Terry Tamminen Agency Secretary

Air Resources Board

Alan C. Lloyd, Ph.D. Chairman



1001 I Street • P.O. Box 2815 Sacramento, California 95812 • www.arb.ca.gov

January 9, 2004

Mr. Wayne Nastri
Regional Administrator
Region IX, Air Division
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, California 94105

Dear Mr. Nastri:

The Air Resources Board (ARB or Board) hereby submits to the U.S. Environmental Protection Agency (U.S. EPA) for approval the 2003 revisions to the California State Implementation Plan (SIP) for ozone, particulate matter (PM10), carbon monoxide, and nitrogen dioxide in the South Coast Air Basin (2003 South Coast SIP), as well as PM10 in the Coachella Valley (2003 Coachella Valley PM10 Plan). The 2003 South Coast SIP relies on emission reduction commitments in the Final 2003 State and Federal Strategy for the California SIP (Statewide Strategy), which the Board adopted concurrently. Since it also applies to other nonattainment areas in California, the Statewide Strategy is being submitted under separate cover. We request an expedited review and adequacy finding on the submitted motor vehicle emission budgets to enable transportation conformity findings in Southern California this Spring.

We are also transmitting for your initial review the Coachella Valley portion of the ozone SIP revision underway for the Southeast Desert nonattainment area. We will formally submit this element with the complete package that also covers the Antelope Valley and Mojave Desert portions of the nonattainment area once adopted by the local agencies.

Background The South Coast Air Quality Management District (District) adopted the 2003 Air Quality Management Plan (2003 AQMP) and 2003 Coachella Valley PM10 Plan on August 1, 2003. These plans were transmitted to ARB on August 7 and August 8, 2003, respectively, for approval and submittal to U.S. EPA. The plans demonstrate attainment of the federal standard for particulate matter less than or equal to ten microns in diameter (PM10) in the South Coast Air Basin (SCAB) and Coachella Valley by 2006. The plan for SCAB also demonstrates attainment of the federal one-hour ozone standard by 2010, and updates the region's federal carbon monoxide attainment plan and nitrogen dioxide maintenance plan.

Adopted State, federal, and local controls will reduce emissions of reactive organic gas (ROG) and oxides of nitrogen (NOx) by nearly 1,000 tons per day (tpd) between the

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California Environmental Protection Agency

Mr. Wayne Nastri January 9, 2004 Page 2

1997 ozone plan base year and 2010. An additional 71.5 tpd ROG and 64.1 tpd NOx emission reductions are to be achieved by specific new measures, defined in the District and State components of the 2003 South Coast SIP, that will be adopted by 2006. Overall, adopted measures and defined new measures contribute over 70 percent of the emission reductions needed to demonstrate attainment of the federal one-hour ozone standard. As allowed by the Section 182(e)(5) of the Act, the 2003 South Coast SIP also includes an emission reduction commitment for yet-to-be identified long-term measures.

<u>Local Control Strategy</u> Near-term measures to be adopted by the District will reduce 2010 emission in the SCAB by 21.5 tpd ROG and 5.1 tpd NOx. The District strategy also includes direct PM10, sulfur oxides (SOx), and ammonia controls to reduce PM10 pollution. Finally, the District has committed to achieve at least 31 tpd ROG reductions from long-term measures. The 2003 South Coast SIP also requires the Southern California Association of Governments (SCAG) to cut growth in transportation sector emissions by 15.7 tpd ROG and 7.8 tpd NOx by 2010.

State Control Strategy On October 23, 2003, the Board adopted the Statewide Strategy, via Resolution 03-22, which updates and replaces the previous State commitments for the SCAB with extensive additional measures. ARB committed to develop 20 new defined control measures, and to adopt these or alternative measures as needed to achieve 50 tpd ROG and 59 tpd NOx emission reductions in SCAB in 2010. ARB also committed to identify and adopt strategies by 2008 to achieve an additional 97 tpd combined ROG and NOx emission reductions by 2010 in SCAB. In Resolution 03-22, ARB further committed to evaluate 21 additional measures, and adopt those measures found to be feasible and for which ARB has the necessary funding and legislative authority. As the agency responsible for SIP compliance in California, ARB has committed to ensuring that the needed long-term measures are identified by 2007 and adopted and implemented by the 2010 ozone season. To solicit public input, ARB will hold a SIP Summit in Sacramento on January 13 and 14, 2004.

NOx Carrying Capacity The 2003 South Coast SIP indicates that 18 tpd ROG reductions and 68 tpd NOx reductions should be achieved by 2010, from sources under federal regulatory authority. Since U.S. EPA has indicated it will not approve a plan that includes a federal commitment, the 2003 AQMP includes as a backstop an attainment demonstration that does not depend upon these federal NOx reductions. ARB has assumed responsibility for achieving these reductions in lieu of a federal emission reduction commitment. During his testimony at the October 23, 2003 ARB Board hearing, District Executive Officer Barry Wallerstein indicated that the District supports this approach.

Mr. Wayne Nastri January 9, 2004 Page 3

<u>Federal Responsibility</u> We urge U.S. EPA to commit to achieve its fair share of emission reductions in the South Coast, as identified in the 2003 South Coast SIP. The SIP identifies several national or regional control concepts we believe the federal government should pursue. These include both regulatory actions and incentives to clean up diesel engines used in existing vehicles and off-road applications.

