

BEFORE THE STATE OF CALIFORNIA
AIR RESOURCES BOARD

IN THE MATTER OF THE PUBLIC)
HEARING REGARDING AGENDA)
ITEMS:)
96-5-1, 96-5-2, 96-5-3, 96-5-4)
AND 96-5-6.)

TRANSCRIPT OF PROCEEDINGS, TAKEN AT
1600 PACIFIC HIGHWAY, SUPERVISORS CHAMBERS,
ROOM 310, SAN DIEGO, CALIFORNIA, COMMENCING
AT 8:30 A.M., ON FRIDAY, JUNE 14, 1996, HEARD
BEFORE THE CALIFORNIA AIR RESOURCES BOARD,
REPORTED BY MICHELLE HANNAH, CSR NO. 9985,
A CERTIFIED SHORTHAND REPORTER IN AND FOR
THE STATE OF CALIFORNIA.

APPEARANCES:

THE BOARD:

JOHN D. DUNLAP, III
CHAIRMAN
PUBLIC MEMBER

EUGENE A. BOSTON, M.D.
PHYSICIAN AND SURGEON
MEMBER

LYNNE T. EDGERTON
LAW MEMBER

JOHN S. LAGARIAS, P.E.
SCIENCE MEMBER

BARBARA RIORDAN
SUPERVISOR, SAN BERNARDINO
COUNTY
OTHER DISTRICT MEMBER

JOSEPH C. CALHOUN, P.E.
AUTOMOTIVE ENGINEERING
MEMBER

M. PATRICIA HILLIGOSS
MAYOR, CITY OF PETALUMA
BAAQMD MEMBER

RON ROBERTS
SUPERVISOR, SAN DIEGO
COUNTY
SAN DIEGO APCD MEMBER

DOUG VAGIM
SUPERVISOR, FRESNO COUNTY
SAN JOAQUIN VALLEY UNIFIED
APCD MEMBER

PAT HUTCHENS
BOARD SECRETARY

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1 WHAT'S GOING TO BE OUT THERE FOR THE NEXT FIVE AND TEN
2 YEARS.

3 MR. VAGIM: DO YOU THROW IN CONVERTING THEIR
4 EIGHT-TRACK TO CASSETTE?

5 MR. FRANKENBINER: I DON'T THINK YOU GET ANY
6 EMISSION GAIN FROM THAT, JUST MAYBE THE NOISE.

7 MR. VAGIM: THANK YOU VERY MUCH.

8 MR. DUNLAP: ANY OTHER QUESTIONS?

9 ALL RIGHT. MR. SOMMERVILLE, THANK YOU FOR
10 THAT PRESENTATION.

11 KEEP UP THE GOOD WORK HERE IN SAN DIEGO.

12 MR. SOMMERVILLE: THANK YOU.

13 AND I HOPE YOU ALL ENJOY YOUR DAY HERE.

14 MR. DUNLAP: ALL RIGHT. I'D LIKE TO REMIND THOSE
15 IN THE AUDIENCE WHO WOULD LIKE TO PRESENT TESTIMONY TO THE
16 BOARD ON ANY OF TODAY'S ITEMS TO PLEASE SEE THE BOARD
17 SECRETARY OVER HERE.

18 PAT, IF YOU CAN WAVE YOUR HAND?

19 WE ARE IN NEW TERRAIN HERE. IF YOU HAVE A
20 WRITTEN STATEMENT, PLEASE PROVIDE HER WITH 20 COPIES SO
21 EACH OF THE MEMBERS OF THE BOARD MIGHT HAVE A COPY OF YOUR
22 REMARKS.

23 THE FIRST AGENDA ITEM TODAY IS 96-5-1, PUBLIC
24 HEARING TO CONSIDER THE ADOPTION OF A REGULATION AND
25 CRITERIA FOR EQUIPMENT AND PROCESS PRECERTIFICATION.

1 THE PROPOSED REGULATION WILL ESTABLISH THE
2 PROCESS WHICH WILL BE FOLLOWED AND REQUIREMENTS WHICH MUST
3 BE MET FOR THE AIR RESOURCES BOARD TO PRECERTIFY EQUIPMENT
4 AND PROCESSES AS BEING IN COMPLIANCE WITH APPLICABLE AIR
5 QUALITY RULES AND REGS.

6 AS PART OF CALIFORNIA'S PERMIT REFORM
7 EFFORTS, THE LEGISLATIVE PRECERTIFICATION AS AN IMPORTANT
8 PROGRAM, A PRIORITY PROGRAM FOR STREAMLINING THE AIR
9 PERMIT PROCESS AND AS A RESULT MANDATED THE A.R.B. TO
10 DEVELOP AND IMPLEMENT A PRECERTIFICATION PROGRAM.

11 AT THIS POINT, I'D LIKE TO ASK MR. BOYD TO
12 INTRODUCE THE ITEM AND BEGIN THE STAFF'S PRESENTATION.

13 GOOD MORNING, JIM.

14 MR. BOYD: THANK YOU, MR. CHAIRMAN.

15 GOOD MORNING, BOARD MEMBERS AND GOOD MORNING
16 TO THE MEMBERS OF OUR AUDIENCE HERE.

17 I THINK AS BOARD MEMBERS KNOW, THE AIR
18 RESOURCES BOARD HAS A LONG AND SUCCESSFUL HISTORY OF
19 CERTIFYING VARIOUS TYPES OF EQUIPMENT PROCESSES AND NEW
20 ENVIRONMENTAL TECHNIQUES AS PART OF OUR EFFORTS TO REDUCE
21 EMISSIONS FROM MOTOR VEHICLES AND MOBILE SOURCES.

22 EXISTING CERTIFICATION PROGRAMS INCLUDE THE
23 CERTIFICATION MOTOR VEHICLE EMISSION CONTROL SYSTEMS, THE
24 CERTIFICATION OF AFTER MARKET PARTS FOR MOTOR VEHICLES,
25 THE CERTIFICATION OF GAS AND VAPOR RECOVERY SYSTEMS AND

1 EQUIPMENT AND THE CERTIFICATION OF MOTOR VEHICLE FUELS AND
2 FUEL ADDED PACKAGES.

3 AND FROM THE LAST DISCUSSION, YOU SAW A PIECE
4 OF EQUIPMENT THAT WOULD HAVE BEEN AND WAS A CERTIFIED
5 PROGRAM, I GUESS, BY THE AIR RESOURCES BOARD.

6 TODAY WE WILL BE PRESENTING A NEW
7 CERTIFICATION PROGRAM, WHOSE GENESIS IS REALLY IN
8 PROVIDING ASSISTANCE TO LOCAL DISTRICTS TO GAIN GREATER
9 EFFICIENCY IN THE ISSUANCE OF PERMITS AT THE LOCAL LEVEL.

10 THE EQUIPMENT AND PROCESS PRECERTIFICATION
11 PROGRAM IS A VOLUNTARY PERMIT STREAMLINING PROGRAM FOR
12 MANUFACTURES OR DISTRIBUTORS OF EQUIPMENT AND PROCESSES
13 COMMONLY ASSOCIATED WITH STATIONARY SOURCES IN
14 CALIFORNIA.

15 THIS IS THE BEGINNING OF THE FIRST FOR US.
16 AS YOU ARE AWARE, STATIONARY SOURCES ARE, OF COURSE,
17 HISTORICALLY REGULATED BY LOCAL DISTRICTS.

18 DISTRICTS ADOPTED THE RULES AND REGULATIONS,
19 WHICH THE REQUIREMENTS SET PERFORMANCE STANDARDS FOR MANY
20 TYPES OF EQUIPMENT AND PROCESS CATEGORIES.

21 THE AIR RESOURCES BOARD HAS BEEN CHARGED BY
22 THE LEGISLATURE TO DEVELOP CRITERIA AND GUIDELINES IN
23 COORDINATION WITH LOCAL AIR DISTRICTS TO PRECERTIFIED
24 EQUIPMENT AND PROCESSES AS BEING IN COMPLIANCE WITH
25 APPLICABLE AIR QUALITY RULES AND REGULATIONS.

