FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT MEMORANDUM 12/02/2024

TO: FRAQMD BOARD OF DIRECTORS

FROM: Christopher D. Brown, AICP, APCO

SUBJECT: Public Hearing to Present the Annual Report on the District's AB2588 Air Toxics

"Hot Spots" Program.

RECOMMENDATION:

None, informational item only.

BACKGROUND:

The California Health and Safety Code section 44363 requires the District to prepare and publish an annual report that:

- 1. Describes the priorities and categories of the permitted facilities and summarizes the results of health risk assessments.
- 2. Ranks and identifies facilities according to the degree of cancer risk posed to the public.
- 3. Identifies facilities which expose the public to noncancer health risks.
- 4. Describes the status of the development of control measures to reduce emissions of toxic air contaminants.

The HSC § 44363(b) requires that the District Board hold one or more public hearings to present the report and discuss its content and significance. This code section also requires that the District mail a notice of the report's availability to the County Boards of Supervisors, City Councils, and health departments.

DISCUSSION:

The District prepared the Annual Report for the AB 2588 Air Toxics "Hot Spots" Program.

The report is available on the District's website: https://www.fraqmd.org/air-toxics and can be made available to interested parties without internet access by calling the District office.

The notice of report availability was mailed on November 18, 2024 to the Sutter and Yuba County Boards of Supervisors, the City Councils of Live Oak, Marysville, Wheatland, and Yuba City, and the Sutter and Yuba County Health Departments.

The report also includes a status update on the Regulation for the Reporting of Criteria Air Pollutants and Toxic Air Contaminants (CTR).

FISCAL IMPACT:

None, informational item only.

ATTACHMENTS:

Report on the AB 2588 Air Toxics "Hot Spots" Program, November 18, 2024

Attachment 1: Annual Report on the AB 2588 Air Toxics "Hot Spots" Program,
November 18, 2024

AB2588 Air Toxics "Hot Spots" Program Annual Report

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Update on the Reporting of Criteria Air Pollutants and Toxics Air Contaminants Regulation

Feather River Air Quality Management District

Released: November 18, 2024

Executive Summary

The Air Toxics "Hot Spots" Information and Assessment Act of 1987 (AB 2588) is a State of California public right-to-know law requiring local air quality management and air pollution control districts to collect information about the location, type, and quantity of toxic compounds emitted into the air from specified local businesses and industry. The AB 2588 Program Annual Report is published to provide the public with information regarding the AB 2588 Program of the Feather River Air Quality Management District (District). The enabling statutes (California Health & Safety Code (HSC) Sections 44300-44394) require the California Air Resources Board (CARB) and local air districts to implement the "Hot Spots" Program. This report describes the current reporting and evaluation status for facilities being tracked under this program. This report is required by California HSC Section 44363.

The goals of the AB 2588 Program are to collect emission data, to identify facilities having localized impacts, to ascertain health risks, and to notify nearby residents of significant risks. The AB 2588 Program requires certain emitters of airborne toxic compounds to submit toxic emissions inventory reports and updates. Facilities meeting certain criteria must also complete health risk assessments. HSC Section 44363 requires that the District Board conduct a public hearing concerning the subject report which must include information on the following:

- 1) The priorities and categories designated pursuant to section 44360 and a summary of results and progress of the health risk assessment program undertaken;
- 2) The ranking and identification of facilities according to the degree of cancer risk posed to surrounding receptors;
- 3) The identification of facilities which expose individuals or populations to any non-cancer health risks: and
- 4) The status of development of control measures to reduce emissions of toxic air contaminants, if any.

This report covers facility operations in calendar year 2023 for which AB 2588 State fees were assessed on October 1, 2024. The District's status of development of control measures is as of November 1, 2024.

This report also provides an update on the Regulation for the Reporting of Criteria Air Pollutant and Toxic Air Contaminants¹ (CTR) adopted by the California Air Resources Board, effective January 1, 2022. CTR mandated additional emissions reporting requirements for stationary permitted sources.

The District has 656 active permits as of October 14, 2024. The District has evaluated and deemed exempt from the AB2588 program 228 permits. There are 428 that may be subject to AB 2588 based on having a permit to operate over 10 tons per year of criteria pollutants except carbon monoxide, or based on Appendix E of the Emission Inventory Criteria and Guidelines². Of those 428 potentially applicable permits, 123 have deem determined to be "industrywide" facilities and 120 are "core" facilities.

