



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
STATIONARY SOURCE COMMITTEE MEETING

COMMITTEE MEMBERS

MARK DeSAULNIER –CHAIRPERSON  
JULIA MILLER  
JOHN SILVA  
GAYLE UILKEMA

JERRY HILL - VICE CHAIRPERSON  
MARK ROSS  
MARLAND TOWNSEND  
SHELIA YOUNG

MONDAY  
MARCH 22, 2004  
9:30 A.M.

7<sup>th</sup> FLOOR BOARD ROOM

**AGENDA**

1. **CALL TO ORDER - ROLL CALL**
2. **PUBLIC COMMENT PERIOD** (*Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3*)  
*Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 939 Ellis Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Board's authority. Speakers will be limited to five (5) minutes each.*
3. **APPROVAL OF MINUTES OF JANUARY 26, 2004**
4. **REPORT ON RENEWAL OF TITLE V PERMITS TO PACIFIC GAS & ELECTRIC COMPANY (PG&E) AND CONSIDERATION OF RECOMMENDATION TO SUPPORT PG&E'S PROPOSED SHUT DOWN OF THE HUNTERS POINT POWER PLANT**  
**J. Broadbent/5052**  
[jbroadbent@baaqmd.gov](mailto:jbroadbent@baaqmd.gov)  
*Staff will give a report on renewal of Title V Permits to PG&E and the Committee will consider staff recommendation to support PG&E's proposed shut down of the Hunters Point Power plant.*
5. **REPORT OF PROPOSED AMENDMENTS TO DISTRICT REGULATION 3: FEES** **B. Bateman/4653**  
[bbateman@baaqmd.gov](mailto:bbateman@baaqmd.gov)  
*Staff will give a report on proposed amendments to District Regulation 3: Fees.*
6. **COMMITTEE MEMBER COMMENTS/OTHER BUSINESS**  
*Any member of the Board, or its staff, on his or her own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)*
7. **TIME AND PLACE OF NEXT MEETING —MAY 24, 2004**
8. **ADJOURNMENT**

JPB:mag

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
939 ELLIS STREET  
SAN FRANCISCO, CALIFORNIA 94109  
(415) 771-6000**

**DRAFT MINUTES**

Summary of Board of Directors  
Stationary Source Committee Meeting  
9:30 a.m., Monday, January 26, 2004

**1. Call to Order – Roll Call:** 9:35 a.m.

**Roll Call:** Mark DeSaulnier, Chairperson; Jerry Hill, Julia Miller, Mark Ross, John Silva, Marland Townsend, Gayle Uilkema, Shelia Young (9:43 a.m.).

**Absent:** None.

**Also Present:** Scott Haggerty (9:43 a.m.).

Director Uilkema introduced her daughter, Dr. Sharon Stinis.

**2. Public Comment Period:** There were none.

**3. Approval of Minutes of November 24, 2003:** Director Townsend moved approval of the minutes; seconded by Director Uilkema; carried unanimously without objection.

**4. Refinery Flare Monitoring Status Report:** *Staff presented a status report indicating the refineries' progress with Regulation 12, Rule 11: Flare Monitoring for Petroleum Refineries and proposed providing text based flare information on the web.*

Peter Hess, Deputy APCO, stated that the Board adopted the Flare Monitoring Rule about six months ago. Staff was directed to bring back to this Committee a report on the possibility of video casting on the web the flare monitoring information that was required by the Rule.

Kelly Wee, Director of Compliance and Enforcement, presented a summary of the Flare Monitoring Rule (Regulation 12, Rule 11) adopted in June 2003 and reviewed the three main areas requiring monitoring. Mr. Wee stated that when the Board adopted this Regulation, the issue of requiring refineries to web cast their flare images was discussed and the Board referred the web casting issue to the Stationary Source Committee for evaluation.

Mr. Wee provided sample images to the Committee which showed different conditions under which the images would be viewed, such as day light, fog, night and rain to name a few. Mr. Wee noted that the web casting video image must be reduced in size and/or resolution to fit within the performance limitations of the Internet. A lot of detail and resolution is lost when the

video image is downsized for web casting. Mr. Wee stated that the estimate of the useful images per month are a very small percentage; on average 0.1-0.2%, of the total images.