1 WE BELIEVE THAT OUR PROPOSED CRITERIA FIRST
2 PROVIDE FOR AN INDEPENDENT VERIFICATION BY THE AIR
3 RESOURCES BOARD OF THE PERFORMANCE OF EQUIPMENT AND
4 PROCESSES; SECONDLY, PROVIDE FOR A DETERMINATION OF
5 COMPLIANCE WITH RULES AND REGULATIONS WITHOUT AFFECTING
6 THE EXISTING PERMITTING AND COMPLIANCE AUTHORITY OF LOCAL
7 DISTRICTS; THIRDLY, RESULT IN A REDUCTION IN COST TO
8 BUSINESSES BY REDUCING THE NEED FOR DUPLICATIVE TESTING.

9 ALL OF THIS SHOULD RESULT IN REDUCTION IN THE
10 TIME NEEDED TO ISSUE PERMITS AT EACH DISTRICT IN THE
11 STATE.

12 I'D LIKE ALSO TO NOTE THAT THE A.R.B.'S
13 EFFORTS ARE INDEED ONE PART OF A LARGER EFFORT UNDER WAY
14 WITHIN CAL/E.P.A. TO IMPLEMENT ENVIRONMENTAL TECH
15 CERTIFICATION PROGRAMS THROUGHOUT THE VARIOUS BOARDS AND
16 DEPARTMENTS OF CAL/E.P.A.

17 AN OFFICE OF ENVIRONMENTAL TECHNOLOGY WAS
18 RECENTLY ESTABLISHED AT THE AIR RESOURCES BOARD TO
19 COORDINATE THESE VARIOUS PROGRAMS, INCLUDING THE HAZARDOUS
20 WASTE ENVIRONMENTAL TECHNOLOGY CERTIFICATION PROGRAM AT
21 THE DEPARTMENT OF TOXIC SUBSTANCE. SO WE TURNED OVER A
22 NEW LEAF AND HAVE LAUNCHED A NEW AREA AND NEW EFFORT.

23 WITH THAT INTRODUCTION, AT THIS POINT I'LL
24 TURN THE PRESENTATION OVER TO MR. BRADLEY BRANSEN, WHO
25 WILL GIVE YOU THE DETAILS OF THE AIR RESOURCES BOARD

1 PROPOSAL.

2 MR. BRANSEN?

3 MR. BRANSEN: THANK YOU, MR. BOYD.

4 GOOD MORNING, CHAIRMAN DUNLAP AND MEMBERS OF
5 THE BOARD.

6 MY NAME IS BRADLEY BRANSEN, AND I WORK IN
7 THE STATIONARY SOURCE DIVISION OF THE AIR RESOURCES BOARD.
8 AND TODAY WE WILL DESCRIBE OUR EFFORTS IN DEVELOPING THE
9 AIR RESOURCES BOARD'S EQUIPMENT PRECERTIFICATION PROGRAM.
10 AND WE'D LIKE TO PRESENT OUR PROPOSED REGULATION OF
11 CRITERIA FOR YOUR ADOPTION.

12 IN TODAY'S PRESENTATION, I WILL DISCUSS WHAT
13 EQUIPMENT PRECERTIFICATION IS, WHY EQUIPMENT SHOULD BE
14 PRECERTIFIED, WHO PARTICIPATED IN DEVELOPING THE EQUIPMENT
15 PRECERTIFICATION PROGRAM, WHAT IS IN THE PROPOSED
16 REGULATION AND CRITERIA, AND HOW EQUIPMENT WILL BE
17 PRECERTIFIED.

18 THE A.R.B. EQUIPMENT PRECERTIFICATION PROGRAM
19 IS A VOLUNTARY STATE-WIDE PROGRAM WHICH CONSISTS OF TWO
20 STEPS: A PERFORMANCE PRECERTIFICATION AND A REGULATORY
21 PRECERTIFICATION.

22 THE PERFORMANCE PRECERTIFICATION IS AN
23 INDEPENDENT VERIFICATION OF PERFORMANCE CLAIMS AND A
24 PRELIMINARY ENGINEERING EVALUATION FOR EQUIPMENT AND
25 PROCESSES. ALL APPLICANTS ARE REQUIRED TO GO THROUGH THIS

1 PERFORMANCE VERIFICATION PROCESS. AND A.R.B. STAFF WILL
2 VERIFY THE PERFORMANCE OF EQUIPMENT, BASED ON APPLICANTS'
3 CLAIMS AND WILL CONFIRM THAT THE CLAIMS ARE ACCURATE AND
4 TRUE WHEN EQUIPMENT IS OPERATED UNDER SPECIFIED
5 CONDITIONS.

6 IN ADDITION TO THE PERFORMANCE
7 PRECERTIFICATION, APPLICANTS MAY REQUEST A REGULATORY
8 PRECERTIFICATION. THIS IS A REGULATORY REVIEW FROM STATE
9 AND LOCAL REGULATORS TO DETERMINE COMPLIANCE WITH NONSITE
10 SPECIFIC AIR QUALITY REGULATIONS.

11 FOR PRECERTIFICATION TO BE USEFUL AS A PERMIT
12 STREAMLINING TOOL, THE APPLICANTS WILL BE ENCOURAGED TO GO
13 THROUGH THIS STANDARD REVIEW PROCESS. COMPLIANCE
14 DETERMINATIONS TO APPLICABLE LOCAL AIR POLLUTION LAWS WILL
15 BE CONDUCTED BY LOCAL AIR DISTRICT STAFF, AND THE A.R.B.
16 STAFF WILL DETERMINE APPLICABLE FEDERAL AND STATE
17 REGULATIONS. AND WE WILL CONSULT WITH U.S. E.P.A. FOR
18 COMPLIANCE WITH THE FEDERAL REGULATIONS.

19 WHEN APPLICANTS REQUEST A PRECERTIFICATION
20 FOR EQUIPMENT THAT AFFECTS MORE THAN ONE ENVIRONMENTAL
21 MEDIA, THEY WILL HAVE THE OPPORTUNITY TO PARTICIPATE IN
22 ANY OF THE ENVIRONMENTAL TECHNOLOGY CERTIFICATION PROGRAMS
23 OFFERED BY CAL/E.P.A., SUCH AS THE DEPARTMENT OF TOXIC
24 SUBSTANCES CONTROL'S HAZARDOUS WASTE CERTIFICATION
25 PROGRAM. CROSS-MEDIA CERTIFICATIONS WILL BE COORDINATED

1 BY THE OFFICE OF ENVIRONMENTAL TECHNOLOGY LOCATED WITHIN
2 THE COMPLIANCE DIVISION OF THE A.R.B.

3 THERE ARE MANY REASONS WHY EQUIPMENT
4 PRECERTIFICATION WILL BENEFIT LOCAL AIR DISTRICTS,
5 INDUSTRY, AND THE STATE. FIRST IT WILL ASSIST IN
6 STREAMLINING THE PERMITTING PROCESS. THE EVALUATION
7 REPORT PRODUCED IN A PRECERTIFICATION PROCESS WILL ACT AS
8 A PRELIMINARY ENGINEERING EVALUATION TO ASSIST DISTRICTS
9 IN REDUCING THE TIME REQUIRED TO EVALUATE EQUIPMENT AND
10 RESULT IN ISSUING AIR POLLUTION PERMITS MORE QUICKLY.

11 SECOND, IT WILL AID IN PROMOTING INNOVATIVE
12 TECHS. PRECERTIFICATION WILL ASSIST IN REDUCING THE
13 DIFFICULTY AND REDUNDANCY IN STATE, LOCAL AND
14 ENVIRONMENTAL APPROVED PROCEDURES AND ASSIST IN BREAKING
15 DOWN BARRIERS TO THE QUICK ACCEPTANCE OF NEW PRODUCTS AND
16 TECHNOLOGIES.

17 THIRDLY, IT CAN ENCOURAGE UNIFORM PERMIT
18 CONDITIONS. STATEWIDE PRECERTIFICATION WILL ASSIST IN
19 ESTABLISHING SOME COMMON OPERATING CONDITIONS FOR
20 EQUIPMENT THAT'S USED AND OPERATED IN THE SAME MANNER
21 THROUGHOUT THE STATE.

22 AND FINALLY, THERE ARE SOME LEGAL
23 REQUIREMENTS TO ESTABLISH PRECERTIFICATION PROGRAMS. THE
24 AIR POLLUTION PERMIT STREAMLINING ACT ESTABLISHED IN '92
25 REQUIRES THE TEN MOST POPULATED DISTRICTS TO DEVELOP AN

1 EQUIPMENT PRECERTIFICATION PROGRAM AS PART OF AN EXPEDITED
2 PERMITTING PROCESS. THROUGH THE C.A.P.C.O.A. PERMIT
3 STREAMLING SUBCOMMITTEE, DISTRICTS AGREED THAT
4 PRECERTIFICATION WILL BEST BE ACCOMPLISHED AS A
5 COOPERATIVE EFFORT AND AS A STATEWIDE PROGRAM.