In 2024 the District evaluated permits for Sector Phase 1 Appendix E applicability. The District identified 153 permits that included equipment or processes subject to the expanded Appendix E. Out of those, 108 facilities were deemed industrywide or diesel-engine only. The District mailed

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¹ https://ww2.arb.ca.gov/rulemaking/2020/proposed-amendments-reporting-criteria-air-pollutants-and-toxic-air-contaminants

² https://ww3.arb.ca.gov/ab2588/2588guid.htm

letters on April 1, 2024, to the 153 permits identifying them as subject to the expanded CTR Appendix

There are 242 permits issued in the emergency stationary engines source category (23xxx), of which 146 permits have been identified as having emergency stationary diesel engines and have been prioritized, 73 that are deemed exempt from AB 2588, and 24 that have not yet been prioritized.

I. Air Toxics "Hot Spots" Program

The AB 2588 Program established a process to compile an inventory of air toxics emissions from specified facility categories in California and to assess the potential risks to public health as a result of exposure to those emissions. AB 2588 specifies activities that the CARB, the Office of Environmental Health Hazard Assessment (OEHHA), and the districts must carry out to implement the Act.

Facilities are categorized based on their reporting status in the program. Facilities subject to the AB 2588 Program are required to either file an emissions inventory plan and report with the local air district or as an alternative the District prioritizes and conducts the risk assessment as part of a permitting action. The District reviews and approves the plan and reports. The District performs a prioritization score for the facility. If the prioritization score indicates further evaluation is necessary, the facility is required to perform a health risk assessment (HRA). If the results from the HRA indicate a potential significant risk to the public, the facility is required to notify the public exposed to the emissions. A facility subject to the public notification requirement then may need to develop a risk reduction plan to lower the emissions below significance levels. After complying with the initial reporting requirements, based on the prioritization scores or HRA results, facilities may be required to submit update reports every four years.

II. Update to OEHHA Risk Assessment Guidelines

The passage of the Children's Health Protection Act of 1999 (SB 25, Stats. 1999) required Office of Environmental Health Hazard Assessment (OEHHA) to re-evaluate the risk assessment methodologies to ensure infants and children are explicitly addressed in assessing risk. In the last decade, advances in science have shown that early-life exposures to air toxics contribute to an increased lifetime risk of developing cancer, or other adverse health effects, compared to exposures that occur in adulthood. In March 2015 OEHHA adopted revisions to the Guidance Manual for the Preparation of Health Risk Assessments³ to address this greater sensitivity and incorporates the most recent data on childhood and adult exposure to air toxics. The Air Resources Board (working with CAPCOA) adopted Risk Management Guidance⁴ implementing the new guidelines in July 2015.

Although emissions levels and actual exposure have not changed, the new methodology calculations will show that some facilities have a 1.5 to 3 times increase in inhalation health risk due to the new awareness of increased sensitivity in infants and children.

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³ https://oehha.ca.gov/air/crnr/notice-adoption-air-toxics-hot-spots-program-guidance-manual-preparation-health-risk-0

⁴ https://ww3.arb.ca.gov/ab2588/riskassess.htm

III. The District Prioritization Procedure

The District policy 2.12.1 Facility Prioritization and Risk Assessment Thresholds and associated manuals of operations for prioritization and risk assessment were adopted in May 2017. This policy incorporates the updated risk assessment guidance from OEHHA and CARB.

In the initial years of the AB 2588 Hot Spots Program the District requested emission inventory plans and reports from AB2588 applicable facilities. The District now reviews most facilities priority during the permit evaluation process. The facilities that are reviewed during the permit evaluation process are evaluated based on potential to emit. If a facility is exempt from AB 2588 based on potential to emit, or is subject to AB 2588 and a low priority, no further action is taken under the AB 2588 program for that facility until they submit an application to modify their permit. If a facility is reviewed under AB 2588 based on potential to emit is determined to be an intermediate priority, the facility is entered into the annual emissions inventory and toxics emissions are reported annually. If a facility is entered into the annual emissions inventory and toxic emissions are reported annually, and an HRA or screening HRA will be requested. If the facility's actual emissions result in a high priority, the facility will be required to pay state AB 2588 fees. The District will prepare the HRA for the industrywide facilities based on the guidelines developed by CAPCOA, CARB, and OEHHA.

Facilities that submit their own emissions inventory plan and report and are prioritized as intermediate must submit a Quadrennial Update Survey every four years. Facilities that submit their own emission inventory plan and report and are prioritized as high must submit an HRA and pay state AB 2588 fees.

The District has established the following prioritization criteria:

Facility Score*	Facility Description
TS ≥ 10	High Priority
1 ≤ TS ≤ 10	Intermediate Priority
TS < 1	Low Priority

^{*}The facility's score is determined by the greater of the Carcinogenic Effects calculation or the Non-carcinogenic Effects calculation.