Jeff McKay, Director of Information Services, described the functional assumptions and reviewed the costs associated with web casting. The costs are a function of the assumptions that are made. The assumptions include the quality of the video desired, the robustness of the system required, and the maximum number of simultaneous viewers that might be observing the camera. The District would out source the services delivered over the Internet through a Service Level Agreement (SLA). Mr. McKay reviewed the infrastructure requirements for video streaming.

The initial cost for a single camera is approximately \$7,500 and the monthly cost would be approximately \$4,225. The cost for the first year would be \$58,200 and for the following years it would be \$50,700. If there were 20 cameras the initial cost is \$150,000, monthly cost is \$8,500, the first year would be \$252,000 and the following years would be \$102,000.

Mr. Wee stated that the District has some concerns with proceeding with a web casting a flare video and reviewed the possible areas of dissatisfaction that the public might experience with this type of technology. Mr. Wee presented an alternative “text based” web page solution. It would provide more of the information that the public has said they want. The infrastructure is similar to the web casting, but there is no digital video recorder because it would be a text-based solution and there is no image server.

Mr. Wee reviewed the cost comparison and noted the installation and first year costs for a text-based web page is approximately \$25,000 versus \$250,000 for web streaming. Text-based annual costs would be \$2,000 versus \$100,000 for web streaming. Mr. Wee summarized his presentation as follows:

- The public wants to know when refinery flares are operating and has requested web cams.
- The existing Rule requires video still image recording, archiving and reporting.
- Staff has evaluated the feasibility and costs of web cams and recommends a text-based solution.
- The text-based web solution provides useful information and meets most of the community requirements.
- Staff proposes to proceed to rule making to require that flare information be web cast in real time.

During discussion, the Committee expressed concern about the cost of web casting and that it does not meet the District’s goal of cleaning the air. Staff recommendation would be to go forward with the text-based web page, which still has a cost associated with it, but it would be considerably less than video web casting. A significant portion of the costs would be borne by the refineries for the video streaming and a small portion would be redirected from the District’s web site to the live video stream from a third party company.

There was discussion on a color scheme for the text-based web page that could be a function of the amount of emissions from the flare. Clarification was made that the District now has a monitoring rule relative to flares and it is being implemented with the refineries. The next step is a “control” approach and the rule making efforts on this. The costs staff provided are for the

entire project. There are about 16 stacks District-wide and some stacks have more than one camera.

Chairperson DeSaulnier stated that staff has a good compromise and that web casting is too expensive for what it provides. There was discussion on stating a percentage instead of a color scheme and Director Townsend recommended staff continue to look at this. Mr. Broadbent indicated staff is meeting with Communities for a Better Environment (CBE) to discuss the issue.

There were no public speakers on this agenda item.

**Committee Action:** None. This report provided for information only.

**5. Status Report on Ozone Control Measures:** *Staff presented a status report on implementation of stationary source control measure in the 2001 Ozone Attainment Plan, refinery further study measures in the 2001 Ozone Attainment Plan, and preliminary evaluations of potential new ozone control measures.*

Mr. Hess stated that the District has worked with a variety of groups to look at and develop some control measures. Mr. Hess noted there have been numerous suggestions and these will be discussed today before they are brought back in a Plan.

Dan Belik, Rule Development Manager, presented the report and presented an overview of the status of the Ozone Planning Control Measure development. It includes the 2001 Ozone Attainment Plan, as well as progress on the Control Measure development for the upcoming Ozone Attainment Plan. Mr. Belik reviewed the Control Measures, their descriptions, the dates of adoption and the total Volatile Organic Compound (VOC) reductions, which total 8.4 tons per day. The District has achieved the promised emission reductions and also achieved implementation of all of the Control Measures.

Mr. Belik reviewed the 2001 Ozone Attainment Plan Further Study Measures and stated they are considered Technical Assessment Documents (TAD's). In developing the Further Study Measures, the District needs to make sure the proposed Measure is technically feasible, if it would be cost effective, and, in some cases, what the potential emission reductions are. The District has committed to review the Further Study Measures and progress has been made to development some of them into Control Measures that the District can move forward on. The TAD is the first step in rule making which looks at the potential emission reductions, the potential to reduce the emissions, how much would be reduced and the potential cost-effectiveness of the Control Measure. Some of the Further Study Measures are being developed into Control Measures.

