



<p>Board Agenda</p> <p><i>Public Hearing/Action</i></p>
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Agenda Date: August 11, 2011

Prepared By: Yushuo Chang, Planning and Monitoring Section Manager *YCS*

Topic: Approval of a Revision to the Placer County Portion of the 2009 Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan

Action Requested:

- 1) Conduct a Public Hearing regarding a proposed revision to the 2009 Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan that removes the commitments for the adoption of the Construction Mitigation Rule (IS-1), the Operational Indirect Source Rule (IS-2), and the Asphaltic Concrete Production Rule (CM-1) for Placer County.

- 2) Approve Resolution #11-15 (Attachment #1), thereby approving the revision to the 2009 Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan that removes the commitments for the adoption of the Construction Mitigation Rule (IS-1), the Operational Indirect Source Rule (IS-2), and the Asphaltic Concrete Production Rule (CM-1) for Placer County.

Discussion: In January and February of 2009, the Governing Boards of the Placer County Air Pollution Control District (District) and the other Sacramento Federal Nonattainment Area (SFNA) air districts approved the 2009 Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan (Plan). The Plan included the information and analyses to fulfill the federal Clean Air Act (CAA) requirements for demonstrating reasonable further progress and attainment of the 1997 8-hour ozone National Ambient Air Quality Standard (NAAQS) in the Sacramento region. The Plan was approved by California Air Resources Board (CARB) on March 26, 2009, and submitted to the U.S. Environmental Protection Agency (EPA) on April 17, 2009. The Plan is not yet approved by the EPA.

The Plan includes the commitments for the District to adopt three measures to control the emissions of NOx and VOC from land use projects (identified as measure “IS-1” and “IS-2”) and the asphaltic concrete plants (identified as measure “CM-1”). The emissions reduction estimates in the Plan are 0.0462 tons per day of NOx for IS-1, 0~0.04 tons per day of NOx and 0~0.01 tons per day of VOC for IS-2, and 0.036 tons per day of NOx for CM-1, as shown in the following table:

	VOC (tons per day)	NOx (tons per day)
IS-1 (Construction Mitigation Rule)		0.0462
IS-2 (Operational Indirect Source Rule)	0 ~ 0.01	0 ~ 0.04
CM-1 (Asphaltic Concrete Production)		0.036
Total	0 ~ 0.01	0 ~ 0.122

Since the approval of the Plan by the SFNA air districts and the CARB in 2009, several key reasons have led the District staff to recommend a revision of the Plan to remove these three control measures. These reasons include:

1. Uncertainties whether still necessary – The current District’s CEQA related programs and the regional GHG emission reduction targets established by Sacramento Area Council of Governments (SACOG) can be beneficial to achieve the reductions proposed by the IS-1 and IS-2 implementation. Therefore, it is not necessary to duplicate the efforts by implementing the proposed IS-1 and IS-2 control rules.
2. Potential cost impacts – Implementing IS-1, IS-2, and CM-1 control rules would impose additional costs to the building industries and asphaltic concrete facilities which have been significantly impacted by the economic downturn. In addition, Proposition 26 could limit the District’s ability to recover costs due to the need for voter approval for a new fee regulation. This may result in substantially financial impacts for both the District and targeted groups when implementing these three rules at this time.
3. Potential emission reductions – The economic downturn has caused the projected emissions from mobile sources and asphalt plants to be lower than the Plan’s estimation. This could affect the potential reduction commitment from the implementation of these three rules.

Staff conducted the analysis for the Plan and concluded that the proposed revision complies with Clean Air Act (CAA) Section 110(l) as it will not change or interfere with the attainment demonstration (CAA Section 172 (c)(1) and 182 (c)(2)(A)) or reasonable further progress demonstration (CAA Section 182 (c)(2)(B) and (C)), and will not change the reasonably available control measure conclusion (CAA Section 172 (c)(1)) or contingency measure conclusion (CAA Section 172 (c)(9) and 182 (c)(9)).

Fiscal Impact: It is anticipated that land development costs and the costs of operating asphaltic concrete plants will not increase as would likely occur if these three control measures were implemented in keeping with the Plan. There is no fiscal impact to the District if the Plan revision is approved by your Board.

Recommendation: Staff recommends that the District Board adopt Resolution #11-15, thereby approving a revision to the Placer County portion of the 2009 Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan which will remove the commitment for the adoption of the Construction Mitigation Rule (IS-1), the Operational Indirect Source Rule (IS-2), and the Asphaltic Concrete Production Rule (CM-1).

Attachment(s) #1: Resolution #11-15, and Exhibit I, Revision to the Placer County Portion of the 2009 Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan for the removal of the Construction Mitigation Rule (IS-1), the Operation Indirect Source Rule (IS-2), and the Asphaltic Concrete Production Rule (CM-1).
#2: Staff Report.