6 ASSEMBLY BILL 32515 SIGNED BY GOVERNOR WILSON
7 IN SEPTEMBER 1994 AMENDED CALIFORNIA HEALTH AND SAFETY
8 CODE SECTION 39620. THIS AMENDMENT REQUIRES THE AIR
9 RESOURCES BOARD TO DEVELOPMENT AND IMPLEMENT A STATEWIDE
10 EQUIPMENT PRECERTIFICATION PROGRAM IN COORDINATION WITH
11 THE LOCAL AIR DISTRICTS FOR THE PURPOSE OF PRECERTIFYING
12 SIMPLE COMMONLY USED EQUIPMENT AND PROCESSES.

13 DEVELOPING AND OPERATING AS A STATEWIDE
14 CERTIFICATION PROGRAM WILL PROVIDE STANDARDIZED
15 EVALUATIONS AND PERMITTING CONDITIONS. A STATEWIDE
16 PROGRAM WILL PROVIDE CONSISTENCY THROUGHOUT THE STATE AND
17 WILL ASSIST MANUFACTURERS DURING THE EVALUATION OF
18 EQUIPMENT. MANUFACTURERS WOULD HAVE EQUIPMENT EVALUATED
19 ONE TIME AS OPPOSED TO A NUMBER OF TIMES THROUGH THE
20 VARIOUS LOCAL DISTRICTS.

21 IN ADDITION, PURCHASERS OF PRECERTIFIED
22 EQUIPMENT WOULD HAVE A GENERAL IDEA REGARDING THE
23 CONDITIONS THAT WOULD BE PLACED ON THE PERMIT TO OPERATE.

24 ALSO, THE PROGRAM WILL ASSIST IN EXPEDITING
25 LOCAL PERMITTING PROGRAMS. SOME AIR DISTRICTS HAVE OR ARE

1 IN THE PROCESS OF DEVELOPING EXPEDITED PERMITTING
2 SYSTEMS. THE EXPEDITED SYSTEMS ARE TAILORED FOR EACH
3 DISTRICT'S RULES AND REGULATIONS AND ALSO ASSIST TO
4 FULFILL THE AIR POLLUTION PERMIT STREAMLINING ACT. THE
5 EQUIPMENT PRECERTIFICATION WILL PROVIDE STATEWIDE
6 CONSISTENCY IN THE CERTIFICATION PROCESS.

7 THE PROGRAM WILL ALSO ESTABLISH A CENTRAL
8 LOCATION FOR INFORMATION ACCESS. FINAL EVALUATION REPORTS
9 IN COMPLIANCE WITH DETERMINATIONS WILL BE COMPILED AND
10 MAINTAINED IN ONE CENTRAL LOCATION. INFORMATION WILL BE
11 MADE AVAILABLE ON THE A.R.B.'S INFORMATION SYSTEM WHICH IS
12 ACCESSIBLE THROUGH THE INTERNET OR BY COMPUTER MODEM.
13 HARD COPIES OF THE EVALUATION REPORTS WILL BE SUPPLIED TO
14 THE DISTRICTS AND MADE AVAILABLE TO THE PUBLIC UPON
15 REQUEST.

16 WHILE DEVELOPING THIS PROGRAM, IT IS OUR
17 DESIRE TO GAIN INPUT FROM THOSE WHO WOULD BE AFFECTED BY
18 THE PROGRAM. WE WORKED WITH LOCAL AIR POLLUTION CONTROL
19 DISTRICTS INDIVIDUALLY AND THROUGH THE C.A.P.C.O.A. PERMIT
20 STREAMLINING SUBCOMMITTEE. IN ADDITION, WE HAVE SURVEYED
21 THE DEPARTMENTS TO IDENTIFY THE TYPES OF EQUIPMENT THAT
22 WOULD BE MOST BENEFICIAL TO HAVE CERTIFIED.

23 WE HELP FOUR PUBLISH WORKSHOPS TO GAIN INPUT
24 FROM OUR INDUSTRY AND MET INDIVIDUALLY WITH INDUSTRY
25 GROUPS AND CONSULTANTS SUCH AS THE CALIFORNIA

1 ENVIRONMENTAL BUSINESS COUNCIL.

2 WE ALSO WORKED WITH THE OTHER BOARDS AND
3 DEPARTMENTS FROM CAL/E.P.A. AND VARIOUS WORK GROUPS, THE
4 INTERAGENCY TASK FORCE AND THE OFFICE OF ENVIRONMENTAL
5 TECHNOLOGY.

6 THE PROPOSED REGULATION IS A SHORT PARAGRAPH
7 WHICH ADOPTS CRITERIA FOR THE PROGRAM BY REFERENCE. YOU
8 SHOULD HAVE IN YOUR PACKAGE A COPY OF THE MODIFIED
9 REGULATION. IT HAS BEEN MODIFIED TO INCLUDE THE LOCATIONS
10 OF WHERE THE CRITERIA CAN BE OBTAINED. THIS INCLUDES THE
11 MAILING ADDRESS OF THE A.R.B. FOR A HARD COPY AS WELL AS
12 THE INTERNET ADDRESS WHERE THE CRITERIA CAN BE DOWNLOADED
13 BY COMPUTER. THIS IS CONSIDERED A NONSUBSTANTIVE CHANGE
14 AND IS AVAILABLE ON THE BACK TABLE FOR ANY INTERESTED
15 PARTIES.

16 THIS CRITERIA OUTLINES THE PROGRAM ELEMENTS
17 WHICH INCLUDE THE PROCESS WHICH THE A.R.B. AND THE
18 APPLICANT WILL FOLLOW TO CERTIFY EQUIPMENT AND THE
19 REQUIREMENTS AS TO THE INFORMATION AS REQUIRED FOR A
20 COMPLETE APPLICATION PACKAGE AND VERIFICATION TESTING
21 REPORTS.

22 THE CRITERIA ALSO IDENTIFIES THE
23 ADMINISTRATIVE PROCEDURES, WHICH INCLUDES AN APPEALS
24 PROCESS FOR ANY APPLICANT WHO HAS PRECERTIFICATION DENIED
25 OR REVOKED.

1 IN ADDITION, THE CRITERIA OUTLINES A FEE
2 STRUCTURE. WE ARE REQUIRED TO CHARGE A FEE FOR THE
3 PROGRAM, AND WE HAVE ESTABLISHED THIS AS A FEE FOR SERVICE
4 PROGRAM. APPLICANTS WILL BE GIVEN AN ESTIMATE OF THE
5 AMOUNT OF HOURS THAT ARE REQUIRED TO CERTIFY THEIR
6 EQUIPMENT. THE ESTIMATED HOURS WILL BE MULTIPLIED BY AN
7 HOURLY RATE ESTABLISHED BY THE ADMINISTRATIVE SERVICES
8 DIVISION. AND THIS WILL RESULT IN THE ESTIMATED COST FOR
9 A CERTIFICATION.

10 I SHOULD ALSO MENTION THAT THE CRITERIA ALSO
11 ALLOWS A.R.B. STAFF TO DEVELOP GUIDELINES FOR THE PROGRAM
12 TO ASSIST APPLICANTS IN UNDERSTANDING THE PROGRAM
13 REQUIREMENTS AND PROCESS. THESE GUIDELINES ARE THE PLAIN
14 ENGLISH VERSION OF OUR REGULATION, AND CRITERIA AND WILL
15 BE PROVIDED TO ALL PRECERTIFICATION APPLICANTS AND
16 INTERESTED PARTIES.

17 AT THIS POINT, I'D LIKE TO SHARE THE BASIC
18 PROCESS ON HOW EQUIPMENT WILL BE PRECERTIFIED, AND FOR
19 TODAY'S PRESENTATION, I'VE BROKEN IT UP INTO FOUR AREAS:
20 PREAPPLICATION PROCEDURES, APPLICATION AND TESTING
21 REQUIREMENTS, EVALUATION OF TEST REPORTS AND ISSUANCE OF
22 DOCUMENTATION.

