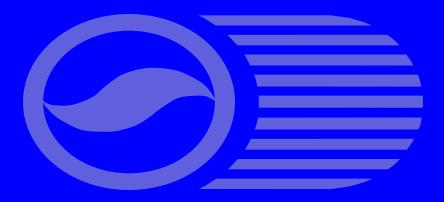
Senate Bill 288-Limits Changes to Air Districts' New Source Review Rules

> Beverly Werner, Manager Stationary Source Division California Air Resources Board



IEA/CMTA Environmental and Regulatory Issues Conference November 20, 2003

Senate Bill 288 Overview

- "Protect California Air Act of 2003"
- Signed into State law September 22, 2003
- Response to citizen concerns regarding federal NSR changes and potential adverse impacts in California
- Places restrictions on changes California districts can make to their NSR rules
- Extends motor vehicle fee in SCAQMD

District NSR Rules

- NSR in California is implemented at the local air pollution control district level
- District NSR rules meld federal and State requirements and are also tailored to local needs
- SB 288 states that no district may change its NSR rules to be less stringent than those that existed on December 30, 2002
- First of new federal NSR changes published December 31, 2002

Prohibited NSR Rule Changes Under SB 288

Districts specifically cannot make rule changes that would reduce the obligations of a source for:

- Obtaining permits prior to construction
- BACT
- Air quality impact analysis
- Monitoring, record-keeping, and reporting
- Regulating any air pollutant covered by NSR
- Public participation

Prohibited NSR Rule Changes Under SB 288 (continued)

SB 288 also lists specific types of changes that cannot be made if they reduce the obligations of a source:

- Applicability determinations
- Definition of "modification," "routine maintenance, repair or replacement"
- Calculation methodology, thresholds, or other NSR procedures
- Definitions or requirements of NSR

Allowed NSR Rule Changes

- District can make rules more stringent
- NSR rules can be made less stringent under specific circumstances:
 - Replace rule that causes public health risk
 - Replace rule that is technically unworkable
 - Address substantial hardship to source
 - Temporary rule to address emergency
 - If area attains all national AAQS, rule change will not impair maintenance of national AAQS or progress toward attaining State AAQS

Allowed NSR Rule Changes (continued)

- Rule change under listed circumstances will not reduce the obligation of a major source to:
 - Obtain a permit
 - Meet BACT requirements
- Rule change under listed circumstances consistent with any ARB-approved environmental justice guidance

Air Resources Board Oversight

- ARB can make a finding that a district's NSR rules are less stringent than the rules that existed on December 30, 2002
 - ARB shall then adopt the necessary rules to restore equivalent NSR obligations
- If a district makes its rules less stringent under the specific circumstances allowed, the changes must be approved by ARB

Other ARB Responsibilities

ARB directed to provide on its web site and in writing for purchase:

- Federal NSR regulations as they existed on December 30, 2002
- U.S. EPA's 1990 workshop manual on NSR permitting

ARB will post required information on NSR web site in near future

Implementation/Future

- ARB will initially take case-by-case approach to specific SB 288 implementation issues
- U.S. EPA's view of SB288 not clear yet
- Air districts have until January 2006 to address federal NSR Reform
- Multiple challenges/Outcome unknown