Attachment #1

SUBJECT:

Resolution #11-15



Board Resolution:
Resolution # 11-15

Before the Placer County Air Pollution Control District Board of Directors

In the Matter Of:

A Resolution approving/adopting the revision to the Placer County Portion of the 2009 Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan to remove the commitment for the adoption of the Construction Mitigation Rule (IS-1), the Operational Indirect Source Rule (IS-2), and the Asphaltic Concrete Production Rule (CM-1).

The following Resolution was duly passed by the Placer County Air Pollution Control District Board of Directors at a regular meeting held on August 11, 2011, by the following vote:

- Ayes: Holmes, M. _____ Barkle _____ Nader _____ Weygandt _____ Ucovich _____
Holmes, J. _____ Hill _____ Montgomery _____ Garcia _____
- Noes: Holmes, M. _____ Barkle _____ Nader _____ Weygandt _____ Ucovich _____
Holmes, J. _____ Hill _____ Montgomery _____ Garcia _____
- Abstain: Holmes, M. _____ Barkle _____ Nader _____ Weygandt _____ Ucovich _____
Holmes, J. _____ Hill _____ Montgomery _____ Garcia _____

Signed and approved by me after its passage:

Chairman of the Placer County Air Pollution
Control District Board of Directors

Attest: Clerk of said Board

WHEREAS, the U.S. Environmental Protection Agency (“EPA”) promulgated the 1997 National Ambient Air Quality Standard ("NAAQS") for ozone with an 8-hour averaging time of 0.08 parts per million and determined that the 8-hour ozone standard is necessary in order to protect public health (Federal Register, Vol. 62, No. 138, pages 2-37 (July 18, 1997)); and

WHEREAS, all of Sacramento and Yolo counties and parts of the Placer, El Dorado, Solano, and Sutter Counties have been designated as the Sacramento Federal Nonattainment Area ("SFNA") for the 1997 8-hour ozone standard (Federal Register, Vol. 69, No. 84, pages 23858-23951 (April 30, 2004)); and

WHEREAS, in January and February of 2009, the Boards of Directors of the air districts of the SFNA adopted the Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan (2009 Plan), which satisfies the attainment and reasonable further progress demonstration requirements associated with the 1997 ozone NAAQS (42 USC §7502(c) and §7511(a)); and

WHEREAS, the Board of Directors of the Placer County Air Pollution Control District has determined that a need exists to revise the 2009 Plan to remove control measures which are the Construction Mitigation Rule (IS-1), Operational Indirect Source Rule (IS-2) and Asphaltic Concrete Production Rule (CM-1) for Placer County; and

WHEREAS, the Board of Directors of the Placer County Air Pollution Control District has determined that the 2009 Plan revision will not change the attainment demonstration or interfere with the attainment (Clean Air Act Sections 172(c)(1) and 182(c)(2)(A)); and

WHEREAS, the Board of Directors of the Placer County Air Pollution Control District has determined that the 2009 Plan revision will not interfere with the reasonable further progress (Clean Air Act Sections 182(c)(2)(B) and (C)); and

WHEREAS, the Board of Directors of the Placer County Air Pollution Control District has determined that the 2009 Plan revision does not change the 2009 Plan reasonably available control measure conclusion (Clean Air Act Section 172 (c)(1)); and

WHEREAS, the Board of Directors of the Placer County Air Pollution Control District has determined that the 2009 Plan revision does not change the 2009 Plan contingency measures (Clean Air Act Sections 172(c)(9) and 182(c)(9)); and

WHEREAS, the Board of Directors of the Placer County Air Pollution Control District held a duly notice public hearing on August 11, 2011 and considered public comments on the proposed 2009 Plan revision (Clean Air Act Sections 110(l) (42 United States Code Section 7410(l)); and

WHEREAS, the Board of Directors of the Placer County Air Pollution Control District has maintained records of the revision proceedings; and

WHEREAS, this action is exempt from CEQA by California Code of Regulations Title 14, Chapter 3, Section 15162(a)(1) – Subsequent Environmental Impact Reports and Negative

Declarations, because the proposed 2009 Plan revision does not require any changes to the Final Environmental Impact Report for the 2009 Sacramento Regional Non-Attainment Area 8-Hour Ozone Attainment and Reasonable Further Progress Plan (December 2008).

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Placer County Air Pollution Control District determines the revision to the 2009 Plan is exempt from CEQA; and

BE IT FURTHER RESOLVED, that the Board of Directors of the Placer County Air Pollution Control District approves and adopts the proposed revision to the Placer County Portion of the 2009 Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan, thereby removing the commitment in the Plan for the Placer County Air Pollution Control District to adopt three control rules (IS-1, Construction Mitigation Rule; IS-2, Operational Indirect Source Rule; and CM-1, Asphaltic Concrete Production Rule); and

BE IT FINALLY RESOLVED, that the Board of Directors of the Placer County Air Pollution Control District directs staff to forward the adopted revision and all necessary supporting documents to the California Air Resources Board for its approval and subsequent submittal to the EPA for final approval as a revision to the State Implementation Plan.

