD acquired the SIP applicable to the

Antelope Valley portion of the SCAQMD that was effective as of June 30, 1997. Likewise the AVAQMD acquired the SIP that was effective in the jurisdiction of the AVAPCD as of December 31, 2000. Therefore, the SIP history for this region is based upon the rules adopted, effective, and approved for the Antelope Valley by SCAQMD.

Rule 462 was originally adopted on 01/09/76 by the So.Cal.APCD and subsequently amended by the SCAQMD on 05/05/78, 10/14/79, 04/04/86, 12/07/90 and 06/09/95. The 06/09/95 version of Rule 462 as amended by the SCAQMD is the version in the AVAQMD rule book.

SCAQMD submitted the 06/09/95 version of Rule 462 for inclusion to the SIP. USEPA finalized a limited approval/limited disapproval on 11/13/97 (62 FR 60784) for Rule 462. This FR notice specifically excludes the AVAQMD from the SCAQMD approval. Pursuant to USEPA guidance, since final action had not been taken on the rule for the AV portion of the jurisdiction at the time of separation from SCAQMD the 06/09/95 version is not considered “sip pending.” Therefore, the last SIP approved version of Rule 462 would be the 10/14/1979 SCAQMD amendment (47 FR 29668, 07/08/82) as there was no action shown for the 04/04/86 version, and no final action on the 12/07/1990 version.

## 2. SIP Analysis.

The District will request CARB to submit the proposed amendments to Rule 462 – *Organic Liquid Loading* to USEPA for inclusion into the State Implementation Plan. This submission is necessary to satisfy 42 U.S.C. §§7511a (FCAA §182) which requires that ozone non-attainment areas implement RACT for sources that are subject to CTGs and for major sources of ozone precursors. The District will request that this version, upon approval, supersede the current SIP version as well as any potential outstanding SIP submissions made prior to the adoption date.

The proposed amendments to Rule 462 – *Organic Liquid Loading* are more stringent than the prior versions in the SIP as the amendments address a USEPA comment regarding a vapor leak measurement issue, impose additional controls and clarify rule requirements and improve rule enforceability

**Appendix “A”**  
Rule 462 – *Organic Liquid Loading* Iterated Version

The iterated version is provided so that the changes to an existing rule may be easily found. The manner of differentiating text is as follows:

1. Underlined text identifies new or revised language.
2. ~~Lined-out text~~ identifies language which is being deleted.
3. Normal text identifies the current language of the rule which will remain unchanged by the adoption of the proposed amendments.
4. [*Bracketed italicized text*] is explanatory material that is not part of the proposed language. It is removed once the proposed amendments are adopted.

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## RULE 462

### Organic Liquid Loading

#### (aA) General

##### (1) Purpose

- (a) This rule is intended to control emissions of ~~v~~Volatile ~~e~~Organic ~~e~~Compounds (VOC) from ~~f~~Facilities that load ~~e~~Organic ~~H~~Liquids with a vapor pressure of 1.5 psia (77.5 mm Hg) or greater under actual loading conditions into any tank truck, trailer, or railroad tank car.

##### (e2) Applicability

- (a) The provisions of this rule shall apply to all Organic Liquid loading facilities that are defined as Class “A”, “B” or “C” facilities pursuant to Section (B) of this rule. [Moved from (c) for rule format consistency]

#### (bB) Definitions

For the purpose of this rule, the following definitions shall apply:

- (1) “Background” - BACKGROUND is ~~t~~The ambient concentration of organic vapors in the air measured according to the EPA Method 21. ~~subsection 4.3.2.~~ [Updated in response to USEPA request.]
- (2) “Class “A” Facility” - CLASS "A" FACILITY is ~~a~~Any ~~f~~Facility which loads 20,000 gallons (75,700 liters) or more on any one day of ~~e~~Organic ~~H~~Liquids into any tank truck, trailer, or railroad tank car.
- (3) “Class “B” Facility” - CLASS "B" FACILITY is ~~a~~Any ~~f~~Facility which:
- (Aa) ~~which~~ was constructed before January 9, 1976 and loads more than 4,000 gallons (15,140 liters) but not more than 20,000 gallons (75,700 liters) of ~~g~~Gasoline on any one day into any tank truck, trailer, or railroad tank car.
- (Bb) ~~which~~ was constructed before January 9, 1976 and loads not more than 4,000 gallons (15,140 liters) of ~~g~~Gasoline on any one day, but more than 500,000 gallons (1,892,500 liters) of ~~g~~Gasoline in any one calendar year, into any tank truck, trailer, or railroad tank car.
- (Cc) ~~which~~ was constructed after January 9, 1976 and loads not more than 20,000 gallons (75,700 liters) of ~~g~~Gasoline on any one day into a tank truck, trailer or railroad tank car.

(4) ~~“Class ‘C’ Facility” - CLASS “C” FACILITY is a~~Any fFacility existing before January 9, 1976 which loads not more than 4,000 gallons (15,140 liters) of gGasoline on any one day and not more than 500,000 gallons in any one calendar year, into any tank truck, trailer, or railroad tank car.