23 DURING THE PREAPPLICATION PROCEDURES, WE WILL
24 DETERMINE THE ELIGIBILITY OF THE EQUIPMENT OR PROCESS,
25 CONDUCT A PREAPPLICATION MEETING THE APPLICANT AND

1 ESTIMATE THE APPLICANT'S COST OF PRECERTIFICATION. WE
2 WILL ALSO IDENTIFY THE INFORMATION REQUIRED TO SUBMIT A
3 COMPLETE APPLICATION PACKAGE.

4 AS FOR THE APPLICATION AND TESTING
5 REQUIREMENTS, A WRITTEN AND SIGNED APPLICATION WILL BE
6 REQUIRED FROM EACH APPLICANT, ALONG WITH THE APPLICANT'S
7 PERFORMANCE CLAIM. THE APPLICATION PACKAGE SHOULD ALSO
8 INCLUDE ANY EXISTING TEST REPORTS, WHICH SUPPORT THEIR
9 CLAIMS, PROTOCOLS FOR PROPOSED TESTING AND ONE-HALF OF THE
10 ESTIMATED FEE.

11 UPON RECEIVING THE APPLICATION PACKAGE,
12 A.R.B. STAFF WILL EVALUATE THE TESTING REPORTS PROVIDED BY
13 THE APPLICANT TO ENSURE THAT THE INFORMATION AND DATA
14 SUPPORT THEIR CLAIMS.

15 IF THE INFORMATION AND TEST DATA SUPPORT THE
16 APPLICANT'S CLAIMS, THE A.R.B. WILL ISSUE DOCUMENTATION
17 CONSISTING OF A FINAL EVALUATION REPORT AND AN EXECUTIVE
18 ORDER TO THE APPLICANT. THE GUIDELINES PROVIDE A FLOW
19 CHART AND TIME LINE WHICH ILLUSTRATE HOW EQUIPMENT WILL BE
20 PRECERTIFIED.

21 WE ARE CURRENTLY OPERATING AND CERTIFYING
22 EQUIPMENT AS PART OF A PILOT PROGRAM. THIS HAS ENABLED US
23 TO EVALUATE THE PROPOSED REGULATION AND CRITERIA, TO
24 ESTIMATE RESOURCES NEEDED AND TO IDENTIFY ANY OBSTACLES TO
25 THE PROGRAM'S SUCCESS. PRECERTIFICATIONS WILL BE ISSUED

1 ON PROVISIONAL BASIS UNTIL A REGULATION HAS BEEN ADOPTED.
2 WE ESTIMATE THE ISSUANCE OF 16 PRECERTIFICATIONS BY THE
3 END OF THIS JUNE.

4 THESE PRECERTIFICATIONS WERE ISSUED TO
5 DISTRICT IDENTIFIED PRIORITY EQUIPMENT CATEGORIES.
6 THROUGH THE DISTRICT SURVEY, DISTRICTS IDENTIFIED SMALL-
7 TO MEDIUM-SIZED BOILERS, DRY CLEANING EQUIPMENT AND SOIL
8 REMEDIATION EQUIPMENT AS THE MOST BENEFICIAL FOR PERMIT
9 STREAMLINING.

10 IN ADDITION TO THESE EFFORTS, WE HAVE BEEN
11 WORKING CLOSELY WITH THE SOUTH COAST AIR QUALITY
12 MANAGEMENT DISTRICT TO PROVIDE RECIPROCITY TO
13 MANUFACTURERS OF EQUIPMENT THAT HAVE BEEN PRECERTIFIED.

14 IN CONCLUSION, I'D LIKE TO STATE THAT THE
15 DEVELOPMENT OF THE EQUIPMENT PRECERTIFICATION PROGRAM IS
16 MANDATED BY LAW THROUGH THE CALIFORNIA HEALTH AND SAFETY
17 CODE AND THAT OUR PROPOSED PROCESS HAS BEEN DEVELOPED IN
18 AN OPEN PUBLIC FORUM WITH THE PARTICIPATION FROM INDUSTRY,
19 LOCAL AIR DISTRICTS AND THE BOARDS AND DEPARTMENTS OF
20 CAL/E.P.A.

21 THE PROPOSED STATEWIDE PROGRAM WILL ASSIST IN
22 STREAMLINING AIR POLLUTION PERMITTING PROCESS, PROMOTING
23 THE ACCEPTANCE OF INNOVATIVE TECHNOLOGIES AND ENCOURAGE
24 UNIFORM PERMITTING CONDITIONS.

25 THROUGH OUR EXPERIENCE WITH THE PILOT

1 PROGRAM, WE BELIEVE WE ARE PREPARED FOR FULL
2 IMPLEMENTATION OF THE EQUIPMENT PRELIMINARY. AND IT IS
3 OUR RECOMMENDATION THAT THE BOARD ADOPT THE PROPOSED
4 REGULATION AND CRITERIA TODAY.

5 I'D LIKE TO THANK YOU FOR YOUR TIME AND
6 CONSIDERATION.

7 AND WE'D LIKE TO ANSWER ANY QUESTIONS THAT
8 YOU MAY HAVE AT THIS TIME.

9 MR. DUNLAP: THANK YOU FOR THE OVERVIEW. I
10 APPRECIATE THAT COMPREHENSIVE LOOK AT THAT INNOVATIVE NEW
11 PROGRAM.

12 ANY QUESTIONS OF STAFF?

13 MR. CALHOUN: WHO IS IT THAT OPERATE IT, THE LOCAL
14 DISTRICTS OR THE STATES?

15 MR. BRANSEN: THE LOCAL DISTRICTS ISSUE THE PERMIT
16 TO OPERATE.

17 MR. CALHOUN: DOES THAT INCLUDE AN ON-SITE VISIT TO
18 THE PLANT OR WHEREVER THIS PROCESS IS TAKING PLACE?

19 MR. BRANSEN: BASICALLY, THE PERMITTING PROCEDURES
20 OF THE DISTRICTS WON'T CHANGE IN ANY WAY. OUR DESIRE IS
21 THE PRELIMINARY ENGINEERING EVALUATION WILL BE USED TO
22 REDUCE THE TIME REQUIRED AT THE DISTRICT TO EVALUATE THE
23 EQUIPMENT AND SOME DISTRICTS HAVE IDENTIFIED THAT THEY
24 WOULD WAIVE THE SOURCE TEST REQUIREMENT FOR INSTALLATION,
25 BECAUSE THE CERTIFICATIONS ARE BASED ON SOURCE TEST

1 INFORMATION.

2 SO IT WOULD SAVE COST TO THE APPLICANT AND
3 TIME AT THE DISTRICT. BUT IT DOESN'T CHANGE DISTRICT
4 AUTHORITY FOR PERMITTING.

5 DOES THAT ANSWER YOUR QUESTION?

6 MR. CALHOUN: I GUESS.

7 MR. DUNLAP: ANY OTHER QUESTIONS OF STAFF?

8 MR. LAGARIAS?

9 MR. LAGARIAS: PRECERTIFICATION, I THINK, IS A
10 GREAT IDEA, THAT THIS TYPE OF EQUIPMENT MAY BE APPLIED FOR
11 THIS PROCESS. THE APPLICANT WILL ALSO BE REQUIRED TO HAVE
12 AN OPERATING PERMIT, BECAUSE AN OPERATING PERMIT SPECIFIES
13 THE CONDITIONS UNDER WHICH THIS EQUIPMENT WOULD OPERATE.
14 AND WITHOUT THAT, IT DOESN'T MEAN ANYTHING.

15 MR. BRANSEN: YES. OKAY. AGAIN, THE REQUIREMENTS
16 FOR SOMEBODY THAT PURCHASES PRECERTIFIED EQUIPMENT DON'T
17 CHANGE. THEY HAVE TO APPLY AT THE LOCAL DISTRICT FOR AN
18 OPERATING PERMIT. AND WHAT THE STATEWIDE PROGRAM WILL DO
19 WILL TEST THE EQUIPMENT, VERIFY THE PERFORMANCE CLAIMS,
20 AND THE FINAL EVALUATION REPORT WILL HAVE SOME PROPOSED
21 PERMIT CONDITIONS. AND THE LOCAL DISTRICTS WOULD THEN
22 LOOK AT THE SITE SPECIFIC REQUIREMENTS AND ADD SOME
23 ADDITIONAL ONES AND MODIFY THE ONES THAT WERE THERE, BUT
24 THE DISTRICT WOULD ISSUE THE PERMIT.