Mr. Belik reviewed the 2003/2004 potential new Ozone Attainment Control Measures. Staff has evaluated 370 potential stationary sources, mobile sources and other measures derived from suggestions from the Board of Directors, Advisory Council and a variety of other groups. Mr. Belik noted that some of the measures belong to other jurisdictions. For those proposed Control Measures that are viable, the District will now need to consolidate them into draft Control Measure descriptions. There will then be an opportunity to go before the community and industry for their input. Those that are viable will be put into the Plan for further consideration.

**Committee Action:** None. This report provided for information only.

6. **Committee Member Comments/Other Business:** In response to a question from Director Miller, Chairperson Haggerty stated that there would not be a Board meeting or Environmental Community Tour on February 4<sup>th</sup>. Jack Broadbent, Executive Officer/APCO added that the staff is trying to coordinate a tour for February 18<sup>th</sup>.
7. **Time and Place of Next Meeting:** At the Call of the Chair.
8. **Adjournment:** 10:30 a.m.

Mary Romaidis  
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Inter-Office Memorandum

To: Chairperson DeSaulnier and Members  
of the Stationary Source Committee

From: Brian Bateman, Director of Engineering

Date: March 15, 2004

Re: Report on Renewal of Title V Permits for Pacific Gas & Electric  
Company's (PG&E) Hunters Point and Mirant's Potrero Power Plants, and  
Consideration of Staff Recommendation to Support PG&E in its Goal to  
Shut Down the Hunters Point Power Plant before the end of 2005.

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RECOMMENDED ACTION

Receive report on the process of renewing the Title V permits for the PG&E Hunters Point and Mirant Potrero power plants as planned. Recommend that the Board of Directors adopt a resolution to support PG&E in their goal to shut down the Hunters Point Power Plant before the end of 2005.

BACKGROUND

1. Title V Permits

All major sources of air pollution nationwide as defined in the federal Clean Air Act (CAA) are required to obtain federal operating permits in accordance with Title V of the CAA. In the Bay Area, the U.S. Environmental Protection Agency, which administers the CAA, has approved the District's Regulation 2, Rule 6: Major Facility Review, and has thus delegated this program to the District. There are approximately 100 Title V facilities in the Bay Area. Title V permits must be renewed every five years.

The objective of a Title V permit is not to impose additional emission limitations and standards upon a facility. Rather, the objective is to provide the permitting authority and the public with a way to assure that the facility is complying with existing air quality requirements. Title V permits contain all existing applicable air emission limitations and standards, as well as sufficient monitoring, recordkeeping, and reporting requirements to determine whether the facility is in compliance.

The initial Title V permits for the PG&E Hunters Point and Mirant Potrero power plants were both issued by the District on September 14, 1998. Applications for the renewal of these Title V permits were submitted to the District in March 2003. The District is required to take final action on these applications within 18 months from the date of submittal (i.e., by September 11, 2004 for PG&E Hunters Point, and September 14, 2004 for Mirant Potrero). The District expects that the proposed Title V renewal permits for

these two facilities will be published by the end of March 2004. The proposed permits will then undergo public and EPA review and comment prior to final action.

Due to the high level of interest expressed by local community groups, the District has scheduled both an informational meeting and a public hearing for each of the proposed Title V permit renewals for these two facilities. For the PG&E Hunters Point Power Plant, the informational meeting is scheduled for April 6, 2004, and the public hearing is scheduled for May 4, 2004. For the Mirant Potrero Power Plant, the informational meeting is scheduled for April 8, 2004, and the public hearing is scheduled for May 6, 2004. All of these meetings will be held at community locations on weekday evenings to allow for maximum public participation.

## 2. Facility Descriptions

The PG&E Hunters Point Power Plant has one 170 MW electric utility steam boiler, and two 25 MW standby (peaker) combustion turbines. The Mirant Potrero Power Plant has one 210 MW electric utility steam boiler, and six standby 25 MW combustion turbines. For both plants, the utility boilers are fueled exclusively with natural gas, and the peaker turbines burn distillate oil. The operation of each peaker turbine is limited by District rule to no more than 877 hours per year; typical operation is about 50 hours per year. Four additional utility boilers at the PG&E Hunters Point plant totaling 220 MW have been retired over the last five years due primarily to equipment age and increasingly stringent District emission limits.

