



## Legislation Text

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**File #:** 19-0818, **Version:** 1

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Air Quality Management District (AQMD) recommending the Board, acting as the AQMD Board of Directors:

- 1) Adopt and authorize the Chair to sign Resolution **092-2019**, approving proposed revised Rule 523-1 Federal Non-Attainment New Source Review ("Rule"); and
- 2) Direct staff to forward the Rule to the California Air Resources Board for transmittal to the U.S. Environmental Protection Agency as a revision to the State Implementation Plan, replacing the previous 2016 version of Rule 523-1.

**FUNDING:** None required.

### **DISCUSSION/BACKGROUND**

In 2017, the EPA found the Sacramento region attained the 2006 federal 24-hr PM<sub>2.5</sub> National Ambient Air Quality Standards (NAAQS). However, EPA has not yet designated the region attainment for PM<sub>2.5</sub>. Therefore, western El Dorado County (approximately Pollock Pines westward to the County line) is still designated as nonattainment of the 2006 24-hr PM<sub>2.5</sub> NAAQS. Western El Dorado County (EDC) is also designated as nonattainment for the 2008 and 2015 8-hr Ozone NAAQS. As such, EPA requires AQMD to implement measures to control emissions of VOC and NOx as ozone precursors and PM<sub>2.5</sub> and the PM<sub>2.5</sub> precursors NOx, SOx, VOC and ammonia from major stationary sources. A "major source" is defined as any stationary source of air pollutants which emits, or has the potential to emit, more than 25 tons per year (tpy) of Volatile Organic Compounds/Reactive Organic Compounds (VOC/ROC) or Oxides of Nitrogen (NOx) in areas classified as "severe", or 70 tpy or more of PM10 or PM2.5.

AQMD and the Sacramento region have committed to reducing pollution by submitting a federally enforceable SIP. A New Source Review Rule (NSR) is required as part of the SIP. NSR Rule 523 is currently SIP-approved, however, Rule 523 does not include or apply to PM<sub>2.5</sub>.

In March 2016, AQMD adopted Rule 523-1 Federal Nonattainment New Source Review to address PM<sub>2.5</sub>, as well as ozone precursors. Adoption of Rule 523-1 satisfied the federal 2006 PM<sub>2.5</sub> and 2008 ozone nonattainment area requirements. To satisfy SB288 anti-backsliding requirements at the state level, Rule 523 was left in place as a local rule because it is more stringent than federal requirements for nitrogen oxides (NOx), sulfur oxides (SOx), and volatile organic compounds (VOC). Rule 523-1 was submitted to EPA, and AQMD received a completeness determination in June 2016. However, EPA has yet to act on approving and including Rule 523-1 into the SIP.

Rule 523-1 is based on a model rule template developed by EPA Region 9. In February 2019, EPA Region 9 staff informed AQMD that EPA legal staff had re-evaluated the model rule and determined it to be deficient in some areas. As a result, EPA has requested that AQMD make the needed revisions and submit the revised version of Rule 523-1 for SIP approval.

The AQMD recommends the Board approve adoption of the revised Rule and forward to ARB. ARB will transmit the revised Rule to EPA for inclusion in the SIP. Adoption of revised Rule 523-1 will

address federal nonattainment requirements for the 2006 24-hr PM<sub>2.5</sub> (fine particulate matter ≤ 2.5 microns), and the 2008 and 2015 8-hr Ozone National Ambient Air Quality Standards (NAAQS).

As before, adoption of a revised Rule 523-1 will not add new requirements to any existing source in EDC as there are no major sources currently operating within the County. However, if any permit applications for “major” sources are received after rule adoption, they will be subject to the new rule. Rule 523-1 will satisfy the federal requirement to have an approved Federal ozone and PM<sub>2.5</sub> nonattainment NSR permitting program. Without the proposed rule revisions, the Sacramento region could be subject to federal sanctions, including the potential loss of federal transportation funding.

### **ALTERNATIVES**

The Board could choose to not adopt the revised Rule. If so, the EPA will most likely issue a limited approval/limited disapproval action for the currently submitted 2016 version of Rule 523-1, which would trigger the requirement for AQMD to make these same revisions to Rule 523-1 for full approval.

### **OTHER DEPARTMENT/AGENCY INVOLVEMENT**

None

### **CAO RECOMMENDATION**

It is recommended that the Board approve this item.

### **FINANCIAL IMPACT**

Revised Rule adoption and implementation are unlikely to create any significant financial impacts for staff, nor for the business community.

### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

Clerk to provide AQMD with two signed copies of the Resolution to be forwarded to the California Air Resources Board.

### **STRATEGIC PLAN COMPONENT**

This revised Rule will contribute to achieving the Healthy Communities strategic plan goal.

### **CONTACT**

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