(5) ~~“Exempt Compounds” - EXEMPT COMPOUNDS~~Those compounds listed in 40 CFR 51.100(s). ~~[Derived from AV Rule 1151 for consistency]~~are any of the following compounds that have been determined to be non-precursors of ozone:

~~(A) Group I (General)~~

- ~~trifluoromethane (HFC-23)~~
- ~~pentafluoroethane (HFC-125)~~
- ~~1,1,2,2-tetrafluoroethane (HFC-134)~~
- ~~tetrafluoroethane (HFC-134a)~~
- ~~1,1,1-trifluoroethane (HFC-143a)~~
- ~~1,1-difluoroethane (HFC-152a)~~
- ~~chlorodifluoromethane (HCFC-22)~~
- ~~dichlorotrifluoroethane (HCFC-123)~~
- ~~2-chloro-1,1,1,2-tetrafluoroethane (HCFC-124)~~
- ~~dichlorofluoroethane (HCFC-141b)~~
- ~~chlorodifluoroethane (HCFC-142b)~~
- ~~cyclic, branched, or linear, completely fluorinated alkanes~~
- ~~cyclic, branched, or linear, completely fluorinated ethers with no unsaturations~~
- ~~cyclic, branched, or linear, completely fluorinated tertiary amines with no unsaturations~~
- ~~sulfur-containing perfluorocarbons with no unsaturations and with sulfur bonds only to carbon and fluorine~~

~~(B) Group II~~

- ~~methylene chloride~~
  - ~~1,1,1-trichloroethane (methyl chloroform)~~
  - ~~trifluoromethane (FC-23)~~
  - ~~trichlorotrifluoroethane (CFC-113)~~
  - ~~dichlorodifluoromethane (CFC-12)~~
  - ~~trichlorofluoromethane (CFC-11)~~
  - ~~dichlorotetrafluoroethane (CFC-114)~~
  - ~~chloropentafluoroethane (CFC-115)~~
- ~~The use of Group II compounds and/or carbon tetrachloride may be restricted in the future because they are toxic, potentially toxic, or upper atmospheric ozone depleters, or cause other environmental impacts. By January 1, 1996, chlorofluorocarbons (CFC), 1,1,1-trichloroethane (methyl chloroform), and carbon tetrachloride will be phased out in accordance with the Code of Federal Regulations Title 40, Part 82 (December 10, 1993).~~

(6) ~~“Facility” - FACILITY is a~~An eOrganic HLiquid or gGasoline loading rack or set of such racks that load eOrganic HLiquid or gGasoline into tanks, trailers or railroad cars, which are located on one or more contiguous properties within the District,

in actual physical contact or separated solely by a public roadway or other public right-of-way, and are owned or operated by the same person or persons under common control.

- (7) “Facility Vapor Leak” - ~~FACILITY VAPOR LEAK is an~~The escape of organic vapors from a source other than a tank truck, trailer or railroad tank car in excess of 3,000 ppm as methane above ~~b~~Background when measured ~~at a distance of 2 centimeters from the source~~ according to EPA Method 21. A ~~f~~Facility ~~v~~Vapor ~~H~~Leak source does not include liquid spillage or condensate resulting from ~~“H~~Liquid ~~H~~Leaks”. *[Distance reference deleted to address a Limited Approval/Limited Disapproval in the NPRM issued 05/14/1997]*
- (8) “Gasoline” - ~~GASOLINE is a~~Any petroleum distillate or petroleum distillate/alcohol blend or alcohol, except any liquefied petroleum gas (LPG), which has a vapor pressure of 1.5 psia (77.5 mm Hg) or greater under actual loading conditions and is used as a fuel for internal combustion engines.
- (9) “Liquid Leak” - ~~LIQUID LEAK is a~~The dripping of liquid organic compounds at a rate in excess of three drops per minute from any single leak source other than the liquid fill line and vapor line of disconnect operations.
- (10) “Liquid Leak from Disconnect Operations” - ~~LIQUID LEAK FROM DISCONNECT OPERATIONS is d~~Defined as: (a) more than two milliliters of liquid drainage per disconnect from a top loading operation; or (b) more than ten milliliters of liquid drainage per disconnect from a bottom loading operation. Such- liquid drainage shall be determined by computing the average drainage from three consecutive disconnects at any one loading arm.
- (11) “Organic Liquid” - ~~ORGANIC LIQUID is a~~Any liquid compound containing the element carbon that has a vapor pressure of 1.5 psia (77.5 mm Hg) or greater under actual loading conditions excluding liquefied petroleum gases (LPG), methane, carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonate, and ~~e~~Exempt ~~e~~Compounds.
- (12) “Submerged Fill Loading” - ~~SUBMERGED FILL LOADING is a~~A type of ~~o~~Organic ~~H~~Liquid loading operations where the discharge opening is completely submerged when the liquid level above the bottom of the vessel is eight centimeters (3.2 inches) or higher.
- (13) “Switch Loading” - ~~SWITCH LOADING is a~~The transfer of ~~o~~Organic ~~H~~Liquids with a vapor pressure of less than 1.5 psia (77.5 mm Hg) under actual loading conditions into any tank truck, trailer or railroad tank car that was loaded with an ~~o~~Organic ~~H~~Liquid with a vapor pressure of 1.5 psia (77.5 mm Hg) or greater, immediately preceding the transfer.
- (14) “Transfer Equipment” - ~~TRANSFER EQUIPMENT s~~shall consist of all the components of the liquid loading line between the liquid pump and the



