## Proposed

State of California Air Resources Board

## 2022 Air Quality Management Plan for the 70 parts per billion 8-hour Ozone Standard in the South Coast Air Basin and Coachella Valley

## **Resolution 23-4**

January 26, 2023

Agenda Item No.: 23-1-3

Whereas, sections 39600 and 39601 of the Health and Safety Code authorize the California Air Resources Board (CARB or Board) to adopt standards, rules and regulations and to do such acts as may be necessary for the proper execution of the powers and duties granted to and imposed upon the Board by law;

Whereas, the California Legislature in Health and Safety Code section 39602 has designated CARB as the air pollution control agency for all purposes set forth in federal law;

Whereas, CARB is responsible for preparing the State Implementation Plan (SIP) for attaining and maintaining the National Ambient Air Quality Standards (NAAQS or standards) as required by the federal Clean Air Act (the Act) (42 U.S.C. section 7401 et seq.), and to this end is directed by Health and Safety Code section 39602 to coordinate the activities of all local and regional air pollution control and air quality management districts (districts) as necessary to comply with the Act;

Whereas, Health and Safety Code section 39602 also provides that the SIP shall include only those provisions necessary to meet the requirements of the Act;

Whereas, CARB has primary responsibility for the control of air pollution from vehicular sources, including motor vehicle fuels, as specified in Health and Safety Code section 39002, section 39500, and Division 26, part 5, and for ensuring that the districts meet their responsibilities under the Act pursuant to Health and Safety Code sections 39002, 39500, 39602, 40469, and 41650;

Whereas, the local districts have primary responsibility for the control of air pollution from non-vehicular sources and for adopting control measures, rules, and regulations to attain the NAAQS within their boundaries pursuant to sections 39002, 40000, 40001, 40701, 40702, and 41650 of the Health and Safety Code;

Whereas, Health and Safety Code sections 39515 and 39516 provide that any power, duty, purpose, function or jurisdiction of the Board may be delegated to the CARB Executive

Officer as the Board deems appropriate, and is presumed delegated unless it has been specifically reserved;

Whereas, Health and Safety Code section 41650 requires CARB to approve the nonattainment area plan adopted by a district as part of the SIP unless the Board finds, after a public hearing, that the plan does not meet the requirements of the Act;

Whereas, Health and Safety Code section 40469, subdivision (a) requires CARB to determine the adequacy of the nonattainment area plan adopted by the South Coast Air Quality Management District (District) to meet the requirements of State law and the Act;

Whereas, on October 26, 2015, the U.S. Environmental Protection Agency (U.S. EPA) promulgated an 8-hour NAAQS for ozone of 70 parts per billion (ppb) (70 ppb ozone standard);

Whereas, effective August 3, 2018, U.S. EPA designated the South Coast Air Basin (South Coast) as an Extreme nonattainment area for the 70 ppb ozone standard with an August 3, 2038 attainment deadline and the Riverside County portion of the Salton Sea Air Basin (Coachella Valley) as a Severe nonattainment area for the 70 ppb ozone standard with an August 3, 2033 attainment deadline;

Whereas, the South Coast includes Orange County, the southwestern two-thirds of Los Angeles County, southwestern San Bernardino County, and western Riverside County;

Whereas, the District is the regional district with jurisdiction over the South Coast and the Coachella Valley, pursuant to Health and Safety Code section 40410;

Whereas, the Southern California Association of Governments (SCAG) is the regional transportation agency for the South Coast and Coachella Valley and has responsibility for preparing and implementing transportation control measures to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, and traffic congestion for the purpose of reducing motor vehicle emissions pursuant to Health and Safety Code sections 40460(b) and 40465;

Whereas, effective February 4, 2019, U.S. EPA published the Implementation of the 2015 National Ambient Air Quality Standards for Ozone: Nonattainment Area State Implementation Plan Requirements (Ozone Rule) that established the planning requirements for the 70 ppb ozone standard;

Whereas, the Act and the Ozone Rule require that Severe and Extreme ozone nonattainment area SIPs include an emissions inventory for ozone precursors, specifically oxides of nitrogen (NOx) and reactive organic gases (ROG); an attainment demonstration; reasonably available control measures (RACM); reasonable further progress (RFP) demonstration and corresponding motor vehicle emission budgets (MVEBs); contingency measures; and a vehicle miles travelled (VMT) offset demonstration;

Whereas, the District developed the 2022 Air Quality Management Plan (2022 AQMP) to meet nonattainment area planning requirements for emissions inventories, attainment demonstration, RACM, RFP demonstration and corresponding MVEBs, discussion of contingency measures, and a VMT offset demonstration for the 70 ppb ozone standard in the