Transportation Conformity Budgets The 2003 South Coast SIP includes updated on-road motor vehicle emission budgets for ozone, PM10, carbon monoxide, and nitrogen dioxide in SCAB, and for PM10 in the Coachella Valley. Board Resolution 03-23 modifies SCAB's 2010 ozone budgets to reflect ARB's commitment to achieve additional reductions from defined on-road controls adopted after local approval of the plan. Ozone budgets for Coachella Valley—adopted by the District on November 7, 2003—are included in this package for informational purposes only. These budgets will be officially submitted to U.S. EPA following adoption of ozone plan revisions in adjacent desert areas and approval by ARB.

SCAG needs new transportation conformity emission budgets by Spring 2004 to update its Regional Transportation Plan. We request that U.S. EPA move expeditiously to find the 2003 South Coast SIP and 2003 Coachella PM10 Plan budgets adequate, which will help avoid a transportation conformity lapse in the region.

Enclosures This package consists of five copies of the following.

- I) August 7, 2003 letter from Dr. Barry Wallerstein, District Executive Officer, to Ms. Catherine Witherspoon, ARB Executive Officer, transmitting the following materials:
 - A) Final 2003 Air Quality Management Plan¹, excluding both the District's California Clean Air Act triennial update, included on pages 6-17 through 6-23, and revisions to the Coachella Valley Ozone Plan, addressed primarily on pages 8-1 through 8-10 and pages V-3-75 through V-3-80,
 - B) Approved District Board Letter regarding adoption of the 2003 AQMP and certification of the Final Environmental Impact Report (EIR),

¹ The August 7, 2003 District submittal to ARB consisted of the Draft 2003 AQMP (June 2003), and the Addendum to the Proposed Modifications to the Draft 2003 AQMP (July 2003). The District subsequently consolidated these documents and other revisions made at the August 1, 2003 Board hearing into the Final 2003 AQMP. The District forwarded the Final 2003 AQMP to ARB on October 15, 2003, and requested it be submitted to U.S. EPA in place of the original draft documents.

- C) District Board Resolution 03-19, including attachments, certifying the Final EIR and adopting the 2003 AQMP,
- D) EIR for the Final 2003 AQMP,
- E) Socioeconomic Report for the 2003 AQMP,
- F) Response to Comments on the Draft 2003 AQMP,
- G) Additional Comments and Responses, and
- H) Proof of Publication for Notices of Public Hearings.
- II) August 8, 2003 letter from Dr. Barry Wallerstein, District Executive Officer, to Ms. Catherine Witherspoon, ARB Executive Officer, transmitting the following materials:
 - A) Final 2003 Coachella Valley PM10 Plan,
 - B) Approved District Board Letter regarding adoption of the 2003 Coachella Valley PM10 Plan and certification of the Notice of Exemption to the California Environmental Quality Act,
 - C) District Board Resolution 03-20 certifying the Notice of Exemption and adopting the 2003 Coachella Valley PM10 Plan,
 - D) Notice of Exemption for the 2003 Coachella Valley PM10 Plan, and
 - E) Proof of Publication for Notices of Public Hearings.
- III) ARB Staff Report on Proposed 2003 State Implementation Plan Revisions for the South Coast Air Basin and Coachella Valley (released August 25, 2003).
- IV) Public notice evidence and transcript for the ARB Public Hearing to Consider Approval of the Proposed Commitments for New Statewide Strategies to Reduce Emissions and the Proposed 2003 State Implementation Plan Revisions for the South Coast Air Basin and Coachella Valley.
- V) ARB Board Resolution 03-23 adopting the 2003 South Coast SIP and 2003 Coachella PM10 SIP.
- VI) Written comments received by ARB on the 2003 South Coast SIP and Coachella Valley PM10 SIP.

- VII) Transportation conformity budget documentation (also available at: http://www.arb.ca.gov/planning/sip/scsip03/scsip03.htm).
- VIII) Completeness Checklist for the 2003 South Coast SIP.
- IX) Completeness Checklist for the 2003 Coachella Valley PM10 Plan.
- X) January 2004 letter from Ms. Catherine Witherspoon, ARB Executive Officer, to Mr. Wayne Nastri, U.S. EPA Regional Administrator, submitting the Statewide Strategy as a SIP revision.

The following materials are included in this package for U.S. EPA's preliminary review:

XI) Revisions to the Coachella Valley Ozone Plan, addressed primarily on pages 8-1 through 8-10, and pages V-3-75 through V-3-80 of the Final 2003 AQMP.

ARB is committed to working with U.S. EPA to secure an expedited adequacy finding on the conformity budgets and approval of the submitted plans. If you have any questions, please call Ms. Lynn Terry, Deputy Executive Officer, at (916) 322-2739, or have your staff contact Ms. Cynthia Marvin, Chief, Air Quality and Transportation Planning Branch, at (916) 322-7236.

Sincerely,

/s/

Catherine Witherspoon Executive Officer

Enclosures

cc: See next page.

Mr. Wayne Nastri January 9, 2004 Page 6

cc: (Without Enclosures)

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