transporting vessel, and the vapor return line from the transporting vessel to the storage tank, or to and including the ~~v~~Vapor ~~r~~Recovery ~~s~~System.

- (15) ~~“Transport Vessel” - TRANSPORT VESSEL is a~~ tank truck, trailer or railroad tank car that is equipped to receive and transport ~~e~~Organic ~~l~~Liquid.
- (16) ~~“Transport Vessel Vapor Leak” - TRANSPORT VESSEL VAPOR LEAK is~~  
~~an~~The escape of organic vapors from a ~~t~~Transport ~~v~~Vessel in excess of 100 percent of the ~~lower explosive limit LEL~~-when monitored according to the CARB Vapor Recovery Test Procedure TP 204.3 – *Determination of Leak(s)*.~~for Gasoline Vapor Leak Detection Using Combustible Gas Detector. [Derived from SCAQMD Rule 462 amended 05/14/1999]~~
- (17) ~~“Vapor Disposal System” - The VAPOR DISPOSAL SYSTEM is a~~ control equipment designed and operated to reduce VOC emissions ~~-into the atmosphere.~~
- (18) ~~“Vapor Recovery System” - VAPOR RECOVERY SYSTEM is a~~ vapor gathering system which is capable of collecting and returning discharged hydrocarbon vapors and gases during loading of ~~e~~Organic ~~l~~Liquids into ~~t~~Transport ~~v~~Vessels, back to a stationary storage container, or into an enclosed process system.
- (19) ~~“Volatile Organic Compound (VOC) - VOLATILE ORGANIC COMPOUND (VOC) is a~~Any volatile compound containing the element carbon, excluding methane, carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonate, and ~~e~~Exempt ~~e~~Compounds.

### ~~(c)~~ Applicability

~~The provisions of this rule shall apply to all the organic liquid loading facilities that are defined as Class A, B or C facilities pursuant to paragraphs (b)(2), (b)(3) and (b)(4) of this rule. [Moved to section (A) (2) for rule format consistency]~~

### ~~(d)~~ Requirements

- (1) Loading Requirements at Class “A” Facilities
- (Aa) ~~From June 9, 1995 until January 31, 1999, each Class A facility shall be equipped with a vapor recovery and/or disposal system approved by the Executive Officer or designee. Effective February 1, 1999, each~~Each Class “A” ~~f~~Facility shall be equipped with a CARB certified ~~v~~Vapor ~~r~~Recovery ~~s~~System and/or disposal system.
- (Bb) Each vapor recovery and/or disposal system at a Class “A” ~~f~~Facility shall be equipped with a continuous monitoring system (CMS) that is installed,

operated, and maintained according to the manufacturer's specifications and is approved by the Executive Officer or designee.

- (Cc) The transfer of ~~e~~Organic ~~H~~Liquids shall be accomplished in such a manner that the displaced organic vapors and air are vented, under design conditions, to the vapor recovery and/or disposal system.
- ~~(Dd) From June 9, 1995 until January 31, 1998, each system shall reduce the emissions of volatile organic compounds (VOC) to 0.29 pound or less per thousand gallons (35 grams per 1,000 liters) of organic liquid transferred. Effective February 1, 1998, each~~Each vapor recovery and/or disposal system shall reduce the emissions of VOCs to 0.08 pound or less per thousand gallons (10 grams per 1,000 liters) of ~~e~~Organic ~~H~~Liquid transferred. *[Derived from SCAQMD Rule 462]*
- (Ee) Any Class ~~"A"~~ ~~f~~Facility transferring ~~g~~Gasoline into any truck, trailer, or railroad tank car shall be designed and operated for bottom loading only.
- (Ff) The ~~t~~Transfer ~~e~~Equipment shall be operated and maintained so that there are no overfills, ~~f~~Facility ~~v~~Vapor ~~H~~Leaks, ~~H~~Liquid ~~H~~Leaks, or ~~H~~Liquid ~~H~~Leaks from disconnect operations.
- ~~(g) The backpressure in the vapor recovery and/or disposal system shall not exceed 18 inches of water column pressure. [Derived from SCAQMD Rule 462]~~