25 MR. AMES: ALSO A COMMENT IS THAT THIS PROGRAM IS

1 FOCUSED ON COMMONLY USED EQUIPMENT AND SIMPLER TYPE OF
2 EQUIPMENT.

3 SO IT IS TRUE THERE WOULD BE SITE SPECIFIC
4 CONDITIONS FOR CERTAIN TYPES OF EQUIPMENT WE WILL BE
5 EVALUATING UNDER THIS PROGRAM, BUT WE DON'T ANTICIPATE
6 LOOKING AT MAJOR SOURCES THAT ARE VERY COMPLEX.

7 MR. DUNLAP: MR. AMES, ARE THEY COUPLED, THOUGH?
8 IS IT COUPLED WITH THE PRECERTIFICATION OR NOT?

9 MR. AMES: YES, THERE'S A DIRECT LINK.

10 MR. DUNLAP: OKAY. MS. EDGERTON?

11 MS. EDGERTON: MR. CHAIRMAN, MEMBERS OF THE BOARD,
12 THIS IS ONE OF THE PROGRAMS I'M MOST ENTHUSIASTIC ABOUT.
13 IT'S SUBTLE, BUT IT'S TREMENDOUSLY IMPORTANT, BECAUSE IN
14 ORDER TO HAVE NEW, CLEANER TECHNOLOGIES, THEY HAVE GOT TO
15 BE ABLE TO PERSUADE THE POTENTIAL BUYER THAT IT REALLY
16 DOES WHAT IT DOES, WHAT THEY SAY IT DOES, AND ALSO THAT
17 IT'S VERY LIKELY, IF NOT ALMOST ASSURED, TO QUALIFY FOR
18 THE ENVIRONMENTAL REGULATORY PURPOSES.

19 SO I THINK THIS IS TREMENDOUS. IT'S MY
20 UNDERSTANDING THAT FOUR ARE ALREADY CERTIFIED AND 16 ARE
21 COMING ALONG BY THE END OF THE MONTH.

22 MR. AMES: THAT IS CORRECT.

23 MS. EDGERTON: I JUST CONGRATULATE YOU. I'M
24 EXCITED ABOUT THIS. MAYBE ONLY A LAWYER CAN LOVE A
25 REGULATORY STREAMLINING, BUT I JUST THINK THIS IS TERRIFIC

1 IN TERMS OF TAKING US IN THE DIRECTION OF BEING ABLE TO DO
2 GOOD AND DO WELL AT THE SAME TIME.

3 SO THANK YOU VERY MUCH.

4 MR. DUNLAP: MR. CALHOUN?

5 MR. CALHOUN: I AGREE WITH WHAT YOU SAID,
6 MS. EDGERTON.

7 BUT I THINK MR. LAGARIAS' QUESTION IS POINTED
8 IN THE SAME DIRECTION AS MY QUESTION. AND THAT'S WHAT
9 COMES OUT THE STACK OF THE FUNCTION OF THE PROCESS, AND
10 YOU CAN GET PRECERTIFIED, BUT THERE ARE CONDITIONS, AND I
11 GUESS THAT IS WHAT WE WERE KIND OF FOCUSING ON.

12 MR. AMES: OKAY. THERE'S TWO TYPES OF
13 CERTIFICATIONS. ONE IS PERFORMANCE AND ONE IS
14 REGULATORY.

15 FOR EXAMPLE, OXYGEN BOILERS, SOME OF THE
16 APPLICANTS COME TO US AND WANT TO CERTIFY THE USING OF
17 NATURAL GAS AT THE RATED CAPACITY OF THAT BOILER, IT WILL
18 EMIT SO MANY GRAMS OF NOX PER UNIT OF ENERGY. AND SO
19 THAT'S ONE TYPE OF CERTIFICATION.

20 AND THEN THERE'S A REGULATORY CERTIFICATION
21 THAT RELATES DIRECTLY TO INDIVIDUAL DISTRICT'S
22 REGULATIONS. AND THERE WE WORK WITH THE LOCAL DISTRICTS
23 TO ENSURE THAT ALL OF THEIR CONDITIONS UNDER WHICH THAT
24 UNIT WOULD BE INSTALLED WOULD BE SATISFIED.

25 AND SO IT'S A PARTNERSHIP BETWEEN THE STATE

1 AND THE LOCALS IN ORDER TO STREAMLINE THAT LOCAL PROCESS.

2 MR. DUNLAP: OKAY.

3 MR. BOYD: MR. CHAIRMAN, I WOULD JUST ADD TO
4 MR. AMES, TO PERSUADE ANY CONCERN ANY BOARD MEMBER MIGHT
5 HAVE, NOTHING IN THIS PROCESS IMPEDES THE REQUIREMENTS
6 THAT THE EMISSIONS FROM THE STACK OR EMISSIONS FROM THE
7 FACILITY IN QUESTION MEET EXISTING REQUIREMENTS.

8 WHAT THIS DOES, AS THE STAFF INDICATED, IS
9 PROVIDE A SHORTCUT AND A SPEEDING UP OF THE ENGINEERING
10 PROCESSES THAT HISTORICALLY TAKES PLACE WHEN YOU DO A
11 SITE-BY-SITE REVIEW, AND IT IS PART OF STREAMLINING.

12 AND BOARD MEMBER EDGERTON STOLE MY CLOSING
13 LINES. WITH REGARDS TO THIS, I THINKS IT IS VERY
14 SIGNIFICANT, AND IT IS A BIG FIRST. AND I THINK IT WILL
15 GO A LONG WAY TO SETTING THE STAGE FOR DOING OTHER THINGS
16 LIKE THIS THAT WILL, INDEED, SPEED UP THE PROCESS FOR
17 CALIFORNIA BUSINESSES WHO WANT TO LOCATE, MODIFY AND BUILD
18 NEW FACILITIES HERE.

19 MR. DUNLAP: THANK YOU, MR. BOYD.

20 WE HAVE ONE WITNESS. MR. LACY. WE'D LIKE
21 YOU TO COME FORWARD.

22 GARY LACY FROM FULTON BOILERWORKS IS OUR SOLE
23 WITNESS.

24 AND GOOD MORNING.

25 MR. LACY: GOOD MORNING. GOOD MORNING, BOARD

1 MEMBERS.

2 MY NAME IS GARY LACY WITH FULTON BOILERWORKS
3 OUT OF NEW YORK, UPSTATE NEW YORK. I'M A RESIDENT OF
4 CALIFORNIA FOR 15 YEARS. I LIVE IN ALTA LOMA,
5 CALIFORNIA..

6 I HAVE AN ASTHMATIC SON, SO I AM VERY
7 INTERESTED IN THE AIR QUALITY ISSUES THAT PRESENT TO US IN
8 CALIFORNIA, BUT NOT ONLY IN CALIFORNIA, ACROSS THE
9 COUNTRY.

10 AS A MANUFACTURER OF BOILERS, WE HAVE A
11 MANUFACTURING PLANT IN NEW YORK, ENGLAND, ALSO IN CHINA,
12 AND WE'RE ASSEMBLING BOILERS HERE IN CALIFORNIA PRESENTLY
13 BECAUSE OUR MARKET HAS EXPANDED.

14 WE LOOK AT THIS PRECERTIFICATION PROGRAM AS A
15 BASIS PROBABLY FOR A NATIONAL STANDARD. ONE OF THE THINGS
16 THAT WE HAVE NOTICED IN THE BOILER INDUSTRY IS THERE'S
17 ALWAYS BEEN A CONCENTRATION FROM AN AIR QUALITY DISTRICT
18 STANDPOINT ON LARGE BOILERS. AND THE REASON THEY
19 CONCENTRATED ON THAT WAS FOR GOOD REASON, BECAUSE THOSE
20 BOILERS ARE PRIMARILY REGISTERED WITH THE STATE THROUGH
21 LOCAL AREAS, SO THEY KNOW THEY EXIST.

22 BUT THE PRECERTIFICATION PROGRAM,
23 SPECIFICALLY FROM OUR STANDPOINT, ADDRESSES BOILERS THAT
24 WERE NOT LOOKED AT BEFORE. BOILERS FROM THE SIZE RANGE OF
25 250 B.T.U.'S TO TWO MILLION B.T.U.'S.

1 THE REASON THEY WEREN'T LOOKED AT IS THEY
2 REALLY DIDN'T KNOW THEY EXISTED, BECAUSE THERE WAS NO
3 EQUIPMENT TO REGISTER THOSE PARTICULAR BOILERS. JUST IN
4 ORANGE COUNTY ALONE, THERE ARE APPROXIMATELY 3,000 OF
5 THOSE BOILERS JUST IN THE HOTEL INDUSTRY.