Attachment #2

SUBJECT:

Staff Report for the Revision to the Placer County portion of the 2009 Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan for the removal of the Construction Mitigation Rule (IS-1), the Operational Indirect Source Rule (IS-2), and the Asphaltic Concrete Production Rule (CM-1)

PLACER COUNTY AIR POLLUTION CONTROL DISTRICT

STAFF REPORT

**REVISION TO THE PLACER COUNTY PORTION OF THE 2009 SACRAMENTO
REGIONAL 8-HOUR OZONE ATTAINMENT AND REASONABLE FURTHER
PROGRESS PLAN FOR THE REMOVAL OF THE CONSTRUCTION MITIGATION
RULE (IS-1), OPERATIONAL INDIRECT SOURCE RULE (IS-2), AND ASPHALTIC
CONCRETE PRODUCTION RULE (CM-1)**

AUGUST 11, 2011

INTRODUCTION

The Placer County Air Pollution Control District (District) proposes a revision to the Placer County Portion of the 2009 Sacramento Regional 8-hour Ozone Attainment and Reasonable Further Progress Plan (Plan)¹. The revision will remove the commitment to adopt two indirect source rules (ISR) (IS-1, the Construction Mitigation Rule, and IS-2, the Operational Indirect Source Rule) and one control measure rule, (CM-1, the Asphaltic Concrete Production Rule) for Placer County. This revision will be submitted to the U.S. Environmental Protection Agency as an amendment to the California State Implementation Plan.

The proposed indirect source rules IS-1 and IS-2 would require mitigating emissions from construction, building and use of new land use development projects. The control measure rule CM-1 would require equipment changes to reduce NOx emissions at plants that produce asphaltic concrete. Since the approval of the Plan by the Sacramento Federal Nonattainment Area air districts and California Air Resources Board in 2009, several factors have led the District Staff to recommend the removal of these three control measures from Placer County's Portion of the Plan.

Staff has evaluated the removal of the control measures and commitments and has concluded that it will not change or interfere with the attainment demonstration or reasonable further progress (RFP) demonstration, and does not change the reasonably available control measure (RACM) and contingency measure conclusions.

This staff report reviews the three measures and the legal requirements associated with these measures and this action. The report discusses the reasons for removing these measures from the Plan with an anticipated schedule for reconsideration.

BACKGROUND

Plan Overview

In January and February of 2009, the Governing Boards of the Sacramento Federal Nonattainment Area (SFNA) air districts approved the Plan. The Plan included the information and analyses to fulfill the federal Clean Air Act (CAA) requirements for demonstrating reasonable further progress and attainment of the 1997 8-hour ozone National Ambient Air Quality Standard (NAAQS) in the Sacramento region. In addition, the Plan established an updated emissions inventory, provided photochemical modeling results, proposed adoption of control measures to meet CAA RACM requirements, and set new motor vehicle emission budgets for transportation conformity purposes. The Plan was approved by California Air Resources Board (CARB) on March 26, 2009 and submitted to the U.S. Environmental Protection Agency (EPA) on April 17, 2009. The Plan has not yet been approved by the EPA.

¹ "Sacramento Regional 8-hour Ozone Attainment and Reasonable Further Progress Plan", EDCAQMD, FRAQMD, PCAPCD, SMAQMD, YSAQMD, March 26, 2009.

The Plan includes the following elements:

- Attainment demonstration
- Reasonable further progress demonstration
- Reasonably available control measures
- Emissions inventory
- Motor vehicle emissions budget
- General conformity budgets
- Photochemical modeling
- Contingency measures

The three control rules to be removed, IS-1, IS-2, and CM-1, and their associated emissions reductions were not included in or relevant in any way to the following Plan elements:

- Emissions inventory²
- Motor vehicle emissions budgets³
- General conformity⁴
- Photochemical modeling⁵

Indirect Source Rule IS-1 and IS-2

The existing Plan commits the District to adopting and implementing two control rules that address emissions from indirect sources. The term “indirect source” means a facility, building, structure, installation, real property, road, or highway which attracts, or may attract, mobile sources of pollution. The term includes parking lots, parking garages, and other facilities subject to any measure for management of parking supply, including regulation of existing off-street parking. However it does not include new or existing on-street parking. Direct emissions sources or facilities at, within, or associated with, any indirect source shall not be deemed indirect sources.

The IS-1 Construction Mitigation Rule of the Plan includes a commitment from the District and two other districts in the Sacramento region (Feather River Air Quality Management District and Sacramento Metropolitan Air Quality Management District) to adopt a rule to mitigate emissions generated by equipment used during the construction phase of a land use project. The requirements considered for the rule are based on the District’s CEQA mitigation program and

² Ibid. Section 5.5 states that the emissions inventory forecasts did not include benefits from measures that had not been adopted by December 31, 2006.

