Proposed

State of California Air Resources Board

2025 Updates to

Motor Vehicle Emissions Budgets for

California Ozone State Implementation Plans

Resolution 25-3

March 27, 2025

Agenda Item No.: 25-2-1

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 (Act) (42 U.S.C. § 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, 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, 41650, and 41652;

Whereas, the local air 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, SIPs shall include only those provisions necessary to meet the requirements of the Act pursuant to Health and Safety Code section 39602;

Whereas, CARB is authorized by section 39600 of the Health and Safety Code to do such acts as may be necessary for the proper execution of its powers and duties;

Whereas, Section 176(c) of the Act establishes transportation conformity requirements that are intended to ensure that transportation activities do not interfere with air quality progress;

Whereas, transportation conformity links and coordinates the transportation and air quality planning processes through motor vehicle emissions budgets (MVEB) established in and consistent with the SIP:

Whereas, after approval of the MVEBs by the United States Environmental Protection Agency (U.S. EPA), subsequent transportation plans and programs produced by the local metropolitan planning organizations (MPO) and transportation agencies must demonstrate that the emissions from the proposed plans, programs, or projects do not exceed the MVEBs established in the SIPs, and thus that they "conform" to the SIP;

Whereas, on March 27, 2008, U.S. EPA promulgated an 8-hour ozone standard of 75 parts per billion (ppb) (75 ppb ozone standard);

Whereas, effective July 20, 2012, U.S. EPA designated sixteen areas in California, including San Diego County and the San Joaquin Valley, as nonattainment for the 75 ppb ozone standard:

Whereas, on October 26, 2015, U.S. EPA promulgated an 8-hour ozone standard of 70 ppb (70 ppb ozone standard);

Whereas, effective August 3, 2018, U.S. EPA designated nineteen areas in California, including San Diego County, as nonattainment for the 70 ppb ozone standard;

Whereas, the Act requires that ozone nonattainment areas submit SIP revisions that include, among other elements, an emissions inventory, attainment demonstration, reasonable further progress (RFP), and MVEBs for the attainment and RFP years;

Whereas, on August 24, 2016, CARB submitted to U.S. EPA the *San Joaquin Valley 2016 Plan for the 2008 8-Hour Ozone Standard* (San Joaquin Valley 75 ppb Ozone SIP) that demonstrated the San Joaquin Valley meets the requirements of the Act for the 75 ppb ozone standard, including MVEBs for the 75 ppb ozone standard;

Whereas, on December 5, 2018, CARB submitted to U.S. EPA the 2018 Updates to the California State Implementation Plan (2018 SIP Update) that included updated MVEBs for the San Joaquin Valley 75 ppb ozone standard;

Whereas, the MVEBs for the San Joaquin Valley in the 2018 SIP Update were developed using the latest approved California on-road mobile source EMission FACtor model, EMFAC2014, which included the latest emissions factors available at the time, and included a safety margin to align with EMFAC2017;

Whereas, on March 25, 2019, U.S. EPA approved the San Joaquin Valley 75 ppb Ozone SIP including the 2018 SIP Update and applicable MVEBs for the 75 ppb ozone standard;

Whereas, on January 8, 2021, CARB submitted to U.S. EPA the 2020 Plan for Attaining the National Ambient Air Quality Standards for Ozone in San Diego County (San Diego Ozone SIP) which demonstrated that the San Diego County meets the requirements of the Act for the 70 and 75 ppb ozone standards, including MVEBs for the 70 and 75 ppb ozone standards;

Whereas, the MVEBs included in the San Diego Ozone SIP were developed using EMFAC2017, using the latest emissions factors that were then available at the time;

Whereas, the San Diego Ozone SIP MVEBs were developed using the latest planning assumptions available at the time, including the transportation activity data provided by the local MPO;

Whereas, on March 1, 2024, U.S. EPA approved the San Diego Ozone SIP and applicable MVEBs for the 70 and 75 ppb ozone standards;

Whereas, on January 15, 2021, CARB released an updated emission inventory model EMFAC2021 to assess emissions from on-road motor vehicles including cars, trucks, and buses in California:

Whereas, EMFAC2021 reflected the latest understanding of statewide and regional vehicle activities, emissions, and recently adopted regulations;

Whereas, effective November 15, 2022, U.S. EPA approved EMFAC2021 and set a two-year regional emissions analysis grace period for MPOs to utilize EMFAC2021;

Whereas, EMFAC2021 must be used for all new regional emissions analyses for transportation conformity purposes that are started on or after November 15, 2024;