South Coast and Coachella Valley;

Whereas, during development of the 2022 AQMP, the District determined that the Coachella Valley could not attain the 70 ppb ozone standard by the Severe attainment deadline and has requested in the 2022 AQMP that the Coachella Valley be reclassified to Extreme;

Whereas, the 2022 AQMP attainment demonstration for the 70 ppb ozone standard in the South Coast and Coachella Valley relies on adopted State and District regulations, new District measures, and measures identified in the 2022 State Strategy for the State Implementation Plan (2022 State SIP Strategy);

Whereas, the Board adopted the 2022 State SIP Strategy on September 22, 2022, which builds on existing programs and the previous 2016 State SIP Strategy and sets forth a commitment to pursue the proposed SIP measures or otherwise address each measure as described in the 2022 State SIP Strategy;

Whereas, the 2022 State SIP Strategy was developed to identify control measures to provide the emissions reductions necessary to meet the 70 ppb ozone standard across the State including in the South Coast and Coachella Valley;

Whereas, CARB staff has conducted a review of the 2022 AQMP and prepared a staff report entitled CARB Review of the 2022 Air Quality Management Plan for the 70 parts per billion 8hour Ozone Standard in the South Coast Air Basin and Coachella Valley (Staff Report);

Whereas, the Staff Report proposes an aggregate commitment of emissions reductions of 95.7 tons per day (tpd) of NOx and 18.2 tpd of ROG in the South Coast by 2037, including a subset of 11.6 tpd NOx and 4.3 tpd ROG to come specifically from on-road mobile source measures and a subset of 51.5 tpd NOx to come from federal actions under the 182(e)(5) provision of the Act, based on measures approved in the 2022 State SIP Strategy;

Whereas, the Staff Report proposes an aggregate commitment of emissions reductions of 5.2 tpd of NOx and 0.6 tpd of ROG in the Coachella Valley by 2037, including a subset of 0.9 tpd NOx and 0.2 tpd ROG to come specifically from on-road mobile source measures, based on measures approved in the 2022 State SIP Strategy;

Whereas, the proposed commitment for emission reductions is for total aggregate emissions reductions that may be achieved through the measures identified in the 2022 State SIP Strategy, alternative measures, incentive programs, and actual emission decreases;

Whereas, the 2022 AQMP did not include planning emissions inventories for RFP milestone years;

Whereas, the CARB Staff Report includes in Appendix A the South Coast and Coachella Valley planning emissions inventories for RFP milestone years;

Whereas, though the 2022 AQMP includes an RFP demonstration, a line-item adjustment is needed to demonstrate consistency between the RFP demonstration and MVEBs;

Whereas, the CARB Staff Report includes the adjusted RFP demonstration in Section VII.A;

Whereas, consistent with section 172(c)(3) of the Act, the 2022 AQMP, along with the Staff Report, includes a comprehensive, accurate, and current inventory of emissions data of ozone precursors, NOx, and ROG;

Whereas, consistent with sections 181(a) and 182(c)(2) of the Act, the 2022 AQMP demonstrates attainment of the 70 ppb ozone standard in the South Coast and Coachella Valley as expeditiously as practicable and no later than the Extreme area deadline of August 3, 2038;

Whereas, section 182(e)(5) of the Act provides that SIPs for Extreme ozone nonattainment areas may rely in part upon the development of new technologies or the improvement of existing technologies;

Whereas, the 2022 AQMP includes actions to continue to develop and deploy advanced technologies to fulfill in part the proposed SIP commitment pursuant to section 182(e)(5) of the Act;

Whereas, sources primarily regulated at the federal and international levels, including aircraft, locomotives, and ocean-going vessels, contribute a substantial portion of NOx emissions in California and are expected, by 2031, to account for twice the amount of NOx emissions from mobile sources primarily regulated at the State level;

Whereas, significant reductions from sources primarily regulated at the federal and international levels are needed to protect public health and to provide attainment of the 70 ppb ozone standard in the South Coast by the Extreme area deadline;

Whereas, the 2022 State SIP Strategy identifies federal actions needed to fulfill in part the proposed SIP commitment pursuant to section 182(e)(5) of the Act;

Whereas, consistent with section 172(c)(1) of the Act, the 2022 AQMP demonstrates RACM;

Whereas, consistent with sections 172(c)(2) and 182(c)(2) of the Act, the 2022 AQMP demonstrates that South Coast and Coachella Valley meet ozone RFP targets in all the required milestone years through the attainment year;