A. Industrywide Facilities

The District considers retail gas stations, auto body shops, dry cleaners, and diesel engine only facilities to be industrywide facilities. The District uses the industrywide guidelines to assess priority and risk for these facilities.

Industrywide Category	Number of Facilities
Gas Station	85
Autobody Shops	24
Dry Cleaner	1
Diesel Engine Only	148

B. Core Facilities

Core facilities are the remaining facilities that are subject to the AB 2588 Program and not industrywide facilities.

IV. Prioritized Facilities and Health Risk Assessments

The District continues the work of reprioritizing facilities under the new guidelines and procedures and requesting updated Health Risk Assessments from facilities that have been prioritized as high.

In 2024 the District focused on complying with the changes to the AB 2588 Program as a result of the amendments to CTR. On November 19, 2020, ARB adopted amendments to the CTR regulation, greatly expanding the applicability of the reporting requirements for AB 2588 (and emissions reporting). The amendments were effective January 1, 2022. The amended CTR regulation will expand applicability for AB 2588 to the types of facilities in the table below beginning with 2024 operations reported in 2025.

The District was required to review the facilities and by April 1, 2024, notify the affected facilities and let them know whether:

- The District will include their emissions on an Industrywide Emissions Inventory. The facility must submit the 2024 Throughput Report no later than February 28, 2025. No further information will be required.
- The facility must submit an Emissions Inventory Plan by August 1, 2024.

The District reviewed permit databases, engineering evaluations, and throughput reports from 2023 to determine which facilities were subject to the expanded CTR requirements in the AB 2588 program. The District identified 153 permits that included equipment or processes subject to the expanded Appendix E. Out of those, 108 facilities were deemed industrywide or diesel-engine only. The District mailed letters on April 1, 2024, to the 153 permits identifying them as subject to the expanded CTR Appendix E. The District has received the Emission Inventory Plans for 34 permits and is currently reviewing them. The District will use the 2024 throughputs to prioritize the industrywide and dieselengine only permits and the permits that have approved, updated Emission Inventory Plans.

Also in 2024 the CARB and CAPCOA released the diesel engine risk screening tool. The District intends to implement the tool to assess risk for diesel engines that are prioritized over 10 once staff are trained on the tool.

In the upcoming year the District will continue reviewing source categories, prioritizing and screening facilities using the updated GDF and diesel engine tools, and requesting HRA's for high priority core facilities. The District continue to use industrywide health risk assessment guidelines from CAPCOA and CARB to perform HRA's for industrywide facilities.

The District currently has 656 active permits, of which 228 have been deemed exempt from AB 2588, with 428 potentially subject to AB 2588 based on having a permit to operate over 10 tons per year of criteria pollutants except carbon monoxide, or based on Appendix E of the Emission Inventory Criteria and Guidelines⁵. Of those 428, 110 are considered "industrywide" facilities and 148 are "diesel engine only" facilities. The District has prioritized 101 as low, 247 as intermediate, and 48 as high

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⁵ https://ww3.arb.ca.gov/ab2588/2588guid.htm

priority for the AB 2588 Program. The District has 30 facilities that have not yet been reviewed for AB 2588 applicability.

Priority Score	Number of Facilities
Low	101
Intermediate	247
High	48

In 2023, District staff identified parachlorobenzotrifluoride, or PCBTF, listed in the chemicals present in auto body paints used at a couple facilities during permit application reviews. PCBTF was designated as an exempt VOC in 1994, which means is has low reactivity for causing ozone, and has become widely used throughout the United States since designation. PCBTF was added to the list of pollutants that must be quantified as part of the updates to the AB 2588 and CTR updates in 2020. Since this date permit applications are now being reviewed for use of coatings or solvents that contain PCBTF and prioritizations are including PCBTF.

The OEHHA has established unit risk factors (URFs) for PCBTF. CARB has not identified it as a "toxic air contaminant" as of November 2024. PCBTF is used in autobody coatings, other coatings, and solvents.

Recent permit applications for autobody shops have required updated SDS for coatings and solvents that, upon review, show variable percentages of PCBTF. The presence of PCBTF has resulted in high priority based on PTE. There are no additional technologies or toxics best available control devices for the use of coatings in auto body shops. Further, requiring additional control devices or limiting throughput of coatings containing PCBTF in some autobody shops, but not all, creates an unfair economic burden on the facilities that have recently applied for changes to their permits. The District has sought guidance from CARB stated they are aware of the issue and at this time defer to air districts regarding issuing permits for PCBTF-containing compounds and to manufacturers to reformulate products.