The PG&E Hunters Point and Mirant Potrero facilities are the only two major central power plants in San Francisco. Together, they represent a steady capacity of about 380 MW, which is less than half of the 800 to 900 MW peak electricity needs of San Francisco. The remaining power needs are primarily imported from East Bay power plants, Hetch-Hetchy hydroelectric sources, and other out-of-area and out-of-state facilities.

## 3. Facility Emissions and Controls

District Regulation 9, Rule 11, regulates emissions of nitrogen oxides (NO<sub>x</sub>), the principal power plant pollutant and ozone precursor, and carbon monoxide from electric power generating steam boilers. This rule essentially mandates that emissions from subject power plants be reduced in several interim steps over the course of ten years to less than 10 percent of the level of emissions the plants had when the rule was originally adopted. In other words, the rule requires that emissions from steam boiler power plants in the Bay Area be reduced by more than 90 percent from 1994 through 2004. As of January 1, 2004, the NO<sub>x</sub> emission limit has been reduced to less than 20 percent of the initial limit. The final and lowest emission limit takes effect on January 1, 2005.

In the case of the PG&E Hunters Point and Mirant Potrero power plants, compliance with the interim emission limits in Regulation 9, Rule 11 has been achieved by the installation of various combustion controls and modifications. Due to these controls and modifications, emissions from these two plants have been reduced substantially. Current

NOx emissions are typically between 0.2 to 0.5 tons per day from each plant (for perspective, motor vehicles in San Francisco release about 40 tons per day of NOx).

#### 4. Looking Ahead

In order to achieve compliance with the January 1, 2005 final emission limit of Regulation 9, Rule 11, these facilities will have to be retrofitted with “post-combustion” emission controls because combustion controls alone are not sufficient to reduce NOx emissions to the required level. Typically, this is accomplished with selective catalytic reduction (SCR) systems. SCR systems use a series of catalyst beds to reduce NOx in the exhaust from the burners. SCR systems cost millions, and often tens of millions, of dollars to install and operate. Mirant Potrero has submitted a permit application to the District for the addition of an SCR system at their facility. PG&E Hunters Point has not proposed an SCR system to date.

Facilities may postpone complying with the January 1, 2005 final emission limit of Regulation 9, Rule 11 through the use of interchangeable emission reduction credits, or IERCs. California law requires local air districts to establish alternative emission compliance programs that allow industries to generate these IERCs by “over controlling,” or reducing emissions beyond applicable regulatory requirements. Once approved, these credits can be used for partial or full compliance with local air quality rules in accordance with an approved Alternative Compliance Plan (essentially a permitting action that dictates how the credits may be used). The District has restricted the generation of IERCs to real, enforceable, and surplus reductions. The credits are valid for a limited period of time – no more than five years – and can only be used at the facility at which they were generated. In addition, District rules provide that a 10 percent Environmental Benefit Surcharge applies to IERCs, meaning that only 90 percent of achieved surplus emission reductions granted as IERCs can be used for rule compliance. The remaining 10 percent are permanently retired as an environmental benefit.

Both the PG&E Hunters Point and Mirant Potrero power plants generated IERCs by reducing emissions beyond applicable interim NOx limits of Regulation 9, Rule 11. Both facilities may use the IERCs in 2004 and 2005 to help comply with the increasingly stringent emission limits. How many of the IERCs will actually be used is not known at this time, because the use of the IERCs is dependent upon the extent to which the facilities operate. In the case of the PG&E Hunters Point Power Plant, operation is strictly at the direction of the California Independent System Operator (CAISO), the non-profit corporation that operates California’s electrical grid, because it has been designated a “Reliability Must Run” facility in accordance with Federal Energy Regulatory Commission (FERC) regulations. Thus CAISO will determine the extent of operations at the Hunters Point plant based on the need for generation of electricity in 2004 and 2005.

