

INCREMENTAL COST-EFFECTIVENESS ANALYSIS

**PROPOSED NEW RULE 61.2 – TRANSFER OF
ORGANIC COMPOUNDS INTO MOBILE TRANSPORT TANKS**

Health and Safety Code Section 40920.6(a) requires air districts to identify one or more potential control options that achieve at least the same benefit as the proposed rule, assess the cost-effectiveness of those options, and calculate the incremental cost-effectiveness of each identified option. Incremental cost-effectiveness is defined as the difference in control costs divided by the difference in emission reductions between two potential control options achieving the same emission reduction goal.

Rule 61.2 is being proposed for amendment to align with the Reasonably Available Control Technology (RACT) requirements, which include lower applicability threshold for mobile transport tanks, increased vapor control efficiency, lower emission limit, and removal of a military exemption. Similar requirements are currently being implemented in other air districts in California, and affected facilities currently comply with the proposed amendments.

Potential control options providing equivalent emission reductions from transfers of organic compounds into mobile transport tank operations include the use of add-on emission control equipment. Large throughput facilities (>5 million gallons of VOC per year) install vapor processors to reduce their tank farm emissions and the emissions from the transfer operations into mobile transport tanks. This control equipment is very costly (greater than \$500,000 capital cost), requires additional staff, and periodic maintenance and testing to ensure proper operation. Due to the high costs to install and operate vapor processors, the incremental cost-effectiveness value for this control option would not be feasible, and consequently is not included in this proposal.

Since facilities currently comply with the proposed amendments, no additional costs will be incurred.