The District has consulted with other air districts and found PCBTF use occurs statewide. In districts where they are evaluating the toxics risk (some districts are not currently evaluating it), the chemical is resulting in high prioritizations. Some districts are conducting additional research, others are beginning to require more recordkeeping, and some are limiting throughput in new auto body permits. Limiting throughput in new auto body permits is expected to result in an inability to issue permits as the lower limit is not economically feasible, thus transferring emissions of PCBTF from new shops to existing shops.

The District adopted interim permit guidance regarding how to prioritize facilities that use PCBTF. If the prioritization results are "high" and the driving contributor is PCBTF, the District shall deviate from Policy 2.12.1 and issue the permit without a Health Risk Assessment. This guidance is currently in effect and will be re-evaluated one year from the date of APCO approval, May 2025.

The addition of PCBTF to the facility prioritization has caused the cancer priority score to increase to over 200 for three permits that use mobile equipment coatings thus far.

The top 10 highest priority facilities for cancer in the District based on 2023 emissions are listed in the table below.

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Permit ID	Facility Name	Location	City	Equipment Type/Process	Cancer Priority Score	HRA Score
11051	Miracle Auto Painting of Yuba City	871 Garden Highway	Yuba City	Automotive Paint Shop	255*	Pending IWD HRA Guidelines
11040	The Body Shop of Yuba City	802 Forbes Avenue	Yuba City	Automotive Paint Shop	245.17*	Pending IWD HRA Guidelines
11065	Sweco	2455 Palm Street	Sutter	Mobile equipment coating	168.19*	Pending IWD HRA Guidelines
23002	Adventist Health & Rideout	726 Fourth Street	Marysville	Diesel engine	59	Pending IWD HRA Guidelines
23001	Willow Glen Community Partners, LP	1251 Stabler Lane	Yuba City	Diesel engine	50.82	Pending IWD HRA Guidelines
37020	Unity Forest Products	1162 Putman Ave	Yuba City	Diesel engine	49.61	3.8 per million
23081	Adventist Health & Rideout	1260 Williams Way	Yuba City	Diesel engine	46.3	Pending IWD HRA Guidelines
16004	Sunsweet Growers Inc	901 North Walton Avenue	Yuba City	Diesel engine	45.35	Pending IWD HRA Guidelines
23070	City of Yuba City	1545 Poole Blvd	Yuba City	Diesel engine	42.2	Pending IWD HRA Guidelines
23107	Linda County Water District	5910 Avondale Ave	Marysville	Diesel engine	42.1	Pending IWD HRA Guidelines
23108	Linda County Water District	5467 Arboga Road	Olivehurst	Diesel engine	42.1	Pending IWD HRA Guidelines

^{*}See paragraphs above in section IV regarding addition of PCBTF to prioritizations

The top ten highest score for non-cancer acute priority in the District are:

Permit ID	Facility Name	Location	City	Type of Facility/ Equipment	Acute Priority Score	HRA Score*
28007	Lakeside Colonial Chapel	830 D Street	Marysville	Crematory	33.07	0.9
11065	Sweco Products Inc	2455 Palm Street	Sutter	Mobile equipment coating	24.23	**
22006	DeSilva Gates Construction	4317 Hammonton Road	Marysville	Asphalt Batch Plant	10.527	0.1
34012	Howard Dryer Co	2179 Franklin Road	Yuba City	Prune dryer	9.63	
24013	D & D Cabinets	1478 Sky Harbor Drive	Olivehurst	Wood products coating	9.42	
33027	Richland Hulling & Drying	6030 Carlson Road	Yuba City	Walnut Huller/Dryer	9.23	
33007	Sacramento Valley Walnut Growers	896 O'banion Road	Yuba City	Fumigation	7.70	
14119	N B Market	1668 North Beale Road	Marysville	Gas Station	7.11	
6017	Van Dyke's Rice Dryer Inc.	4036 Pleasant Grove Road	Pleasant Grove	Rice Drver		
14051	Honeycutt Aviation	1489 "A" Sky Harbor Drive	Olivehurst	Gasoline	5.12	

^{*}HRA not required if priority score is less than 10

The top ten highest score for non-cancer chronic priority in the District are:

Permit ID	Facility Name	Location	City	Type of Facility/Equipment	Chronic Priority Score	HRA Score*
24013	D & D Cabinets	1478 Sky Harbor Drive	Olivehurst	Wood products coating	9	
28007	Lakeside Colonial Chapel	830 D Street	Marysville	Crematory	7.65	
6015	Sutter Rice Company	1421 Acacia Road	Sutter	Rice Dryer	7.5	
34012	Howard Dryer Co	2179 Franklin Road	Yuba City	Prune dryer	4.28	
8001	HAANAH COMPANY	1394 Sky Harbor Dr	Olivehurst	Fiberglass	3.9	
33027	Richland Hulling & Drying	6030 Carlson Road	Yuba City	Fumigation	3.7	
28010	Chapel of the Twin Cities	715 Shasta Street	Yuba City	Human Cremator	3.4	

^{**} See paragraphs above in Section IV regarding addition of PCBTF to prioritizations

V. State AB 2588 Program Fees

CARB is required to adopt a fee recovery regulation to assess fees on facilities subject to the requirements to ensure that costs to implement and administer the AB 2588 Program.

