

Agenda Date: June 21, 2007
Agenda Placement: Regular
Estimated Time: 10 minutes
Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Terry Dressler, Air Pollution Control Officer

SUBJECT: Update on APCD Implementation of State Air Toxics Control Measure for Diesel Agricultural Engines

RECOMMENDATION:

Receive and file a briefing on the process and progress of the APCD's implementation of the State Air Toxics Control Measure for diesel agricultural engines.

DISCUSSION:

Background

Soot from the combustion of diesel fuels is California's number one airborne carcinogen. The goal of the California Air Resources Board (ARB) *Diesel Risk Reduction Plan* is to reduce emissions of diesel particulate matter in California by 85 percent by 2020.

As part of the Plan, the ARB included new requirements for diesel agricultural engines in amendments to the Airborne Toxic Control Measure (ATCM) for Stationary Diesel Engines adopted at a hearing on November 16, 2006. A required post-adoption 15-day review period ended on April 25, 2007. The regulation will be effective after approval by the state Office of Administrative Law (OAL), which should complete its review by late summer. State law requires that the APCD implement and enforce the regulation within 120 days after it is promulgated by the OAL.

The amendments establish emission standards that will reduce particulate emissions from diesel engines greater than 50 horsepower in agricultural use. The regulation does not apply to mobile equipment such as tractors and vehicles, and there are various exemptions in the regulation for equipment items such as wind machines, stand-by electrical generators and remotely located engines.

By March 1, 2008 all existing diesel agricultural engines greater than 50 horsepower must be either registered or permitted with the APCD. New engines purchased after the rule is final must be registered or permitted with the APCD within 90 days of installation. Consequently, the APCD must have a registration program in place within 90 days of when the regulation is final. All engines not exempt from the regulation's emission limits must be replaced on a schedule based on the engine's size and age. For example, 100 – 750 horsepower engines that were manufactured prior to 1996 must be replaced with new engines by December 31, 2010. Remotely located engines are exempt from the engine replacement requirements; however, they must be registered with the APCD. A remotely located engine is one that is at least one-half mile from homes or schools or other sensitive receptors, is located in an area that attains the federal ozone standard (which we do), and has registered with the APCD.

Implementation Process & Progress

To implement and enforce the regulation, the APCD must:

- Develop a registration program with an appropriate fee;
- Conduct outreach to the agricultural community to inform them of the new requirements, seek their input to the development of this new program, and inform them of the availability of grant funding for early compliance;
- Identify all the engines within the County that are subject to the regulation;
- Implement the registration program;
- Conduct periodic inspections; and
- Maintain a database to facilitate ongoing communication with the engine operators and reporting to ARB.

To date, we have met with the Santa Barbara County Agricultural Air Quality Coalition (February 22 and June 14, 2007), the Santa Barbara County Agricultural Advisory Committee (March 8 and June 6, 2007), the Santa Barbara County Farm Bureau (May 31, 2007), and the Growers-Shipper Vegetable Association of Santa Barbara and San Luis Obispo Counties (June 20, 2007). On May 21st, we sent over 950 notices to individuals and agricultural companies on mailing lists provided to us by the Santa Barbara County Agricultural Commissioner. We are planning to hold a public workshop on our proposed registration program and fee rules on July 11, 2007 to coincide with the meeting of the APCD Community Advisory Council. Finally, we are planning to bring the proposed registration and fee rules to your Board for adoption at your regularly scheduled August 16, 2007 meeting. The fee rule will require two hearings, with the final hearing scheduled for your October meeting.

Early in this process, the staffs of Santa Barbara County APCD, San Luis Obispo County APCD, and Ventura County APCD met to coordinate the design of our respective registration programs and conduct a joint analysis of program costs. We all decided to recommend that our respective Boards adopt consistent registration programs and fee structures with provisions for reciprocity of registrations between the districts. That is, we all hope to establish reciprocal registration programs so that farmers who operate in two or all three counties need only register each of their engines in only one district. San Luis Obispo County APCD adopted its registration and fee rules on May 16th with no opposition to either the registration program or the proposed fee. Ventura County APCD staff plan to take proposed rules to their Board in September.

Financial Compliance Assistance

Limited grant funding is available to offset the costs of engine replacements for early compliance. To qualify, the new engine must be installed at least one year prior to the date of applicability of the emission

standard for the engine being replaced. For example, to qualify for grant funds to replace a 150 horsepower pre-1996 engine, the new, replacement engine must be purchased and installed prior to December 31, 2009. It is important for agricultural engine operators to understand that they may have only a little over two years to apply for a grant, and then order, receive, and install the replacement engine if they wish to take advantage of this financial compliance assistance opportunity. We will make every effort to contact all the agricultural engine operators in the County to ensure that they are aware of this opportunity.

Next Steps

APCD staff will move forward with our outreach efforts and developing the registration and fee rules. We have planned meetings with the various stakeholders and the public. We plan to bring to your Board proposed rules that are consistent with the rules in Ventura and San Luis Obispo counties so that we can include registration reciprocity between the districts. Our goal is to have a fully operational registration program in place within 90 days after the ATCM becomes final.