Whereas, consistent with section 176 of the Act, the 2022 AQMP establishes MVEBs for South Coast and Coachella Valley, developed in consultation between the District and SCAG, that conform to the attainment and RFP emission levels;

Whereas, section 182(e)(5) of the Act requires contingency measures be submitted no later than three years prior to the attainment year in the event that the anticipated long-term measures approved pursuant to section 182(e)(5) do not achieve planned reductions needed for attaining the ozone NAAQS;

Whereas, in anticipation of forthcoming guidance from U.S. EPA, the 2022 AQMP includes a discussion of contingency measures for RFP and attainment consistent with existing guidance and sections 172(c)(9), 182(c)(9), and 182(e)(5) of the Act that require contingency measures that go into effect without further regulatory action if an area fails to meet an RFP milestone or attain by the required deadline;

Whereas, the 2022 AQMP further includes a commitment to develop a contingency measure in coordination with CARB, when U.S. EPA's guidance becomes available, and submit the measure to CARB for submittal to U.S. EPA for inclusion in the SIP;

Whereas, the 2022 AQMP includes a request for the State to commit to develop, adopt, and submit attainment contingency measures for the 70 ppb ozone standard if advanced technology measures do not achieve planned reductions as required under section 182(e)(5) of the Act;

Whereas, on July 27, 2020, CARB submitted a VMT offset demonstration for the 70 ppb ozone standard for South Coast as an Extreme ozone nonattainment area, and for the Coachella Valley as a Severe ozone nonattainment area;

Whereas, Appendix D of the CARB Staff Report includes a VMT offset demonstration for the Coachella Valley as an Extreme ozone nonattainment area;

Whereas, besides the SIP requirements addressed in the 2022 Plan, there are other requirements under the 70 ppb 8-hour ozone standard that have been or will be addressed through separate submittals;

Whereas, CARB has already submitted to U.S. EPA the emissions statement rule, new source review rule, RACT SIP, Clean Fuels for Fleets Program, Clean Fuels for Boilers Program, and VMT offset demonstration for South Coast and for Coachella as a Severe nonattainment area, as required by the Act and the Ozone Rule;

Whereas, sections 182(a)(2)(B), 182(b)(4), and 182(c)(3) of the Act require ozone nonattainment areas to have in place a vehicle inspection and maintenance (I/M) program to implement Basic and Enhanced I/M in the required areas that is at least as stringent as the federal program;

Whereas, in California, the Bureau of Automotive Repair (BAR) develops and implements the I/M program;

Whereas, California's I/M program was first submitted and approved by U.S. EPA to include in the California SIP in 1997, and later revisions were approved in 2007 and 2010;

Whereas, to meet requirements under the 70 ppb 8-hour ozone standard, CARB is working with BAR to conduct a performance standard evaluation to certify that California's existing program continues to meet requirements, and this evaluation is under development and will be brought to the Board for consideration in early 2023;

Whereas, CARB staff have concluded the 2022 AQMP, along with the CARB Staff Report, meets the requirements in the Act for the 70 ppb ozone standard for South Coast and the Coachella Valley;

Whereas, section 110(I) of the Act and Title 40, Code of Federal Regulations (CFR), section 51.102, require that one or more public hearings, preceded by at least 30 days of notice and opportunity for public review, must be conducted prior to adopting and submitting any SIP revision to U.S. EPA;

Whereas, the District made the 2022 AQMP available for public review at least 30 days before the District's public hearing on December 2, 2022, where the District Governing Board adopted the 2022 AQMP;

Whereas, on December 13, 2022, the District transmitted the 2022 AQMP to CARB for adoption and submittal to U.S. EPA as a revision to the California SIP;

Whereas, CARB staff prepared the CARB Staff Report, containing the aggregate emission reduction commitment, the 2017 planning emissions inventories, the adjusted RFP demonstrations, and the Coachella Valley Extreme VMT offset demonstration, and released it to the public on December 16, 2022, for a 30-day public review prior to the Board hearing;

Whereas, the California Environmental Quality Act (CEQA; Public Resources Code section 21000 et seq.) requires that no project which may have significant adverse environmental impacts be adopted as originally proposed if feasible alternatives or mitigation measures are available to reduce or eliminate such impacts;

Whereas, to meet its obligations under CEQA, the District prepared a Program Environmental Impact Report (PEIR) for the 2022 AQMP, which found that the 2022 AQMP could have beneficial, less-than significant, and potentially significant and unavoidable adverse impacts;

