El Dorado County Air Quality Management District Dave Johnston, Air Pollution Control Officer

Public Hearing: Proposed Adoption Rule 611 Clean Air Act Nonattainment Fees

El Dorado County Board of Supervisors Meeting January 23, 2024 Rania Serieh, Senior Air Quality Engineer

24-0108 K1 of 7



Background

AQMD does not meet federal ozone standards

- The western portion of El Dorado County is located in the Sacramento Federal Nonattainment Area (SFNA), which is designated as a "severe" nonattainment area for 1997, 2008, and 2015 ozone National Ambient Air Quality Standards (NAAQS).
- The Clean Air Act (CAA) Section 185 requires the AQMD to
 - Implement a penalty fee rule on major sources of NOx and VOC emissions in severe and extreme ozone nonattainment areas
 - Assess fee only if EPA issues a finding of failure to attain an ozone standard by the attainment date
 - The fee authority applies to the ozone standards of 1997, 2008, and 2015
 - The fee is required each year after the missed attainment date until the area is redesignated as attainment by the EPA

Why Does Rule 611 Need to be Adopted

- The EPA recently made a finding that AQMD has failed to submit a penalty fee rule for the 2008 ozone NAAQS
- Finding started sanction clocks that would
 - Increase emission offset requirements for sources
 - Withhold federal highway funds from the region



Rule 611 Fee Proposed Requirements

- The baseline amount is the lesser of the tons of actual ozone precursor emissions (NOX and/or VOC) or the amount allowed by permit in the scheduled attainment year
- The fee was originally established by CAA Section 185 in 1990 to be \$5000 per ton of VOC and NOx emitted in excess of 80% of the baseline emissions
- The fee is adjusted by inflation using the Consumer Price Index, for calendar year 2023, the EPA-published fee rate was \$11,922 per ton
- Rule 611 will impose fees on any major sources only if the SFNA fails to attain an ozone NAAQS by the respective deadline
- Major sources of NOx and VOC would be required to either pay a fee or reduce their emissions by 20% below baseline



Sources Subject to Rule 611

- Each major source with potential to emit 25 tons per year or more of NOx and/or VOC
- Only the western portion of the El Dorado County is subject to the provisions of section 185
- Currently, there are no major sources operating in El Dorado County; as such, if adopted, Rule 611 will not result in any new requirements for the sources currently operating in the county



Recommendations

- Determine the adoption of Rule 611 is exempt from the California Environmental Quality Act (CEQA)
- Approve the resolution adopting Rule 611
- Direct AQMD Staff to forward documents to the California Air Resources Board for submittal to the EPA to stop the sanctions clocks





Thank you for working with us to improve air quality!