³ Ibid. Appendix F only includes regional reductions from on-road mobile incentive strategy. Appendix C control measure descriptions show that there are no on-road emissions reductions from IS-1 and the minimum potential on-road reductions from IS-2 were 0.

⁴ Ibid. The general conformity inventory listed in Table 12-1 only includes aircraft and ground support emissions that would not be impacted by IS-1, IS-2, or CM-1.

⁵ Ibid. Section 6.3 of Appendix B states that the forecasted emissions used in the modeling accounts for the effects of growth and the effects of adopted emission control rules.

the construction requirements from San Joaquin Valley Air Pollution Control District (SJVAPCD) Rule 9510, Indirect Source Review⁶. The proposed measure would require projects to mitigate their NO_x emissions by an amount equal to 20% of the statewide average emissions either by using cleaner construction equipment, by modifying the construction equipment (through retrofits, replacements, or post-combustion controls), or by paying a fee that will be used by the District to obtain emission reductions.

The IS-2 Operational Indirect Source Rule which was committed by the District and the Sacramento Metropolitan Air Quality Management District (SMAQMD) would reduce emissions generated during the operational phase of indirect sources. Operational emissions are the combination of area and mobile emissions associated with an indirect source during tenancy. The rule would require indirect sources to mitigate a portion of their emissions through a combination of on-site and off-site mitigation measures. On-site mitigation could include strategies that reduce vehicle trips or vehicle miles traveled (VMT). Other on-site mitigation measures could be considered, such as improved energy efficiency resulting in fewer power plant emissions or reductions in on-site combustion emissions.

Both rules IS-1 and IS-2 would have provided project proponents with the option to use on-site measures, or to pay a fee, which the District would use to provide incentives to off-site emission reduction projects. Off-site mitigation fees would be calculated based on the cost effectiveness (\$ per ton of pollutant reduction) and the amount of mitigating emission reductions required.

Asphaltic Concrete Production Rule CM-1

The existing Plan commits the District to the adoption and implementation of a NO_x control rule, CM-1, which would control emissions from dryers used to manufacture asphaltic concrete or hot-mix pavement material. Asphaltic concrete, or hot-mix pavement material, is produced in both continuous and batch plants including portable plants. The process involves heating aggregate in a rotary dryer to approximately 300°F and mixing it with melted asphalt cement refined from petroleum. This measure targets NO_x emissions from the burners used to heat the dryer. Associated NO_x emissions also come from heaters used to melt asphalt cement, and from internal combustion engines.

The dryer NO_x emissions may be controlled by the burners used to heat the dryer. The concentration of NO_x discharged from uncontrolled burners is typically over 100 parts per million, volumetric dry (ppmvd) @ 3% O₂, or about 0.016 pounds per ton of production. This measure would consider the use of low NO_x burners and flue gas recirculation (FGR) to reduce these emissions. The proposed requirements were based on Rule 4309 – Dryers, Dehydrators, and Ovens which was adopted by the San Joaquin Valley Unified APCD in December 2005 and applies to dryers at asphaltic concrete plants. The District and the SMAQMD committed to adopt this rule in the Plan.

⁶ 42 USC 7410(a)(5)(C) ⁷ SJVUAPCD, “Rule 9510, Indirect Source Review (ISR)” and “Final Draft Staff Report – Rule 9510, Indirect Source Review (ISR), Rule 3180, Administrative Fees for Indirect Source Review.” Adopted December 15, 2005.

Proposed Emissions Reduction in the Plan

The Plan includes commitments for the District to adopt measures to control emissions of NO_x and VOC from indirect sources due to both construction (IS-1) and operational (IS-2) activities and emissions of NO_x generated from asphaltic concrete plants (CM-1). The emissions reduction estimates in the Plan are 0.046 tons per day of NO_x for IS-1, 0~0.04 tons per day of NO_x and 0~0.01 tons per day of VOC for IS-2, and 0.036 tons per day of NO_x for CM-1, as shown in the following table⁷:

	VOC (tons per day)	NO _x (tons per day)
IS-1 (Construction Mitigation Rule)		0.0462
IS-2 (Operational Indirect Source Rule)	0 ~ 0.01	0 ~ 0.04
CM-1 (Asphaltic Concrete Production)		0.036
Total	0 ~ 0.01	0 ~ 0.122

Changes since the Plan Approval

Since the approval of the Plan by the air districts within the SFNA, several factors have led Staff to recommend the proposed revision for the Plan.