PG&E is on record (see attachment) as stating it would like to close the Hunters Point plant as soon as the energy regulators including CAISO and FERC allow them to do so, and before their IERCs expire at the end of 2005. If the plant were to remain open after that time, PG&E would have to retrofit the plant with SCR or another post combustion control technology. If the plant were retrofitted, it would likely continue to operate for



several more years to allow recovery of the substantial capital costs that would be involved in the retrofit.

### DISCUSSION

Both the PG&E Hunters Point and Mirant Potrero power plants are in full compliance with applicable air pollution requirements. The District therefore cannot deny their upcoming Title V permit renewals. PG&E must operate the Hunters Point Power Plant until the CAISO determines the facility is no longer needed for electric system reliability.

PG&E has several transmission power line projects underway that are designed to bring more energy into San Francisco and northern San Mateo County. Even with these projects, however, the CAISO may not be willing to allow the Hunters Point plant to be shut down unless one or more new power generation facilities are constructed in San Francisco. The State has offered four new combustion turbines, totaling 180 MW, to San Francisco if the City can find a suitable site(s) and build the necessary infrastructure. These turbines were obtained from the Williams Energy Company, as part of a settlement to the State's claim that Williams overcharged during the recent energy crisis. The District has offered to work with the City of San Francisco, and the California Energy Commission, to get the turbines properly permitted if the City should decide to move forward with this project. Any new turbines would have to meet Best Available Control Technology NOx emission limits that are more than twice as stringent as the final limits that the PG&E Hunters Point facility would have to meet under Regulation 9, Rule 11. The District therefore believes that, from an air quality perspective, PG&E should be supported in their desire to shut down their Hunters Point Power Plant.

### RECOMMENDATION

Recommend that the Board of Directors adopt a resolution to support PG&E in its goal to shut down the PG&E Hunters Point Power Plant before the end of 2005.

Respectfully submitted,

Brian Bateman, Director  
Engineering Division

FORWARDED: \_\_\_\_\_

Prepared by: Brian Bateman  
Reviewed by: Peter Hess

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Inter-Office Memorandum

To: Chairperson DeSaulnier and Members  
of the Stationary Source Committee

From: Brian Bateman, Director of Engineering

Date: March 15, 2004

Re: Report on Proposed Amendments to Regulation 3: Fees

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RECOMMENDED ACTION:

Recommend that staff proceed with amendments to the District's fee regulation as follows: (1) increase all fees, with the exception of Title V fees, by 1.9 percent, which corresponds to the increase in the Consumer Price Index (CPI) for the Bay Area for the year 2003, (2) increase Title V fees by 20 percent to more appropriately align these fees with program costs, and (3) make several additional miscellaneous changes in the fee regulation which staff have identified as being appropriate.

BACKGROUND

The District collects fees to help pay for the costs of implementing and enforcing air pollution programs that apply to stationary sources, as delineated in District Regulation 3: Fees. A study of fee revenue, and program activity costs, was completed for the District in 1999 by KPMG. Prior to this study, the District made adjustments to fees irregularly, and in a manner that did not keep pace with inflation. The 1999 KPMG Cost Recovery Study concluded that this practice, in part, had caused District fee revenue to fall well below actual program costs and also contributed to the depletion of the District's reserve accounts. The study recommended that the District begin to review fee revenue and program costs on an annual basis and, at a minimum, adjust fees every year as necessary to account for inflation.

For the past five years, the District has followed the recommendations of the KPMG Study by making regular annual increases to fees at the start of each fiscal year. In the first of those years, FY99-00, fees were increased by 15 percent (12 percent general fee increase plus a 3 percent CPI adjustment) in order to bring fee revenue closer to actual program costs. In each of the following four years fees were increased using a CPI adjustment to keep pace with inflation.

For the upcoming FY04-05, the District is proposing to continue implementing the recommendations of the KPMG Study to align District fee revenue more closely with the costs of the related programs. The District is proposing to increase all fees, with the exception of Title V fees, using a CPI adjustment of 1.9 percent. The 1.9 percent figure corresponds to the increase in the annual CPI that occurred for the California Bay Area (San Francisco, Oakland and San Jose) from calendar year 2002 to 2003, as reported by the

California Department of Industrial Relations, Division of Labor Statistics and Research. This CPI adjustment would generate an additional estimated \$327,500 in fee revenue.