6 TO GIVE YOU AN EXAMPLE, A BOILER THAT HAS AN
7 INPUT OF 840,000 B.T.U. INPUT OPERATING 40 HOURS A WEEK
8 WOULD PRODUCE ABOUT 283 POUNDS OF NOXIOUS OXIDES A YEAR.

9 WITH THE NEW TECHNOLOGY LIKE WE HAVE
10 DEVELOPED THAT'S UNDER THIS PRECERTIFICATION PROGRAM, THAT
11 SAME BOILER, THE EMISSIONS WOULD BE REDUCED DOWN TO
12 34 POUNDS PER YEAR.

13 WHEN WE DEVELOPED OUR TECHNOLOGY, WE TALK
14 ABOUT LOW EMISSIONS, NOT LOW NOX. WE TALK ABOUT LOW
15 EMISSIONS. WE ATTACK NOT ONLY NOXIOUS OXIDES, BUT ALSO
16 C.O. EMISSIONS.

17 IN THAT SAME SCENARIO, THAT AVERAGE BOILER
18 IN THAT CATEGORY WOULD HAVE C.O. EMISSIONS OF ABOUT
19 315 POUNDS PER YEAR, AND WITH THIS NEW TECHNOLOGY, WE CAN
20 REDUCE THOSE EMISSIONS TO 134 POUNDS PER YEAR.

21 IT'S ALWAYS SURPRISED ME, AND I HAVE WATCHED
22 THIS AND BEEN INVOLVED WITH THE AIR QUALITY BOARD,
23 ESPECIALLY IN SOUTH COAST, THAT THIS PARTICULAR TYPE OF
24 BOILER, THE SMALLER BOILERS, WHICH THE PRECERTIFICATION
25 WILL AFFECT, HAS REALLY NEVER BEEN LOOKED AT.

1 AND I'LL GIVE YOU AN EXAMPLE. FULTON HAS
2 PRODUCED SINCE 1949 1,000,000, A SUBSTANTIAL NUMBER. THE
3 AVERAGE SIZE OF THOSE BOILERS THAT THEY PRODUCED IS
4 30 HORSEPOWER, WHICH IS APPROXIMATELY 1.2 MILLION
5 B.T.U.'S, WHICH MEANS IT'S A BOILER THAT NORMALLY ISN'T
6 REGISTERED WITH ANYWHERE IN THE COUNTRY.

7 FROM OUR PERSPECTIVE, THE BULK OF THE AIR
8 POLLUTION HAS COME FROM BOILERS THAT ARE COMING FROM THE
9 SMALLER APPLICATIONS, HYDRONIC HEATING BOILERS LIKE IN
10 THIS BUILDING, OR A HOTEL, IN A DRY CLEANING PLANT.

11 AND IN LOS ANGELES COUNTY, OVER
12 159.5 HORSEPOWER BOILERS, WHICH ARE 309,000 B.T.U.'S, ARE
13 REPLACED EVERY YEAR. THE AVERAGE LIFE EXPECTANCY OF THESE
14 BOILERS ARE BETWEEN FOUR AND SEVEN YEARS.

15 WITH A PRECERTIFICATION PROCESS, WHICH WE ARE
16 IN FAVOR OF, YOU WOULD IMMEDIATELY HAVE A BOILER THAT'S
17 DESIGN CERTIFIED.

18 AND TO ANSWER THIS GENTLEMAN'S QUESTION,
19 THESE BOILERS WHEN THEY ARE PREDESIGNED CERTIFIED, THEY
20 CAN ONLY BE OPERATED UNDER ONE CONDITION, AND THAT IS A
21 LOW EMISSION CONDITION. THEY CAN'T OPERATE ANY OTHER
22 WAY.

23 IT'S A VERY SIMPLE TYPE BOILER, AND THERE'S
24 BASICALLY NOTHING THAT YOU CAN DO TO CHANGE THE EFFECT OF
25 THAT PARTICULAR BOILER. BUT IN THIS INDUSTRY ALONE, IF

1 THERE WAS A PRECERTIFICATION PROGRAM AND IF THE LOCAL
2 DISTRICT HAD A BASELINE, IMMEDIATELY WHEN THAT BOILER WAS
3 TURNED OVER OR WHEN IT WAS REPLACED, IT WOULD HAVE A NEW
4 LOW EMISSION DESIGN.

5 SO WE ARE IN FAVOR OF THIS. WE HAVE INVESTED
6 OVER TWO MILLION DOLLARS IN DEVELOPING LOW EMISSION
7 TECHNOLOGY, NOT ONLY JUST BECAUSE OF CALIFORNIA. WE
8 BELIEVE THAT IT'S GOING TO BE A NATIONAL ISSUE. AND WE
9 BELIEVE THAT THIS PRECERTIFICATION PROGRAM IS SOMETHING
10 THAT WOULD MAYBE BE THE BASIS FOR THAT.

11 AND I THANK YOU FOR THE TIME.

12 IF YOU HAVE ANY QUESTIONS, I'LL BE GLAD TO
13 ANSWER THEM FOR YOU.

14 MR. DUNLAP: OKAY. MS. EDGERTON.

15 MS. EDGERTON: I APOLOGIZE, BUT I DIDN'T CATCH
16 WHERE YOUR PLANT IS IN CALIFORNIA.

17 MR. LACY: WELL, RIGHT NOW WE'RE ASSEMBLING IN
18 SANTA ANA JOINTLY WITH ANOTHER BOILER MANUFACTURER. BUT
19 WE HAVE MADE A COMMITMENT THAT WE WILL HAVE A FACILITY
20 HERE THAT WE WILL BE DOING ALL OF OUR PRODUCTION FROM
21 DENVER WEST.

22 MS. EDGERTON: WHERE DO YOU THINK THAT WILL BE? IS
23 THAT IN SANTA ANA ALSO?

24 MR. LACY: PROBABLY. IT'S GOING TO BE SOMEWHERE IN
25 CALIFORNIA. THEY HAVE MADE THAT COMMITMENT.

1 MS. EDGERTON: IF THERE'S ANYTHING WE CAN DO TO
2 HELP YOU, LET US KNOW. WE APPRECIATE YOUR WORK.

3 THANK YOU.

4 MR. LACY: THANK YOU.

5 MR. DUNLAP: MR. LACY, IT'S NICE TO RECOGNIZE
6 SOMEONE FROM RANCHO CUCAMUNGA.

7 MR. LACY: THANK YOU.

8 MR. DUNLAP: STAFF, DO WE HAVE ANY COMMENTS WE NEED
9 TO SUMMARIZE BEFORE THE BOARD CONSIDERS THE RESOLUTION
10 HERE?

11 MR. BOYD: YES, WE DO.

12 MR. DUNLAP: MR. AMES?

13 MR. AMES: WE HAVE FOUR COMMENT LETTERS WE
14 RECEIVED.

15 THE FIRST LETTER IS A CALIFORNIA PRESIDENT OF
16 THE CALIFORNIA AIR POLLUTION CONTROL OFFICERS
17 ASSOCIATION. AND IN THAT LETTER, MR. HESS STATES THAT
18 C.A.P.C.O.A. SUPPORTS THE ADOPTION OF THE PROPOSED
19 PRECERTIFICATION REGULATION AND CRITERIA.

20 HE ALSO COMMENTS THAT THEIR EFFORT WILL
21 ASSIST APPLICANTS WITHOUT ADVERSELY AFFECTING AIR QUALITY,
22 AND THE AIR DISTRICTS LOOK FORWARD TO WORKING WITH THE
23 A.R.B. IN PARTNERSHIP ON THIS ISSUE.