(2) Loading Requirements at Class ~~"B"~~ Facilities

- ~~(Aa) From June 9, 1995 until January 31, 1999, each Class B facility shall be equipped with a vapor recovery system which is approved by the Executive Officer or designee. Effective February 1, 1999, each~~Each Class ~~"B"~~ ~~f~~Facility shall be equipped with a CARB certified ~~v~~Vapor ~~r~~Recovery ~~s~~System. *[Requirement date is no longer applicable. All Class B facilities have complied.]*
- (Bb) Such system shall be designed and operated to recover at least 90 percent of the displaced vapors.
- (Cc) The backpressure in the ~~v~~Vapor ~~r~~Recovery ~~s~~System shall not exceed 18 inches of water column pressure.
- ~~(Dd) Any Class "B" fFacility transferring gGasoline into any truck, trailer, or railroad tank car, shall be designed for bottom loading only.~~
- (Ee) The ~~t~~Transfer ~~e~~Equipment shall be operated and maintained so that there are no overfills, ~~f~~Facility ~~v~~Vapor ~~H~~Leaks, ~~H~~Liquid ~~H~~Leaks, or ~~H~~Liquid ~~H~~Leaks from disconnect operations.

- (3) Loading Requirements at Class “C” Facilities
- (Aa) Each Class “C” ~~f~~Facility shall be equipped and operated for ~~s~~Submerged ~~f~~Fill ~~H~~Loading or bottom fill loading. All ~~g~~Gasoline or equivalent vapor pressure ~~e~~Organic ~~H~~Liquids shall be transferred in this manner.
  - (Bb) The ~~t~~Transfer ~~e~~Equipment shall be operated and maintained so that there are no overfills, ~~H~~Liquid ~~H~~Leaks, or ~~H~~Liquid ~~H~~Leak from disconnect operations.
- (4) Loading Requirements for Transport Vessels
- (Aa) No person shall allow loading or unloading of ~~e~~Organic ~~H~~Liquid or other use or operation of any ~~t~~Transport ~~v~~Vessel unless the vessel has a valid certification of vapor integrity as defined by the applicable Air Resources Board Certification and Test Procedures, pursuant to Health and Safety Code Section 41962(g) ~~and the California Administrative Code Title 17, Section 94004. [Derived from to SCAQMD Rule 462]~~
  - (Bb) Transport ~~v~~Vessel vapor leaks from dome covers, pressure vacuum vents or other sources shall be determined in accordance with the CARB Vapor Recovery Test Procedure TP-204.3 – Determination of Leak(s). ~~for Gasoline Vapor Leak Detection Using a Combustible Gas Detector dated, September 1, 1982.~~
  - (Cc) The ~~t~~Transport ~~e~~quipment ~~V~~Vessel shall be operated so ~~such~~ that there are no Transport Vessel Vapor Leaks or ~~H~~Liquid ~~H~~Leaks.
- (5) Switch Loading
- (a) Uncontrolled ~~s~~Switch ~~H~~Loading is prohibited except at Class “C” facilities.
- (6) Leak Inspection Requirements
- (Aa) The owner and operator of any Class “A”, “B”, or “C” ~~f~~Facility shall be required to perform an inspection of the vapor collection system, the ~~v~~Vapor ~~d~~Disposal ~~s~~System, and each loading rack handling ~~e~~Organic ~~H~~Liquids, for ~~f~~Facility ~~v~~Vapor ~~H~~Leaks or ~~H~~Liquid ~~H~~Leaks of ~~v~~VOC’ ~~solatile organic compounds~~ on one of the following schedules:
    - (i) monthly if sight, sound, and smell are used as detection methods.
    - (ii) quarterly if an organic vapor analyzer (OVA) is used to monitor for ~~f~~Facility ~~v~~Vapor ~~H~~Leaks.
  - (Bb) Each detection of a leak shall be repaired or replaced within 72 hours. If the leaking component cannot be repaired or replaced within 72 hours, the component shall be taken out of service until such time the component is repaired or replaced. The repaired or replacement component shall be

reinspected the first time the component is in operation after the repair or replacement. [Updated in response to USEPA request. Derived from SJVUAPCD Rule 4624, section 5.9.3]

(7) CARB Certification

- (a) Within 30 calendar days after completing construction of any new or modified vapor recovery and/or disposal system, the owner/operator of a Class "A" or Class "B" facility shall submit a written request to CARB for certification of the new or modified vapor recovery and/or disposal system.

~~(e) Compliance Schedule~~

~~The owner and operator of any Class A, B, or C facility subject to this rule shall comply with the requirements of subdivision (d) in accordance with the following schedule:~~