The District is proposing to increase Title V fees by a more significant percentage, because the costs of the District's Title V program activities currently exceed Title V fee revenue by a wide margin. For example, the District's costs of Title V program activities for FY 02/03, including program overhead costs, were about \$2.3 million, while Title V fee revenue for that period was \$1.0 million. In order to align fee revenue more closely with the costs of the program, the District is proposing to increase annual Title V fees by 20 percent. The proposed amendments in Title V fees would generate an additional estimated \$218,500 in fee revenue.

The following additional amendments to the District's fee regulation are proposed:

- a. Eliminate fees for transferring permits to operate due to owner/operator changes. This administrative function can now be accomplished at a minimal cost to the District. These transfer fees have also historically not been collected by the District due to potential delays that may result in the permit renewal process, so this change would not decrease fee revenue.
- b. Raise the minimum up-front fee for Waters Bill public notifications (for sources locating near school sites) from \$914 to \$2000 per application. The costs of preparing and distributing these public notices have increased significantly in the last year due to the adoption of more complex notification procedures (e.g., which now include posting of information on the District web-site, and language translations of public notices when appropriate), and the outsourcing of mailing functions. A provision to refund any portion of this fee that exceeds the actual costs to prepare and distribute the public notice is also proposed.
- c. Require that the appellants of third party Hearing Board appeals pay court reporter fees of \$114 or the cost per day if the hearing is solely dedicated to one Docket. The cost for the Hearing Board to have a court reporter present at the hearings is currently \$200 for a half day and \$300 for a full day.
- d. Change the fees for decorative chrome plating operations that have a permitted capacity of 500,000 amp-hours per year or less from Schedule G-1 to Schedule F, thereby reducing permit to operate fees for affected sources from \$543 to \$130. Hard chrome plating operations, which generate much higher emissions than similarly sized decorative chrome plating operations, will continue to have permit fees assessed under Schedule G-1.
- e. Add a specific fee of \$179 for mechanical floor mastic removal operations that have now become subject to District Regulation 11, Rule 2: Asbestos Demolition, Renovation, and Manufacturing.
- f. Increase application fees for Synthetic Minor operating permits, and Major Facility Review (MFR) permits, and application fees to revise these permits, to more accurately reflect the District's costs of evaluating and processing these applications. The proposed increases in Synthetic Minor and MFR permit application fees are expected to generate additional fee revenue of approximately \$30,000 in FY04/05.

Overall, the proposed amendments to the fee regulation are expected to increase District fee revenue by three percent, or \$546,000, for FY04/05 as compared to the prior fiscal year. A comparison of the projected fee revenue (assuming the proposed amendments are adopted) and estimated program costs follows.

**Projected Fee Revenue and Estimated District Costs of Program Activities for FY04-05**

<b>Permit Fees</b>	<b>Projected Revenue</b>	<b>Costs of Program Activities</b>
<i>Operating/New &amp; Modified Permit Fees</i>	<i>\$15,587,000</i>	<i>\$18,284,700</i>
<i>Title V Fees</i>	<i>\$1,258,000</i>	<i>\$2,428,700</i>
<b><i>Other Fees</i></b>		
<i>AB 2588 Fees</i>	<i>\$640,000</i>	<i>\$640,000</i>
<i>Asbestos Fees</i>	<i>\$1,294,000</i>	<i>\$1,324,000</i>
<i>Soil Excavation and Landfill Fees</i>	<i>\$6,000</i>	<i>\$6,700</i>
<i>Hearing Board Fees</i>	<i>\$37,000</i>	<i>\$175,000</i>
<b><i>Total</i></b>	<b><i>\$18,822,000</i></b>	<b><i>\$22,859,100</i></b>

A workshop to discuss the proposed amendments to the fee regulation with affected industry and other interested parties is scheduled for March 19, 2004. District staff expects that the proposed rule amendments will be presented to the Board of Directors for their consideration at the April 21, 2004 Board Meeting, and for final adoption at the June 2, 2004 Board Meeting. The effective date of the amendments would be July 1, 2004.

Respectfully submitted,

Brian Bateman, Director  
Engineering Division

FORWARDED: \_\_\_\_\_

Prepared by: Brian Bateman  
Reviewed by: Peter Hess