Whereas, CARB's regulatory program that involves the adoption, approval, amendment, or repeal of standards, rules, regulations, or plans has been certified by the Secretary for Natural Resources under Public Resources Code section 21080.5 of CEQA (CCR, title 14, section 15251(d)), and CARB conducts its CEQA review according to this certified program (CCR, title 17, sections 60000-60007);

Whereas, CARB prepared an environmental analysis for the 2022 State SIP Strategy under its certified regulatory program to comply with the requirements of the CEQA, which determined the 2022 State SIP Strategy could result in beneficial, less-than-significant, and potentially significant and unavoidable adverse impacts;

Whereas, CARB staff determined that CARB can rely on the environmental analysis prepared under its certified regulatory program for the 2022 State SIP Strategy, and no additional environmental review is required because the record evidence shows that CARB's aggregate commitment will not result in new significant adverse environmental impacts or a substantial increase in severity of previously identified significant adverse impacts, as described in Section IX of the Staff Report; and

Whereas, the Board finds that:

 The 2022 AQMP, together with the aggregate emissions reduction commitment for South Coast and Coachella Valley in 2037 in Section VI.A.ii of the Staff Report, the 2017 planning emissions inventories in Appendix A of the Staff Report, the RFP demonstrations for South Coast and Coachella Valley using a 2017 baseline year and in-area emissions in Section VII.A of the Staff Report, and the Coachella Valley Extreme VMT offset demonstration in Appendix D of the Staff Report, meets the requirements of the Act for the South Coast and Coachella Valley as Extreme ozone nonattainment areas for the 70 ppb ozone standard;

- The 2022 AQMP, along with Sections VI.A.ii and VII.A and Appendices A and D of the Staff Report, includes the required emissions inventory, attainment demonstrations, RACM, RFP demonstrations and associated motor vehicle emissions budgets, discussion of contingency measures, and VMT offset demonstration;
- 3. Implementation of the 2022 State SIP Strategy along with current and new District control programs documented in the 2022 AQMP provide the emission reductions needed to support attainment in the South Coast and Coachella Valley of the 70 ppb ozone standard by the attainment deadline;
- 4. This proposal is consistent with CARB's environmental justice policies and does not disproportionately impact people of any race, culture, income, or national origin; and
- 5. CARB's aggregate commitment is covered by the prior environmental analysis for the 2022 State SIP Strategy prepared to comply with CEQA, and no additional environmental review, or revisions to the prior environmental analysis, are required because substantial evidence in the records shows there are no changes that will result in new significant adverse environmental impacts or a substantial increase in severity of previously identified significant adverse impacts.

Now, therefore, be it resolved that the Board hereby adopts the State commitment to achieve aggregate emissions reductions of 95.7 tpd of NOx and 18.2 tpd of ROG in the South Coast by 2037, including a subset specifically from on-road mobile source measures of 11.6 tpd NOx and 4.3 tpd ROG, and a subset from federal actions under the 182(e)(5) provision of the Act of 51.5 tpd NOx, based on measures approved in the 2022 State SIP Strategy, as included in the Staff Report.

Be it further resolved that the Board hereby adopts the State commitment to achieve aggregate emissions reductions of 5.2 tpd of NOx and 0.6 tpd of ROG in the Coachella Valley by 2037, including a subset specifically from on-road mobile source measures of 0.9 tpd NOx and 0.2 tpd ROG, based on measures approved in the 2022 State SIP Strategy, as included in the Staff Report.

Be it further resolved the Board hereby adopts the 2022 AQMP including the emission inventories, attainment demonstration, RACM, RFP demonstration and associated motor vehicle emissions budgets, and discussion of contingency measures; and the planning emissions inventories, RFP demonstrations, and VMT offset demonstration as included in the Staff Report.

Be it further resolved that the Board hereby directs the Executive Officer to submit the 2022 AQMP as adopted by the District and the relevant portions of the CARB Staff Report to U.S. EPA for inclusion in the California SIP to be effective, for purposes of federal law, upon approval by U.S. EPA.

Be it further resolved that the Board hereby certifies that the 2022 AQMP, the aggregate emission reduction commitment, the 2017 planning emissions inventories, the adjusted RFP

demonstrations, and the Coachella Valley Extreme VMT offset demonstration were adopted after notice and public hearing as required by Section 110(I) of the Act and 40 CFR section 51.102.

Be it further resolved that the Board directs the Executive Officer to work with the District and U.S. EPA and take appropriate action to resolve any completeness or approvability issues that may arise regarding the SIP submission, including to meet applicable requirements for contingency measures.

Be it further resolved that the Board authorizes the Executive Officer to include in the SIP submittal any technical corrections, clarifications, or additions that may be necessary to secure U.S. EPA approval.