- ~~(1) For Class A facilities subject to paragraph (d)(1):~~
- ~~(A) By July 1, 1996, submit an application to the Executive Officer or designee for permit to construct a new or modified vapor recovery and/or disposal system where applicable. [Compliance deadline is no longer applicable. All facilities have submitted applications.]~~
- ~~(B) By February 1, 1997, submit a Continuous Monitoring System (CMS) Plan to the Executive Officer or designee for the approval. [Submission deadline is no longer applicable. CMS requirement is in (C)(1)(b)]~~
- ~~(C) By February 1, 1998, demonstrate compliance with the organic vapor emission limit of 0.08 pound per thousand gallons of organic liquid transferred. [Compliance deadline is no longer applicable. Emission limit is stated in (C)(1)(d)]~~
- ~~(D) Within 30 calendar days after completing construction of a new or modified vapor recovery and/or disposal system, a written request shall be submitted to CARB for certification of the new or modified vapor recovery and/or disposal system. [Moved to (C)(7)]~~
- ~~(E) By February 1, 1999, demonstrate compliance with the CARB certification of the existing or modified vapor recovery and/or disposal system. [Compliance deadline is no longer applicable. CARB certification requirement is in (C)(1)(a)]~~
- ~~(2) For Class B facilities subject to paragraph (d)(2):~~
- ~~(A) By February 1, 1999, demonstrate compliance with the CARB certification of the existing vapor recovery system [Compliance deadline is no longer applicable. Requirement is in (C)(2)(a)]~~

~~(3) For Class B facilities that were Class C facilities prior to June 9, 1995 and now are subject to paragraph (d)(2):~~

~~(A) By January 1, 1996, submit an application to the Executive Officer or designee for permit to construct and permit to operate a vapor recovery system where applicable. Application deadline is no longer applicable. All applications were submitted in a timely manner~~

~~(B) By February 1, 1998, demonstrate compliance with the requirement of 90 percent recovery of displaced vapors. Compliance deadline is no longer applicable. Recovery requirement is in section (C)(2)(b)~~

~~(C) Within 30 calendar days after completing construction of a new or modified vapor recovery system, a written request shall be submitted to CARB for certification of the new or modified vapor recovery and/or disposal system. Requirement moved to (C)(7)~~

~~(D) By February 1, 1999, demonstrate compliance with the CARB certification requirement. Compliance deadline is no longer applicable. Requirement was moved to (C)(2)(a)~~

#### ~~(fD)~~ Compliance Determination/Test Methods

(1) Compliance with the emission limit of organic vapors as specified in ~~the subparagraph (dC)(1)(Dd)~~ shall be determined according to EPA Method 25A, 25B or SCAQMD Method 501.1, as applicable.

(2) Continuous Monitoring System required pursuant to ~~subparagraph (dC)(1)(Bb)~~ shall be in compliance with Code of Federal Regulation Title 40 Part ~~6063~~ Subpart R Section 63.427 and Code of Federal Regulations Title 40 Part 60 Appendix B, as applicable. Appendix B.

(3) Compliance with the vapor recovery efficiency as specified in ~~the subparagraph (dC)(2)(Bb)~~ shall be determined according to CARB ~~Method 202~~ Vapor Recovery Certification Procedure CP-202 – Certification Procedure for Vapor Recovery Systems of Bulk Plants.

(4) Determinations of ~~f~~Facility ~~v~~Vapor ~~h~~Leaks as defined in ~~the paragraph (bB)(7)~~ shall be conducted according to EPA Method 21.

(5) Any other alternative test method approved in writing by the Executive Officer, CARB, and USEPA may be used only when none of the test methods identified in this section are applicable.

(6) When more than one test method or set of test methods are specified for any testing, a violation of any requirements of this rule established by any one of the specified test methods or set of methods shall constitute a violation of the rule.

## (gE) Recordkeeping

- (1) The owner and operator of any Class “A”, “B”, or “C” fFacility, in order to ~~determine~~verify the classification of such fFacility, shall maintain a daily log of the throughput and a summary of the throughput for the calendar year to date, of the liquid organic compounds subject to the provisions of this rule. A log showing daily compliance shall suffice to satisfy this requirement.
- (2) The owner and operator of any Class “A”, “B”, or “C” fFacility shall maintain records for verification of compliance with the requirements in paragraph (dC)(6). The records shall include, but are not limited to, inspection dates, description of leaks detected, repair/replacement dates, and reinspection dates. ~~A single compliant daily log shall suffice to satisfy this requirement.~~
- (3) All records shall be maintained at the fFacility for at least two years and shall be available to the Executive Officer or designee upon request.

## (hF) Distribution of Responsibilities

- (1) The owner and operator of any Class “A”, “B”, or “C” fFacility shall be responsible and liable for complying with the provisions of paragraphs (dC)(1), (dC)(2), (dC)(3), and (dC)(6) and ~~subdivisions~~sections (eD) and (gE) of this rule, and for maintaining the equipment at the fFacility in such condition that it can comply with the requirements of this rule if properly operated. If employees of the owner or operator of the fFacility supervise or affect the transfer operation, the owner or operator of the fFacility shall be responsible for ensuring that the transfer operation complies with all requirements of this rule and that the tTransfer eEquipment is properly operated. [Updated in response to USEPA request. Removed word “subdivisions” and added “sections”; (gF) was corrected to (gE)]
- (2) The owner, operator, and driver of a tTransport vVessel shall be responsible and liable for complying with paragraphs (dC)(4) and (dC)(5) of this rule.