24 THE SECOND LETTER IS A JUNE 11TH LETTER FROM
25 MR. BRIAN RUNKEL, EXECUTIVE DIRECTOR OF THE CALIFORNIA

1 ENVIRONMENTAL BUSINESS COUNCIL. THE FIRST POINT
2 MR. RUNKEL MAKES IS THAT HE EXPRESSES STRONG SUPPORT FOR
3 ADOPTION OF THE REGULATIONS AND CRITERIA. SECONDLY, THAT
4 THIS EFFORT CAN HELP TECHNOLOGY, DEVELOPERS AND
5 MANUFACTURERS BREAK INTO NEW MARKETS, PARTICULARLY EXPORT
6 MARKETS. THIRDLY, MR. RUNKEL EXPRESSES APPRECIATION FOR
7 DEVELOPING A USER-FRIENDLY PROGRAM AND FOR ADDRESSING THE
8 CONCERNS OF SMALL BUSINESSES. FINALLY, MR. RUNKEL
9 ACKNOWLEDGES THE MANY STATEMENTS MADE BY CHAIRMAN DUNLAP
10 AND PERSONALLY ON BEHALF OF ENVIRONMENTAL TECHNOLOGY AND
11 THE IMPORTANCE OF MAINTAINING CALIFORNIA'S LEADERSHIP IN
12 THIS AREA, AND THIS LEADERSHIP HAS MADE A DIFFERENCE IN
13 MOVING CALIFORNIA FORWARD TO A CLOSER HEALTHIER
14 PARTNERSHIP WITH CALIFORNIA'S ENVIRONMENTAL INDUSTRY AND
15 URGES SPEEDY ADOPTION.

16 THE THIRD LETTER IS A LETTER FROM
17 MR. WALTER BROWN, GOVERNMENT AFFAIRS DIRECTOR OF THE
18 ENGINE MANUFACTURERS ASSOCIATION.

19 THE FIRST COMMENT IS THAT E.M.A. SUPPORTS THE
20 GOALS OF THE STAFF PROPOSAL TO STREAMLINE PERMITS AND TO
21 PROMOTE UNIFORMITY BETWEEN DISTRICTS.

22 HOWEVER, E.M.A. HAS SEVERAL CONCERNS AND
23 SUGGESTIONS AS A PROPOSED REGULATION APPLIES TO STATIONARY
24 COMPRESSION IGNITION ENGINES. THE E.M.A. LETTER RAISES
25 FOUR ISSUES.

1 ON JUNE 12TH, THE STAFF CONTACTED MR. BROWN
2 TO DISCUSS HIS CONCERNS AND TO CLARIFY SOME
3 MISUNDERSTANDINGS THAT E.M.A. HAD CONCERNING THE SCOPE OF
4 THE STAFF PROPOSAL. FIRST, E.M.A. RAISES THAT THE TESTING
5 REQUIREMENTS ARE LIMITED TO INDEPENDENT TESTING, AND
6 E.M.A. SUGGESTS ALLOWING SELF-TESTING BY MANUFACTURERS OF
7 ENGINES.

8 IN RESPONSE, WE POINTED OUT TO MR. BROWN ON
9 THE PHONE THAT THE EXECUTIVE OFFICER MAY APPROVE
10 ALTERNATIVE TESTING LIKE THAT REQUESTED BY E.M.A. THIS
11 OPTION WAS ADDED TO OUR PROPOSED REGULATION IN RESPONSE TO
12 COMMENTS BY CATERPILLAR, INCORPORATED, AT A PUBLIC
13 WORKSHOP LAST JULY. MR. BROWN WAS PLEASED TO HEAR THAT
14 THIS IS THE CASE.

15 SECONDLY, E.M.A. WANTS ABSOLUTE ASSURANCE
16 THAT ALL AIR DISTRICTS WILL ACCEPT STATEWIDE
17 PRECERTIFICATIONS. IN RESPONSE, THE STATE BILL THAT WAS
18 THE BASIS FOR THIS PERMIT DID NOT CHANGE THE AUTHORITY OF
19 THE AIR RESOURCES BOARD OR THE AIR DISTRICTS WITH RESPECT
20 TO PERMITTING. HOWEVER, WE HAVE HAD A VERY GOOD
21 RELATIONSHIP WITH THE AIR DISTRICTS IN DEVELOPING THIS
22 PROGRAM AND HAVE EVERY REASON TO BELIEVE THAT THIS WILL
23 CONTINUE TO BE THE CASE, AND I THINK THAT C.A.P.C.O.A.'S
24 LETTER IS A GOOD DEMONSTRATION OF THAT.

25 MR. BROWN WAS SATISFIED AND PLEASED TO HEAR

1 THAT THE AIR DISTRICTS ARE WORKING WELL WITH US.

2 THIRDLY, E.M.A. WAS CONCERNED WITH THE
3 PERCEPTION THAT ONLY A.R.B. TEST METHODS WOULD BE ALLOWED
4 FOR TESTING ENGINES, AND REQUESTS THAT AN I.S.O. METHOD
5 8178 BE ALLOWED FOR TESTING ENGINES.

6 IN RESPONSE, WE EXPLAINED THAT THE STAFF
7 PROPOSAL DOES ALLOW FOR FLEXIBILITY IN TESTING. AND
8 E.M.A. HAS BEEN IN RECENT CONTACT WITH THE MONITORING AND
9 LABORATORY DIVISION STAFF AT THE A.R.B. ON THIS ISSUE AND
10 PLAN TO MEET SOON WITH THEM TO FOLLOW UP ON IT.

11 THE FOURTH AND FINAL ISSUE E.M.A. RAISES IS A
12 CONCERN BASED ON THE PERCEPTION THAT PRECERTIFICATION
13 MIGHT SOMEHOW MANDATE HARDWARE REQUIREMENTS RATHER THAN
14 PERFORMANCE STANDARDS. AND IN RESPONSE, WE EXPLAINED TO
15 MR. BROWN THAT THE PRECERTIFICATION PROPOSAL DOES NOT
16 SPECIFY THE FORM OF ANY STANDARDS, THAT EACH APPLICANT
17 VOLUNTARILY COMES TO THE A.R.B. FOR PRECERTIFICATION
18 PERFORMANCE OR STANDARDS, WHICH ARE LIKELY TO REFLECT
19 LOCAL DISTRICT REGULATIONS.

20 AND WE OFFERED TO SIT DOWN WITH E.M.A. TO
21 DISCUSS ANY OPTIONS OR CONCERNS THEY MIGHT HAVE, AND HE
22 WAS SATISFIED WITH THAT.

23 THE FOURTH AND FINAL LETTER IS A JUNE 13TH
24 LETTER FROM DR. ANN HEYWOOD, DEPUTY SECRETARY FOR
25 ENVIRONMENTAL TECHNOLOGY AT CAL/E.P.A. MS. HEYWOOD ASKS

1 THAT WE READ HER LETTER INTO THE RECORD. SO PER HER
2 REQUEST, I'LL GO AHEAD AND DO THAT.

3 "I WOULD LIKE TO TAKE THIS
4 OPPORTUNITY, CHAIRMAN DUNLAP AND BOARD
5 MEMBERS, TO EXPRESS SUPPORT FOR YOUR
6 FAVORABLE CONSIDERATION OF THE PROPOSED
7 REGULATION AND CERTIFICATION FOR THE
8 CRITERIA FOR THE PRECERTIFICATION OF
9 SIMPLE, COMMONLY USED AIR POLLUTION
10 EQUIPMENT AND PROCESSES. SINCE THE EARLY
11 1970'S, CALIFORNIA HAS LED NOT ONLY THE
12 NATION BUT ALSO MUCH OF THE WORLD IN
13 ENVIRONMENTAL PROTECTION. ALONG WITH
14 THESE HIGH STANDARDS, A SIGNIFICANT
15 ENVIRONMENTAL TECHNOLOGY STANDARD HAS GROWN;
16 TODAY, THIS 18 TO 20 BILLION DOLLAR INDUSTRY
17 EMPLOYS NEARLY 180,000 CALIFORNIANS.
18 COMPANIES PROVIDING AIR POLLUTION EQUIPMENT
19 AND PROCESSES REPRESENT AN IMPORTANT PART
20 OF THIS INDUSTRY, AND THE MEANS OF
21 ACHIEVING OUR ENVIRONMENTAL GOALS. THE
22 PROPOSED REGULATION, WHICH YOU WILL
23 CONSIDER AT THE JUNE 14TH HEARING, WILL
24 PROVIDE ENVIRONMENTAL TECHNOLOGY COMPANIES
25 A NEW MEANS OF GAINING ACCEPTANCE IN THE

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MARKETPLACE AND THROUGHOUT THE PERMITTING
PROCESS. PRECERTIFICATION AFFORDS
OPPORTUNITIES TO ENCOURAGE NEW TECHNOLOGIES,
STREAMLINE THE PERMITTING PROCESS, AND
ESTABLISH UNIFORM PERMIT CONDITIONS
STATEWIDE.

