South Coast
Air Quality Management District
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Office of the Executive Officer
Wayne Nastri
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August 1, 2019

Richard Corey
Executive Officer
California Air Resources Board
1001 "I" Street
Sacramento, CA 95814

RE: Commitment by the South Coast Air Quality Management District (South Coast AQMD) to Adopt Revisions to Rules as Contingency Measures for the 2008 8-Hour Ozone Standard for the Coachella Valley Planning Area

Dear Mr. Corey,

The Clean Air Act (CAA) Sections 172(c)(9) and 182(c)(9) require contingency measures if an ozone nonattainment area fails to meet reasonable further progress (RFP) milestones or to attain the national primary ambient air quality standard by the attainment date. The Coachella Valley is classified as a Severe-15 nonattainment area for the 2008 8-hour ozone standard (75 ppb) and relies on the South Coast Air Basin's control strategy, including deployment of new cleaner technologies, to meet the attainment date of July 20, 2027. This reliance is discussed in the 2016 Air Quality Management Plan (2016 AQMP) approved by the South Coast AQMD and the California Air Resources Board (CARB), and submitted to the U.S. Environmental Protection Agency (U.S. EPA) in April 2017.

The 2016 AQMP relies on baseline emissions in future years, derived from reductions achieved from existing rules and regulations, to demonstrate compliance with RFP as well as contingency if the RFP milestones or attainment are not met. U.S. EPA is concerned the contingency element of the 2016 AQMP might not satisfy the court's requirements for contingency measures in *Bahr v. EPA*, 836 F.3d 1218 (9th Cir. 2016). In that case, the court held that control measures that have already been implemented do not comply with the requirement for "contingency measures" under CAA section 172(c)(9).

To comply with this recent court ruling, the U.S. EPA has requested that South Coast AQMD adopt a local contingency measure to be triggered upon failure to meet an RFP milestone or attainment for the 2008 8-hour ozone standard in Coachella Valley. The local contingency rule will be complementary to the contingency measure information included in the *2018 Updates to the California State Implementation Plan*, adopted by CARB on October 25, 2018, and a

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commitment to adopt such a rule would provide the basis for U.S. EPA to proceed with a conditional approval for the Coachella Valley with respect to the RFP and attainment contingency measure requirement for the 2008 8-hour ozone standard.

The South Coast AQMD is amenable to this approach, and hereby commits to modify an existing rule or adopt a new rule that would include a more stringent requirement or removal or limitation of an exemption if a RFP milestone or attainment in the Coachella Valley is not met, pending South Coast AQMD Governing Board approval. Specifically, South Coast AQMD commits to include a contingency measure for the Coachella Valley's failure to meet a RFP milestone or attainment in one or more of the following rule (s):

- Further amend Rule 1110.2 - *Emissions from Gaseous - and Liquid-Fueled Engines* to remove or limit exemptions for orchard wind machines powered by internal combustion engines and agricultural stationary engines;
- Further amend Rule 1134 - *Emissions of Oxides of Nitrogen from Stationary Gas Turbines* to require more stringent NOx limits for outer continental shelf turbines and produced gas turbines; and/or remove or limit the exemptions for near-limit and low-use turbines;
- Further amend Rule 1135 - *Emissions of Oxides of Nitrogen from Electricity Generating Facilities* to remove or limit the exemptions for near-limit and low-use electric generating units;
- Adopt Rule 1147 series (e.g., 1147.1, etc.) - *NOx Reductions from Miscellaneous Sources* to include a more stringent NOx limit requirement in Rules 1147 or 1147.1 on a source category (e.g., ovens, dryers, heaters), which would otherwise be required to comply with a higher NOx limit;
- Adopt Rule 1150.3 - *NOx Reductions from Combustion Equipment at Landfills* to require more stringent NOx limits through use of gas clean-up or other technologies;
- Adopt Rule 1179.1 - *NOx Reductions from Combustion Equipment at Publicly Owned Treatment Works* to require more stringent NOx limits through use of gas clean-up or other technologies;
- Adopt an Indirect Source Rule for *New Development or Redevelopment Projects* that would require mitigation of NOx emissions;
- Adopt an Indirect Source Rule for *Warehouses* to include the removal or limitation of an exemption (e.g., locations with small number of trucks) to require mitigation of NOx emissions;

Under this commitment, the South Coast AQMD will adopt the rule and/or rule amendment and transmit the adopted / amended rule(s) to CARB to allow CARB to submit it to U.S. EPA within 12 months of the effective date of U.S. EPA's conditional approval on the RFP and attainment contingency measure element for Coachella Valley for the 2008 8-hour ozone standard.

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This letter is to request that CARB forward this commitment to U.S. EPA for their consideration in their proposed action on the Coachella Valley ozone portions of the 2016 AQMP. If you have any questions or would like to discuss these issues, please contact me at 909-396-3131, [HYPERLINK "mailto:wnastri@aqmd.gov"], Dr. Philip Fine, Deputy Executive Officer, Planning, Rule Development and Area Sources, at 909-396-2239, [HYPERLINK "file:///C:\\Users\\kcheung\\Documents\\AQMP\\implementationplan\\2015%20ozone\\pfine@aqmd.gov"], or Megan Lorenz, Principal Deputy District Counsel, at 909-396-3463, [HYPERLINK "mailto:mlorenz@aqmd.gov"].

Sincerely,

Wayne Nastri
Executive Officer

cc (email): Mike Stoker, U.S. EPA, Region IX
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