## (iG) Exemptions

- (1) The provisions of subparagraphs (dC)(1)(Ff), (dC)(2)(Ee) and (dC)(3)(Bb) shall not apply to components found in violation of fFacility vVapor HLeaks or HLiquid HLeaks either of which is detected and recorded originally by the owner or operator, provided the repair or replacement of applicable equipment is completed within the specified period as given in subparagraph (dC)(6)(Bb).
- (2) The provisions of subparagraphs (dC)(1)(Aa) and (dC)(1)(Bb) shall not apply to vapor recovery and/or disposal systems which vent displaced hydrocarbon vapors to an adjacent refinery flare or other combustion device that receives gaseous streams from other refinery sources.

~~[SIP: Submitted as amended 6/9/95 on 10/13/95; approved 5/3/95, 60 FR 21702, \_\_\_\_\_, Approved 7/8/82, 47 FR 29668, 40 CFR 52.220(c)(88)(iii)(B); Approved 1/21/81, 46 FR 5965, 40 CFR 52.220(c)(47)(i)(B); Approved 7/26/77, 42 FR 37976, 40 CFR 52.220(c)(31)(vi)(A).]~~

See SIP table at:

[http://avaqmd.ca.gov/files/aa5e9c334/AVAQMD%20State%20Implementation%20Plan%20\(SIP\)%20Table.pdf](http://avaqmd.ca.gov/files/aa5e9c334/AVAQMD%20State%20Implementation%20Plan%20(SIP)%20Table.pdf)

**Appendix “B”**  
**Public Notice Documents**

1. Proof of Publication – Antelope Valley Press 07/14/2017



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**AFFIDAVIT OF PUBLICATION**

(2015.5 C.C.P.)

**STATE OF CALIFORNIA**

County of Los Angeles

} s s

**AVAQMD**  
**JUL 19 2017**  
**RECEIVED**

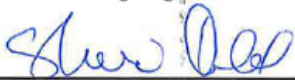
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**NOTICE OF HEARING**  
**CONSIDER THE PROPOSED AMENDMENT**  
**OF RULE 462 - ORGANIC LIQUID LOADING**

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the **Antelope Valley Press**, a newspaper of general circulation, printed and published daily in the City of Palmdale, County of Los Angeles, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Los Angeles, State of California, under date of October 24, 1931, Case Number 328601; Modified Case Number 657770 April 11, 1956; also operating as the Ledger-Gazette, adjudicated a legal newspaper June 15, 1927, by Superior Court decree No. 224545; also operating as the Desert Mailer News, formerly known as the South Antelope Valley Football News, adjudicated a newspaper of general circulation by the Superior Court of the County of Los Angeles, State of California on May 29, 1967, Case Number NOC564 and adjudicated a newspaper of general circulation for the City of Lancaster, State of California on January 26, 1990, Case Number NOC10714, Modified October 22, 1990; that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

**July 14, 2017**

I certify (or declare) under penalty of perjury that the fore-going is true and correct.



Signature

Dated: July 14, 2017  
Executed at Palmdale, California

**NOTICE OF HEARING**

**NOTICE IS HEREBY GIVEN** that the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) will conduct a public hearing on August 16, 2017 at 10:00 A.M. to consider the proposed amendment of Rule 462 - Organic Liquid Loading.

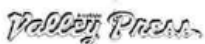
**SAID HEARING** will be conducted in the Governing Board Chambers located at the AVAQMD offices, 43901 Division Street, Suite 206, Lancaster, CA 93535-4649 where all interested persons may be present and be heard. Copies of the proposed amendment of Rule 462 - Organic Liquid Loading and the Staff Report are on file and may be obtained from the Clerk of the Governing Board at the AVAQMD Offices. Written comments may be submitted to Bret Banks, APCO at the above office address, and should be received no later than August 14, 2017 to be considered. If you have any questions, you may contact Barbara Loda at (661) 723-6070 x3 or via E-mail at [bloda@avaqmd.ca.gov](mailto:bloda@avaqmd.ca.gov) for further information. Traducción este disponible por solicitud.

The proposed amendment of Rule 462 - Organic Liquid Loading will satisfy 42 U.S.C. §17511a (Federal Clean Air Act §182) which requires that ozone non-attainment areas implement Reasonably Available Control Technology (RACT) for sources that are subject to Control Techniques Guidelines (CTG) documents issued by United States Environmental Protection Agency (USEPA) and for "major sources" of volatile organic compounds (VOCs) and oxides of nitrogen (NOx) which are ozone precursors.

The proposed amendments to Rule 462 are necessary to address a vapor leak measurement issue identified by USEPA; clarify rule definitions and requirements; and improve rule enforceability.

Pursuant to the California Environmental Quality Act (CEQA) the AVAQMD has determined that a Categorical Exemption (Class 8 - 14 Cal. Code Reg §153001) applies and has prepared a Notice of Exemption for this action.