1. **Economic downturn** – The global recession has caused a loss in employment and revenue in the construction sector and other industries that would be affected by the implementation of control rules IS-1, IS-2, and CM-1. This has reduced business activity and has strained the financial ability of industry to comply with regulations. The reduction in business activity has also resulted in reduced vehicle activity and associated emissions that may change the emissions inventory.

The US Department of Commerce lists housing starts or residential building permits issued as one of the top 12 economic indicators⁸. Housing starts and permits issued also indicate the strength of the building and construction industry. New single-family home permits issued in Sacramento metropolitan area have decreased by 81% from 2006 to 2010⁹, an indicator of the severity with which the construction and building industry in Sacramento County has been struggling. Unemployment is another indicator of the economy's strength. As of December 2010, California has the second highest unemployment rate in the nation at 12.5%¹⁰. The Sacramento Metropolitan area also has an unemployment rate of 12.5% as of December 2010. Specifically in Sacramento County, employment in the construction industry has decreased by 41% (a loss of 18,600

⁷ "Sacramento Regional 8-hour Ozone Attainment and Reasonable Further Progress Plan", EDCAQMD, FRAQMD, PCAPCD, SMAQMD, YSAQMD, March 27, 2009 Appendix C pages C57-C65 and C127-128.

⁸ Economics and Statistics Administration, US Department of Commerce, Accessed April 2011
<http://esa.doc.gov/about-economic-indicators>

⁹ Construction Industry Research Board, 2006, 2010 (cited by California Building Industry Association),
<http://www.cbia.org/go/cbia/newsroom/housing-statistics/housing-starts/>

¹⁰ Bureau of Labor Statistics, accessed January 2011, <http://www.bls.gov/lau/>

employees) from 2005 to 2009¹¹. These indicators suggest that the construction and building industry is currently less able to bear the increased costs from ISR rules.

2. **EPA responses to SJVAPCD Rule 9510** – The mitigation requirements that are considered for the proposed control rule IS-1 are based on the construction portion of SJVAPCD Rule 9510 Indirect Source Review. Currently, SJVAPCD Rule 9510 is the only air district indirect source rule to address emissions from construction equipment. The SJVAPCD rule requires projects to mitigate their construction equipment’s NOx emissions by an amount equal to 20% of the statewide average emission rates. Project proponents may meet these goals by using cleaner construction equipment, by modifying the construction equipment (through retrofits, replacements, or post-combustion controls), or by paying a fee that will be used by the district to obtain emission reductions.

Recently, EPA reviewed SJVAPCD Rule 9510 and released a technical support document (TSD) for the rule in May 2010¹². The TSD focused on two approvability issues with Rule 9510. First, the EPA felt the rule needed to better outline how mitigation measures would be enforced and verified. Second, SJVAPCD needed to demonstrate to the EPA how the off-site mitigation program would follow the EPA’s Economic Incentive Programs guidelines. This would require the off-site mitigation program to include criteria, policies, and procedures to ensure that the reductions are surplus (including identifying potential source categories for the reductions) with publicly accessible and transparent tracking and evaluation of the program on a real-time basis. EPA staff recommended approval of Rule 9510 into the State Implementation Plan (SIP) on the condition that the emission reductions claimed by the rule not be credited towards any attainment or rate of reasonable further progress demonstration because it does not fully comply with the EPA’s approvability criteria and policies.

3. **Proposition 26** – In November 2010, California voters passed Proposition 26, which requires that certain state and local fees be approved by two-thirds vote. The Proposition 26 requirements may apply to the mitigation fees that were proposed in control measure IS-1 and IS-2. If Proposition 26 applies then the mitigation fee would need to be approved by two-thirds of the voters in Placer County. Although the proposed control measures only anticipate very small emission reductions, a total of 0.09 tons/day of NOx, there is no guarantee that two-thirds of the voters would approve the fee.

LEGAL MANDATES

Clean Air Act Plan Requirements

The District is part of the SFNA, which is designated as a “severe” nonattainment area for the

¹¹ Ibid, <http://www.bls.gov/cew/data.htm>

¹² Wong, “Technical Support Document for EPA’s Rulemaking for the California State Implementation Plan Regarding San Joaquin Valley Unified Air Pollution Control District Rule 9510, Indirect Source Review (ISR)” May 10, 2010.

federal 8-hour ozone standard. The federal CAA requires nonattainment areas to prepare and submit to EPA an 8-hour ozone plan that meets specific requirements, including:

- Attainment demonstration. Sections 172(c)(1) and 182(c)(2)(A) of the CAA require a demonstration that the plan will provide for attainment of the national ambient air quality standard as expeditiously as practicable by the applicable attainment date. The demonstration must be based on photochemical grid modeling. The attainment date for nonattainment areas classified as “severe” is 2018.
- Reasonable Further Progress (RFP) demonstration. Sections 182(c)(2)(B) and (C) require a demonstration that the plan will result in VOC emissions (and/or NO_x emissions) reductions from the baseline emissions of an average of at least three percent each year.
- Reasonably Available Control Measures (RACM). Section 172(c)(1) of the CAA requires that the plan provide for the implementation of all reasonably available control measures as expeditiously as practicable. EPA’s RACM policy^{13,14} indicates that areas should consider all candidate measures that are potentially reasonably available. Areas should consider all reasonably available measures for implementation in light of local circumstances. However, areas need only to adopt measures if they are both economically and technologically feasible and cumulatively will advance the attainment date (by one year or more) or are necessary for RFP.
- Contingency Measures. Sections 172(c)(9) and 182(c)(9) of the CAA requires plans to include contingency measures which will reduce emissions in the event an area fails to meet Reasonable Further Progress (RFP) milestones or fails to attain by its attainment date.

In February 2009, the air districts of the SFNA adopted the Plan to demonstrate the SFNA would achieve the 1997 federal 8-hour ozone standard by 2018. The Plan meets the requirements of the CAA, including an attainment demonstration, RFP, and includes control measures necessary to meet RACM and contingency measure requirements.

Removal of Control Measures from the Plan

Section 110(l) of the CAA requires that each revision to a SIP be adopted after reasonable notice and a public hearing. EPA cannot approve the revision if it would interfere with attainment, reasonable further progress, or any other applicable CAA requirement. Section 110(a)(5)(A)(i) specifically prohibits EPA from requiring attainment plans to include indirect source review programs as a condition of approval.

Staff is proposing to revise the State Implementation Plan to remove proposed control rules IS-1, IS-2 and CM-1 from Placer County’s portion of the Plan. In addition, the other air districts in the Sacramento Region with these control rule commitments may request removal of their

¹³ “Final Rule to Implement the 8-Hour Ozone National Ambient Air Quality Standard – Phase 2” (Federal Register, November 29, 2005, p. 71659-71661).

¹⁴ “Guidance on the Reasonably Available Control Measures (RACM) Requirement and Attainment Demonstration Submissions for Ozone Nonattainment Areas” (EPA, December 1999).

commitments. For example, the Sacramento Metropolitan Air Quality Management District is removing IS-1 and CM-1, among other measures, from Sacramento County's portion of the Plan. If all the air districts revise their portions of the Plan, by removing these measures, the Plan still complies with Clean Air Act Section 110 (l) requirements because:

- the SIP revision will be adopted after 30 day notice and public hearing;
- the SIP revision does not change the attainment demonstration or interfere with attainment or RFP demonstration;
- the SIP revision does not change the RACM conclusions as the control measures removed from the Plan do not advance the attainment date for the Sacramento region due to the insignificant amount of emissions reductions potentially generated;
- the SIP revision has no impact on the contingency measure analysis or our ability to meet the Attainment Demonstration Contingency requirement; and
- the SIP revision does not interfere with any other applicable CAA requirement.

Attainment Demonstration

The attainment demonstration¹⁵ establishes that a minimum emission reductions target of 12.5% reduction in NOx and 3.3% reduction in VOC is needed to meet the 1997 federal 8-hour ozone standard. The attainment demonstration showed that collectively all measures adopted before the end of 2008 achieved this minimum emissions reduction target¹⁶. The Plan stated that the new control measures are included to meet CAA requirements for RACM¹⁷. The IS-1 Construction Mitigation Rule, IS-2 Operational Indirect Sources Rule, and CM-1 Asphaltic Concrete Production Rule were not adopted before the end of 2008 and were not relied on to demonstrate attainment. Therefore, these three proposed control rules can be removed from the Plan for any or all air districts without changing the attainment demonstration or interfering with attainment.

Reasonable Further Progress (RFP)

The RFP demonstration in the Plan shows the SFNA achieves the required 3% emission reduction for milestone years 2011, 2014, 2017, and 2018 without relying on NOx and VOC emissions reductions from new federal, state, regional or local control measures¹⁸. Therefore, revising the Plan to remove the commitment to adopt IS-1, IS-2, and CM-1 control measures in any or all air districts would not affect the RFP demonstration.

Reasonably Available Control Measures (RACM)

Although new control measures adopted after 2008 were not required to demonstrate attainment or the RFP, they were required to satisfy the RACM requirement¹⁹. To be conservative, Staff analyzed whether removing the total potential emissions reductions from proposed control rules IS-1, IS-2, and CM-1 from the Plan (up to 0.3 tpd NOx combined) would change the RACM

¹⁵ "Sacramento Regional 8-Hour Ozone Attainment Demonstration and Reasonable Further Progress Plan, March 26, 2009." Table 8-1, Line L, page 8-5.

¹⁶ Ibid. Table 8-1, Line N.

¹⁷ Ibid. Page 8-2.

¹⁸ Ibid, Section 13.5, page 13-4, and Table 13-1, Lines 4 and 13 page 13-5.