Program costs are recovered by assessing a fee to subject facilities. For 2023 emissions the State AB 2588 Program fees totaled \$2,697.00.

There were 17 facilities that were prioritized as High for 2023 emissions and were subject to state AB 2588 fees. Five are core facilities and the remaining 12 are industrywide facilities. The five core facilities are listed below:

					State
Permit				Equipment	Fees
ID	Facility Name	Address	City	Type/Process	Charged
10001	City of Yuba City	302 Burns Drive	Yuba City	POTW	\$2,009
22006	DeSilva Gates	4317 Hammonton Rd	Marysville	Asphalt	\$67
28007	Lakeside Chapel	830 D Street	Marysville	Human Cremator	\$67
28010	Chapel of the Twin Cities	1421 Acacia Rd	Yuba City	Human Cremator	\$67
28012	Heaven's Gate	603 4th Street	Wheatland	Pet Cremator	\$67

Permit ID	Industrywide Facility Name	IWD Category	IWD Fee
11040	The Body Shop of Yuba City	Autobody	35.00
11051	Miracle Auto Painting & Collision	Autobody	35.00
12000	Town Cleaners Dry Cleaning & Laundry Inc	Dry cleaner	35.00
14095	Sam's Club	Retail GDF	35.00
23001	Willow Glen Community Partners, LP	Diesel engine only	35.00
23002	Adventist Health & Rideout	Diesel engine only	35.00
23004	Pacific Bell dba AT&T CA	Diesel engine only	35.00
23043	Pacific Bell dba AT&T CA	Diesel engine only	35.00
23047	Pacific Bell dba AT&T CA	Diesel engine only	35.00
23069	City of Yuba City	Diesel engine only	35.00
37020	Unity Forest Products	Diesel engine only	35.00
25008	Empire Steel	Diesel engine only	35.00

^{*}HRA not required if priority score is less than 10

VI. Control Measure Development

The District has not developed nor adopted any control measures to reduce emissions of toxic air contaminants in the past year.

VII. Regulation for the Reporting of Criteria Air Pollutants and Toxic Air Contaminants (CTR)

The Emission Inventory Criteria and Guidelines were updated effective March 2022, including the applicability table in Appendix E⁶. Beginning in 2025 for operations in 2024, many more facilities will be subject to the AB 2588 program, including any using diesel engines over 5 hours per year.

The initial CTR regulation as adopted in 2018 required annual criteria and toxic emissions reporting for three types of facilities:

- 1. A facility that is required to report to the state board it's greenhouse gas emissions pursuant to Health and Safety Code section 38530.
- 2. A facility located in an air district designated as nonattainment for any NAAQS or CAAQS with a potential to emit of 250 or more tons per year of nonattainment pollutants.
- 3. A facility that is categorized by the air district as high priority for toxic air contaminant emissions pursuant to H&SC section 44360.

Facilities under the first two applicability's were required to report emissions for 2020 operations and facilities subject under the third applicability were required to report emissions for 2021 operations.

ARB has not provided districts with a reporting form to collect the information from facilities or an online database to allow facilities to fulfill CTR requirements online. The District has provided facilities information on the CTR requirements and has utilized grant funding to enter facility information into the current emissions reporting database that were subject under the initial CTR regulation.

VIII. 2020 Amendments to CTR

The amended CTR regulation also expands applicability for enhanced annual emissions reporting. The regulation requires direct reporting to ARB or the District. The District does not have staff or resources to prepare the CTR report on behalf of all applicable facilities under the amended CTR regulation and facilities are recommended to contact ARB directly to report their emissions to comply with CTR or use the online reporting system ARB is developing for CTR reporting, for 2024 data reported in 2025 and future year reporting requirements.

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⁶ https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2020/hotspots2020/eicgappefro.pdf

Appendix A: Facility List

Appendix A includes a list of all facilities currently holding a permit to operate, their location, whether they are subject to AB 2588, whether they are an industrywide source, their priority score and risk information.

The facility list is sorted by permit number.