**CRYSTAL GOREE**  
Deputy Clerk of the Board  
Antelope Valley Air Quality Management District  
Published July 14, 2017



37404 SIERRA HWY., PALMDALE CA 93550  
Telephone (661)267-4112/Fax (661)947-4870

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**Appendix “C”**  
**Public Comments and Responses**

1. USEPA Comment, 07/25/2017.

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1. USEPA Comment,  
07/25/2017

**Barbara Lods**

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**From:** Steckel, Andrew <Steckel.Andrew@epa.gov>  
**Sent:** Tuesday, July 25, 2017 8:09 AM  
**To:** Bret Banks; Sutkus, Carol@ARB; Barbara Lods  
**Cc:** Newhouse, Rebecca; Zimpher, Amy  
**Subject:** EPA Comments on Antelope Valley Rule 462



United States Environmental Protection Agency  
Region IX  
75 Hawthorne Street  
San Francisco, CA 94105-3901

July 26, 2017

**Transmittal of EPA Rule Review Comments**

**To:** Bret Banks, Antelope Valley Air Quality Management District  
[bbanks@avaqmd.ca.gov](mailto:bbanks@avaqmd.ca.gov)  
  
Carol Sutkus, California Air Resources Board  
[csutkus@arb.ca.gov](mailto:csutkus@arb.ca.gov)  
**From:** Andrew Steckel, Rulemaking Office Chief  
[steckel.andrew@epa.gov](mailto:steckel.andrew@epa.gov)  
**Re:** Rule 462, Organic Liquid Loading, draft dated July 5, 2017

We are providing comments based on our preliminary review of the draft rule identified above. Although we believe these revisions are not necessary for EPA to propose approval of this rule as drafted at this time, the following changes would significantly strengthen Rule 462. Please direct any questions about our comments to me at (415) 847-4115 or to Rebecca Newhouse at (415) 972-3004.

- |    |   |
|----|---|
| 1. | 1. We recommend increasing the vapor recovery requirement for loading at Bulk Gasoline Plants from 90% to 95% or including an emissions limit for these transfers of at least 0.6 lbs VOCs/1000 gallons transferred. For example, please see San Joaquin Valley Air Pollution Control District (APCD) Rule 4642 and Yuba-Solano Air Quality Management District (AQMD) Rule 2.21, which both require at least 90% prevention of displaced VOCs from bulk gasoline plant transfers, and see Sacramento Metropolitan AQMD Rule 447 and Placer County APCD Rule 215, which set a maximum emissions limit of 0.6 lbs VOC/1000 gallons gasoline transferred. |
| 2. | 2. We recommend requiring semi-annual or annual leak inspections with a portable hydrocarbon analyzer of the vapor collection system, the vapor disposal system, and each loading rack handling organic liquids, if the owner or operator chooses to comply with the monthly inspection schedule using sight, sound, and smell (C)(6)(a)(i).  |
| 3. | 3. Please specify for (C)(6)(b), that if the leak cannot be repaired or replaced within 72 hours, the component shall be taken out of service until such time the component is repaired or replaced. For example, please see SJVAPCD Rule 4624 section 5.9.3.   |
| 4. | 4. Please replace the reference to (F) in line three of B(1) with (E).  |
| 5. | 5. Please delete "subsection 4.3.2" from the definition of "Background" in B(1).  |

2. District response to USEPA comment, 07/25/2017

1. The District chose to retain the 90% vapor recovery requirement to maintain consistency with neighboring districts that have current RACT rules, SCAQMD Rule 462 and VCAPCD Rule 71.3.
2. The District chose to retain existing language regarding leak inspections to maintain consistency with a neighboring District that has a current RACT rule, SCAQMD Rule 462.
3. Section (C)(6)(a)(i) has been changed to clarify procedure if leak cannot be repaired within 72 hours.
4. Reference to (F) in line three of (F)(1) has been changed to (E).
5. The reference to “subsection 4.3.2” in the definition of “Background” in section (B)(1) has been removed.

These changes do not significantly affect the meaning of the proposed rule and therefore are found not to be substantive changes requiring continuation pursuant to H&S Code §40726.

**Appendix “D”**  
California Environmental Quality Act  
Documentation

1. Draft Notice of Exemption – Los Angeles County



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**NOTICE OF EXEMPTION**

**TO:** Los Angeles County Clerk  
12400 E. Imperial Hwy, #1001  
Norwalk, CA 90650

**FROM:** Antelope Valley Air Quality  
Management District  
43301 Division Street, Suite 206  
Lancaster, CA 93535-4649

AVAQMD Clerk of the Governing Board

**PROJECT TITLE:** Amendment of Rule 462 – *Organic Liquid Loading*

**PROJECT LOCATION – SPECIFIC:** Los Angeles County portion of the Mojave Desert Air Basin.

**PROJECT LOCATION – COUNTY:** Los Angeles County

**DESCRIPTION OF PROJECT:** The proposed amendment of Rule 462 – *Organic Liquid Loading* will satisfy 42 U.S.C. §§7511a (Federal Clean Air Act §182) which requires that ozone non-attainment areas implement Reasonably Available Control Technology (RACT) for sources that are subject to Control Techniques Guidelines (CTG) documents issued by United States Environmental Protection Agency (USEPA) and for “major sources” of volatile organic compounds (VOCs) and oxides of nitrogen (NOX) which are ozone precursors.