¹⁹ CAA Section 172(c)(1) and Section 181(a)(1), and 40 CFR 51.912(d).

conclusions. Staff concluded that IS-1, IS-2, CM-1, and all other available control measures that are not included in the Plan collectively would not advance the attainment date or contribute to the RFP for the Sacramento Region due to the insignificant amount of emission reductions potentially generated. Therefore, the Plan may be revised to remove IS-1, IS-2, and CM-1 commitments without changing the conclusion that the Plan meets RACM requirements.

Contingency Measures

Sections 172(c)(9) and 182 (c)(9) require plans to include contingency measures which will reduce emissions in the event an area fails to meet the Reasonable Further Progress (RFP) milestones or fails to attain by its attainment date. Federal guidance requires that sufficient contingency measures be identified in the plan to provide for a 3% emission reduction beyond what is needed for the attainment demonstration²⁰. The 3% contingency measure requirement was met for the demonstration and did not include the reductions associated with IS-1, Is-2 and CM-1. As a result, removal of these measures has no impact on the contingency measure analysis or our ability to meet the Attainment Demonstration Contingency requirement.

Upcoming Ozone Standard Revision

In March 2008, the EPA set a new 8-hour ozone standard of 0.075 parts per million (ppm). This standard is currently under reconsideration, with the EPA is proposing a revision to the standard in the range of 0.060 to 0.070 ppm (75 FR 2938, January 19, 2010). EPA's current timeline was to finalize the new standard by July 29, 2011 (but recently delayed until September 2011) and complete nonattainment area designations by July 29, 2012. If the EPA meets this timeline then the deadline for submitting plans to the EPA for attaining the new standard will be in mid-2014. The District will consider potential measures to achieve the revised 8-hour ozone standard. The construction mitigation measure, operational indirect resource control measure, and asphaltic concrete NOx control measures will be re-evaluated at that time.

REASONS FOR REMOVAL

Control Measure IS-1 and IS-2

There are three primary reasons Staff recommends removing control measure IS-1 and IS-2 from the Plan.

1. **Uncertainties whether still necessary** – One of objectives for these two proposed control rules was to allow the District to require and implement the standard air quality mitigation measures consistently for all land use development projects in Placer County. Recently, the District has worked with local jurisdictions to update and streamline the District's CEQA mitigation program. This has resulted in lead agencies implementing similar mitigation requirements under CEQA which have generally been as effective a mechanism for achieving emissions reductions from land use development projects. Moreover, the District is working with the other air districts in Sacramento Region to establish a regional

²⁰ "General Preamble for Implementation of Title 1 of the Clean Air Act Amendments of 1990" (57 FR 13498, April 16, 1992) and "2009, Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan, March 26, 2009." Section 7-21, p7-32.

GHG (green house gas) significant threshold for CEQA review. Once the proposed regional GHG significant threshold is established, the mitigation measures identified for the GHG emission mitigation will be beneficial to reduce the criteria pollutant emissions from the land use development. This would be unnecessary as it is a duplication of efforts from the CEQA mitigation program with the implementation these two proposed control rules.

In addition, the emission estimation for construction equipment could be substantially lower than the previous estimation. In 2010 the CARB released new emissions estimates for off-road equipment showing that between 2005 and 2010, construction emissions dropped by more than 50 percent²¹. Since the construction equipment that would be regulated by control rule IS-1, are subject to CARB's *In-Use Off-Road Diesel Vehicles Regulation*²², this emissions change would suggest that the benefits from control rule IS-1 may have been overestimated and that there may not be additional emissions reductions. These emissions changes will be reflected in the next ozone plan evaluations and will help staff determine whether the potential ISR rules are needed to meet the upcoming revised federal ozone air quality standards.

Furthermore, the CARB adopted the regional GHG emissions targets for passenger vehicles, under SB 375's requirement for the state's 18 Metropolitan Planning Organizations (MPOs), in September 2010. Each MPO, including the Sacramento Area Council of Governments (SACOG), will prepares a "sustainable communities strategy (SCS)" that demonstrates how the region will meet its GHG reduction target through integrated land use, housing, and transportation planning to reduce vehicle miles traveled (VMT) and to promote the use of alternative transportation. Although the primary purpose of creating SCS is to reduce GHG, the SCS design principles can also reduce VOC and NOx emissions concurrently. Achieving the reductions by implementing SB 375 may reduce the need for requiring reductions through the implementation of control rule IS-2.