"I ALSO COMMEND THE AIR RESOURCES
BOARD FOR IMPLEMENTING A PILOT
PRECERTIFICATION PROGRAM AND DEVELOPING
THE PROPOSED REGULATION AND PROCESS
QUICKLY AND EFFECTIVELY. WORKING TOGETHER
WITH REPRESENTATIVES OF INDUSTRY, THE LOCAL
AIR DISTRICTS, VERIFICATION TESTING
ENTITIES AND OTHER INTERESTED PARTIES,
YOUR STAFF HAS MADE A NOTABLE EFFORT
SEEKING INPUT. THE STAFF REPORT REFLECTS
THOUGHTFUL CONSIDERATION OF THE NEEDS OF
PROGRAM PARTICIPANTS. THE PROPOSED RULE
AND PRECERTIFICATION PROGRAM WILL SERVES AS
A MODEL FOR OTHER CERTIFICATION PROGRAMS IN
CALIFORNIA.

"ALTHOUGH I AM UNABLE TO ATTEND THE
PUBLIC HEARING, I WANT TO THANK YOU FOR
THE OPPORTUNITY TO EXPRESS SUPPORT FOR THE
PROPOSED REGULATION. MY SINCERE THANKS

1 ALSO FOR THE CONTINUED LEADERSHIP YOU, THE
2 BOARD MEMBERS, AND YOUR STAFF HAVE
3 DEMONSTRATED IN PROMOTING ENVIRONMENTAL
4 TECHNOLOGIES AS PART OF OUR ENVIRONMENTAL
5 PROGRAMS. YOUR WORK IS APPRECIATED BY THE
6 PEOPLE OF CALIFORNIA.

7 "SINCERELY, ANN HEYWOOD, DEPUTY
8 SECRETARY FOR ENVIRONMENTAL TECHNOLOGY."

9 THAT'S THE FOURTH AND FINAL LETTER.

10 MR. DUNLAP: THANK YOU, MR. AMES. I APPRECIATE
11 THOSE WORDS FROM DEPUTY SECRETARY HEYWOOD, BECAUSE IT
12 SHOWS CLEARLY, AS WE HAVE COME TO EXPECT AND APPRECIATE,
13 THAT WE HAVE CAL/E.P.A. BEHIND OUR INNOVATED WORK, THAT
14 THEY HAVE TAKEN A DEEP INTEREST IN THIS PROGRAM'S
15 IMPLEMENTATION. AND WE ARE POSITIONED WELL TO BE ABLE TO
16 GO OUT AND SET SOME STANDARDS THAT OTHERS WILL LIKELY
17 FOLLOW.

18 SO WITH THAT, ANY OF MY COLLEAGUES ON THE
19 BOARD HAVE ANY QUESTIONS OR COMMENTS?

20 MR. BOYD INDICATED ARE HERE THAT WE PUSHED
21 HIM TO HAVE HIS WRAP-UP EARLIER THAN HE NORMALLY WOULD
22 HAVE, BUT I THINK THERE'S CONSENSUS WE HAVE GOT A WINNER
23 HERE.

24 MS. EDGERTON?

25 MS. EDGERTON: I THINK I SHOULD TAKE THIS

1 OPPORTUNITY TO THANK THE CHAIRMAN FOR HIS WORK ON
2 ENVIRONMENTAL TECHNOLOGY IN A FORMER LIGHT WHEN YOU WERE
3 OVER AT THE TOXICS DEPARTMENT, AND NO ONE HERE HAS POINTED
4 OUT THAT THIS IS IN PART A RESULT OF YOUR EXCELLENT WORK
5 AS WELL.

6 SO I THANK YOU PERSONALLY.

7 MR. DUNLAP: YOU'RE WELCOME.

8 WELL, THANK YOU.

9 MR. BOYD?

10 MR. BOYD: I ALWAYS DESIRE GETTING A LAST WORD IN,
11 MR. CHAIRMAN, IF YOU WOULD GIVE ME ONE LAST OPPORTUNITY.

12 I WOULD LIKE TO POINT OUT, AND I WISH I DID
13 WHEN MR. LACY WAS AT THE PLATFORM, EARLIER THIS WEEK,
14 E.L.A. ASSERTED FOUR PRECERTIFICATION DOCUMENTS FOR FULTON
15 BOILERWORKS, AND I WOULD JUST LIKE THE BOARD AND THE
16 AUDIENCE -- MR. LACY WAS PROBABLY AWARE OF THAT FACT
17 ALREADY -- TO KNOW THAT THIS WAS KIND OF A FIRST, AND THEY
18 ARE AMONG THE FIRST.

19 AND WE FEEL GOOD ABOUT THE PROGRAM AND GOOD
20 ABOUT THE EFFORT THEY HAVE MADE.

21 SO I COMMEND THAT AND COMMEND THE STAFF.

22 MR. DUNLAP: OKAY. THANK YOU. THAT'S ALL THE
23 TESTIMONY.

24 WRITTEN SUBMISSIONS AND STAFF COMMENTS FOR
25 THIS ITEM HAVE BEEN ENTERED INTO THE RECORD AND THE BOARD

1 HAS NOT GRANTED AN EXTENSION OF THE COMMENT PERIOD. I'M
2 OFFICIALLY CLOSING THE RECORD ON THIS PORTION OF AGENDA
3 ITEM NUMBER 9-5-1. WRITTEN OR ORAL COMMENTS RECEIVED
4 AFTER THE COMMENT PERIOD HAS BEEN CLOSED WILL NOT BE
5 ACCEPTED AS PART OF THE OFFICIAL RECORD ON THIS AGENDA
6 ITEM.

7 ARE THERE ANY EX PARTE COMMUNICATIONS THE
8 BOARD MEMBERS NEED TO MENTION AT THIS POINT?

9 OKAY. WE HAVE BEFORE US RESOLUTION 96-35.
10 WE HAD IT FOR A WHILE. THE CHAIR WOULD ENTERTAIN THE
11 MOTION TO ADOPT THIS RESOLUTION.

12 MR. BOSTON: I MOVE RESOLUTION NUMBER 96-35'S
13 ADOPTION.

14 MR. DUNLAP: THANK YOU.

15 IS THERE A SECOND?

16 MR. HILLIGOSS: SECOND.

17 MR. DUNLAP: THANK YOU.

18 ANY DISCUSSION?

19 I THINK WE CAN GO FORWARD ON A VOICE VOTE.

20 ALL THOSE IN FAVORS SAY AYE.

21 (WHEREUPON EACH AND EVERY BOARD MEMBER
22 RESPONDED "AYE")

23 MR. DUNLAP: ANY OPPOSED?

24 NO OPPOSED.

25 THANK YOU.

1 ALL RIGHT. WE WILL ASK STAFF TO CHANGE
2 POSITIONS AND GIVE OUR COURT REPORTER A MOMENT.

3 (PAUSE IN THE PROCEEDINGS)

4 MR. DUNLAP: THE SECOND AGENDA ITEM IS 96-5-2.

5 AGAIN, I ENCOURAGE THOSE IN THE AUDIENCE WHO
6 HAVE WRITTEN TESTIMONY TO PLEASE SEE THE BOARD SECRETARY
7 TO PROVIDE THE 20 COPIES WE HAVE ASKED FOR.

8 96-5-2 IS A PUBLIC MEETING TO CONSIDER THE
9 ADOPTION OF A NONREGULATORY AMENDMENT TO REMOVE ACETONE
10 FROM CATEGORY III OF THE AB 1807 TOXIC AIR CONTAMINANT
11 IDENTIFICATION LIST.

12 I UNDERSTAND THAT THIS IS THE FIRST OF TWO
13 ACTIONS THE BOARD WILL BE CONSIDERING REGARDING ACETONE,
14 ONE THIS MONTH, THE OTHER NEXT MONTH. TODAY'S ACTION
15 WOULD REMOVE ACETONE FROM THE AB 1807B TOXIC AIR
16 CONTAMINANT IDENTIFICATION LISTING.

17 AT THIS POINT, I'D LIKE TO ASK MR. BOYD TO
18 INTRODUCE THE ITEM.

19 JIM?

20 MR. BOYD: THANK YOU, MR. CHAIRMAN.

21 ON SEPTEMBER 21ST, 1995, THE CHEMICAL
22 MANUFACTURERS ASSOCIATION SENT A PETITION TO THE AIR
23 RESOURCES BOARD REQUESTING REMOVING OF ACETONE FROM BOTH
24 THE TOXIC AIR CONTAMINANT PROGRAM OF THE AIR RESOURCES
25 BOARD, SOMETIMES REFERRED TO AS THE AB 1807 PROGRAM, FROM