**NAME OF PUBLIC AGENCY APPROVING PROJECT:** Antelope Valley AQMD

**NAME OF PERSON OR AGENCY CARRYING OUT PROJECT:** Antelope Valley AQMD

**EXEMPT STATUS (CHECK ONE)**

Ministerial (Pub. Res. Code §21080(b)(1); 14 Cal Code Reg. §15268)

Emergency Project (Pub. Res. Code §21080(b)(4); 14 Cal Code Reg. §15269(b))

Categorical Exemption – Class 8 (14 Cal Code Reg. §15308)

**REASONS WHY PROJECT IS EXEMPT:** The proposed amendments to Rule 462 are exempt from CEQA review because they will not create any adverse impacts on the environment. This rule has been strengthened by removing a vapor leak measurement distance, clarifying rule definitions and requirements and improving rule enforceability. Because there is no potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies. Copies of the documents relating to CEQA can be found in Appendix “D”.

**LEAD AGENCY CONTACT PERSON:** Bret Banks **PHONE:** (661) 723-8070

**SIGNATURE:** \_\_\_\_\_

**TITLE:** Executive Director/APCO **DATE:** August 15, 2017

**DATE RECEIVED FOR FILING:**

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## Appendix “E” Bibliography

The following documents were consulted in the preparation of this staff report.

1. *Control of Volatile Organic Compound Leaks from Gasoline Tank Trucks and Vapor Collection Systems*, (EPA 450 2-78-051, December 1978)
2. *Control of Hydrocarbons from Tank Truck Gasoline Loading Terminals*, (EPA 450 2-77-026, October 1977)
3. *Control of Volatile Organic Emissions from Bulk Gasoline Plants*, (EPA 450 2-77-035, December 1977)
4. South Coast Air Quality Management District Rule 462, *Organic Liquid Loading*, May 14, 1999
5. South Coast Air Quality Management District, Staff Report, Rule 462, *Organic Liquid Loading, Board Meeting Date May 14, 1999*.
6. USEPA Region IX Technical Support Document for EPA’s Notice of Final Rulemaking for the California State Implementation Plan, South Coast Air Quality Management District Rule 462, *Organic Liquid Loading*, March 12, 1997

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**MINUTES OF THE GOVERNING BOARD  
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT  
LANCASTER, CALIFORNIA**

*AGENDA ITEM 7*

**DATE:** August 15, 2017

**RECOMMENDATION:** 1) Award an amount not to exceed \$50,000 in Mobile Source Emissions Reduction Program funds (AB 2766) to the Antelope Valley Fair Association for the purchase of a clean diesel pickup truck capable of operating on B20 biofuel; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames, technical project details, and execute an agreement, approved as to legal form.

**SUMMARY:** This item authorizes AB 2766 funding to the Antelope Valley Fair Association in an amount not to exceed \$50,000 toward the purchase of a clean diesel 2017 GMC 2500HD pickup truck capable of operating on B20 biofuel.

**BACKGROUND:** The Antelope Valley Fair Association has submitted a request for grant funding toward the purchase of a clean diesel 2017 GMC 2500HD pickup truck capable of operating on B20 biofuel. B20 biofuel is a fuel blend of 20 percent biodiesel and 80 percent conventional ultra-low sulfur diesel (ULSD). The Antelope Valley Fair Association has identified the 2017 GMC 2500HD pickup truck, as both a clean air and environmentally friendly alternative to a diesel vehicle operating on conventional diesel. The ability to use B20 fuel lessens dependence on foreign oil while achieving emission reductions. In addition, the B20 fuel option, is the most viable clean air option for this vehicle that will provide the performance needed support various activities and functions at the Antelope Valley Fairgrounds. Staff has reviewed the project and finds it to meet eligibility requirements for the use of AB 2766 funding. AB 2766 funds may be used to support programs that reduce air pollution from motor vehicles and related planning.

**REASON FOR RECOMMENDATION:** Governing Board approval is required to approve the grant and allocation from the District's Mobile Source Emissions Reduction (AB 2766) funds. Additionally, Governing Board authorization is required for the Executive Director/APCO to negotiate and execute an agreement with the grant recipient.

**REVIEW BY OTHERS:** This item was reviewed as to legal form by Allison E. Burns, Special Counsel to the Governing Board as to legal form and by Bret Banks, Executive Director/APCO on or about August 1, 2017.

**FINANCIAL DATA:** Sufficient funds are available from the District's Mobile Source Emissions Reduction (AB 2766) funds.

**PRESENTER:** Bret Banks, Executive Director/APCO

---

cc: Jean Bracy  
Laquita Cole  
Michelle Powell  
Julie McKeehan