Whereas, due to updated CARB data and methodologies, EMFAC2021 estimates higher overall emissions from the on-road motor vehicle population in many areas of the State compared to EMFAC2014 and EMFAC2017, which will make it more difficult for transportation agencies across the State to demonstrate conformity;

Whereas, to align the MVEBs in certain 70 and 75 ppb ozone standard SIPs with EMFAC2021, CARB developed the 2025 Updates to Motor Vehicle Emissions Budgets for California Ozone State Implementation Plans (2025 Ozone MVEB Update);

Whereas, the updated MVEBs in the 2025 Ozone MVEB Update will align the MVEBs in the approved 70 ppb ozone SIP for San Diego County with EMFAC2021;

Whereas, the updated MVEBs in the 2025 Ozone MVEB Update will align the MVEBs in the approved 75 ppb ozone SIPs for San Diego County and the San Joaquin Valley with EMFAC2021;

Whereas, consistent with section 176(c) of the Act, the MVEBs in the 2025 Ozone MVEB Update were developed in consultation between the districts, MPOs, and U.S. EPA;

Whereas, U.S. EPA guidance requires that when existing MVEBs are updated, the revised MVEBs must be shown to not interfere with the RFP or attainment demonstrations in the submitted or approved SIPs;

Whereas, the 2025 Ozone MVEB Update includes demonstrations for San Diego County and the San Joaquin Valley that the updated MVEBs do not interfere with the RFP or the attainment demonstrations in the 70 and/or 75 ppb ozone SIPs;

Whereas, staff has proposed updated MVEBs for the 70 ppb ozone standard for San Diego County and updated MVEBs for the 75 ppb ozone standard for San Diego County and the San Joaquin Valley as set forth in the 2025 Ozone MVEB Update released to the public on February 14, 2025;

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, federal law set forth in section 110(I) of the Act, 42 U.S.C. section 7410(I), and Title 40, Code of Federal Regulations (CFR), section 51.102, requires that one or more public hearings, preceded by at least 30 days' notice and opportunity for public review, must be conducted prior to the adoption and submittal to U.S. EPA of any SIP revision;

Whereas, as required by federal law, CARB made the 2025 Ozone MVEB Update available for public review beginning on February 14, 2025, at least 30 days prior to the hearing date;

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 the California Environmental Quality Act (CEQA; California Code of Regulations, title 14, section 15251(d)), and CARB conducts its CEQA review according to this certified program (California Code of Regulations, title 17, sections 60000-60007);

Whereas, CARB has determined that the proposed 2025 Ozone MVEB Update is exempt from CEQA under California Code of Regulations, title 14, section 15061(b)(3) ("common sense" exemption) because the record evidence shows with certainty that there is no possibility that the proposed activity may result in a significant adverse impact on the environment, as described in Chapter VII of the Staff Report; and

Whereas, the Board finds that:

The 2025 Ozone MVEB Update meets the applicable requirements established by the Act and other U.S. EPA regulations and guidance;

The updated MVEBs in the 2025 Ozone MVEB Update were established in consultation with the MPO with jurisdiction over the nonattainment area, the local air district, U.S. EPA, the Federal Highway Administration, and the Federal Transit Administration;

The updated MVEBs do not interfere with the RFP or attainment demonstrations in the previously submitted SIPs for the 70 or 75 ppb ozone standards; and

The proposed 2025 Ozone MVEB Update is exempt from CEQA under California Code of Regulations, title 14, section 15061(b)(3) because substantial evidence in the record shows with certainty that there is no possibility that the proposal may result in a significant adverse impact on the environment.

Now, therefore, be it resolved that the Board hereby approves the 2025 Ozone MVEB Update.

Be it further resolved that the Board hereby adopts the updated MVEBs for the 70 ppb ozone standard in San Diego County, as well as the updated MVEBs for the 75 ppb ozone standard in San Diego County and the San Joaquin Valley as set forth in the 2025 Ozone MVEB Update as revisions to the California SIP.

Be it further resolved that the Board hereby directs the Executive Officer to submit the 2025 Ozone MVEB Update to U.S. EPA for approval as a revision to the California SIP, to be

effective, for purposes of federal law, upon a "finding of adequacy" or upon approval by U.S. EPA.

Be it further resolved that the Board directs the Executive Officer to work with the local air districts and U.S. EPA and take appropriate action to resolve any completeness or approvability issues that may arise regarding the SIP submittal.

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

Be it further resolved that the Board certifies that the 2025 Ozone MVEB Update was adopted after notice and public hearing as required by section 110(I) of the Act and 40 CFR, Section 51.102.