UPDATED INFORMATIVE DIGEST

Sections Affected: Amendment of Sections 70600 and 70601, Title 17, California Code of Regulations

The California Clean Air Act (the Act) requires the Board to take specific actions related to the transport of ozone and ozone precursors between air basins. Health and Safety Code (HSC) section 39610(b) requires the Board to establish mitigation requirements, commensurate with the level of transport impacts, for upwind areas identified as contributing to downwind violations of the ozone standard.

In August 1990 the Board approved a qualitative assessment of transport between 14 previously identified "transport couples" (Title 17, California Code of Regulations (CCR), section 70500). The Board categorized the downwind impacts as inconsequential, significant, or overwhelming. The Board also adopted regulations requiring upwind areas to mitigate the impact of transported pollutants on downwind areas (Title 17, CCR, section 70600).

The 1990 regulations required districts in five upwind areas to adopt a permitting program for new or modified stationary sources that would result in no net increase in permitted emissions of ozone precursors. This was consistent with the statutory requirements applicable to those areas at the time. In essence, the no-net-increase requirement meant that any new or modified source would have to fully offset its emissions.

In 1991, the Act was amended to provide permitting relief for small facilities in all but the most polluted areas (AB 2783, Sher; Chapter 945, Statutes of 1992). The revised Act allows most areas to permit small stationary sources without directly mitigating their air quality impacts. This permitting relief is limited to stationary sources with a potential-to-emit of less than 25, 15 and 10 tons per year for moderate, serious and severe areas, respectively. The amendments also added an additional classification -- extreme -- which retains the no-net-increase requirement for the South Coast Air Basin.

Staff recommended that the Board review the transport mitigation regulations in light of the economic pressures which prompted AB 2783. The staff recommended that the Board adopt a potential-to-emit threshold of 10 tons per year for all areas but the South Coast. The Board considered the staff's proposal at a noticed public hearing, but elected instead to eliminate the no-net-increase provisions from the transport mitigation regulations.

The Board's action will allow districts to relax their offset requirements to the extent permissible under the Act. If districts exercise this option, they may issue permits to small facilities -- such as gasoline service stations, dry cleaning operations and small auto body shops -- without using credits in the community bank or requiring the operator to obtain offsets.