- 2. Potential cost impacts** – Implementing the IS-1 and IS-2 rules would require additional staff resources and training for project evaluation, monitoring, and enforcement along with establishing an off-site mitigation program. An off-site mitigation program could include providing incentives for engine/vehicle turnover or fireplace replacement, or prompting planning mechanisms/project designs to encourage mixed use design projects, infill projects, and other smart growth strategies. The EPA requires that the off-site mitigation program meet its Economic Incentive Programs guidelines. This would require District staff to develop new criteria, policies, and procedures to ensure that an off-site mitigation project's emission reductions are surplus - Such a program would need to be easily accessible, have transparent tracking. The costs to meet EPA guidelines are unknown at this time. Some of these costs may be avoidable if ISR (or the two rules IS-1 and IS-2) is

²¹ CARB, "Staff Report: Initial Statement of Reasons for Proposed Rulemaking. Proposed Amendments to the Regulation for In-Use Off-Road Diesel-Fueled Fleets and the Off-Road Large Spark-Ignition Fleet Requirements." December 16, 2010.

²² California Code of Regulations Title 13, Section 2449 et seq.

removed as a SIP commitment. The District may not be able to absorb these additional costs without passing them on to project proponents in the form of fees. With the passing of Proposition 26 in 2010 voter approval is required to establish new fees. This may impact the District's ability to recover the increased costs on project proponents. It is unclear whether fees that cover the rule implementation could be established under Proposition 26. The District cannot implement these two control rules without additional resources.

If IS-1 and IS-2 rules are adopted, project developers would incur additional compliance costs with the rule requirement including an administrative cost and an off-site mitigation fee. Although many land use development projects in Placer County may already be subject to off-site mitigation fees under the District's CEQA mitigation program, the implementation of these proposed control rules could affect additional projects in paying off-site mitigation fees. Those fees would add financial burdens to an already struggling construction and building industry.

- 3. Potential emissions reductions** – Recently, CARB revised emissions estimates from construction equipment use which is lower than previous estimates in the Plan. Part of this change in the emissions estimates is due to the region's economic downturn. This revision has caused a significant decrease in the estimated emissions from off-road equipment. The estimate for the 2018 construction and mining NOx inventory for the Sacramento nonattainment area has decreased approximately 50%. The same situation has also happened on the on-road mobile emission inventories. CARB reports that NOx and VOC emissions from on-road diesel trucks have and will decrease by 35% in 2010, 17% in 2014, and 20% in 2020 as compared to the emissions estimated by the EMFAC2007 model. In addition, as discussed above, SB375 GHG reduction targets may achieve ancillary VOC and NOx reductions in the Sacramento nonattainment area. These changes may indicate the emission reduction potential of IS-2 is lower than the estimation in the Plan but revised reductions cannot be quantified at this time.

As noted in the previous discussion, EPA's concerns that the emission reductions claimed by these two rules could not be credited towards any attainment or rate of reasonable further progress demonstration unless the District can successfully develop an off-site mitigation program which meets those EPA requirements. Thus it would be challenging for the District to implement these two control rules with emissions reduction which cannot be used for attainment or progress purposes.

Control Measure CM-1

The proposed CM-1 Asphaltic Concrete Control Rule would require equipment retrofit to reduce NOx emissions at plants that produce asphalt. There are two reasons staff recommends removing control measure CM-1 from the Plan.

- 1. Potential emission reduction** – The NOx emissions and potential reduction from the measure's implementation would be lower than the Plan's estimation. The Plan used 2002

emission data to estimate the emissions in 2018 with the emission reductions occurring in 2018 when the measure is adopted and implemented. However, the economic downturn has caused a decrease in construction activities along with a reduction in the production of asphaltic concrete. There are two existing asphalt batch plants permitted by the District. According to their facility throughputs, the production of asphaltic concrete has dropped over 50% from 2005 to 2010; one of two existing facilities was closed in 2010. The economic downturn is not showing signs of a reversal²³. Therefore, the NOx emission estimates from asphaltic concrete in 2018 could be decreased from 0.0624 tpd to 0.0312 tpd if using 50% as the decreasing rate; and the potential reduction from the implementation of asphaltic concrete rule could be revised from 0.0364 tpd to 0.0182 tpd in 2018.

- 2. Potential cost impact** – The Plan estimated the cost effectiveness of NOx control for asphaltic concrete plants in a range from \$17,600 to \$42,300 per ton of NOx reduced. However, the cost effectiveness for the rule implementation increases due to the potential emission reduction decreases caused by the economic downturn. The cost effectiveness would be increased up to \$84,600 per ton of NOx reduced, which may make the measure economically infeasible.

According to the above discussion, staff recommends removing IS-1, IS-2, and CM-1 control rules from the District commitment so the Plan will more clearly represent the emissions reduction strategies which may be used for meeting future attainment goals or progress purposes.

ENVIRONMENTAL REVIEW AND COMPLIANCE

The Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan (Plan) included new regional and local control measures as part of the Plan. The measures committed to by the District include IS-1 (Construction Mitigation Rule), IS-2 (Operational Indirect Source Rule), and CM-1 (Asphaltic Concrete Rule). All measures were evaluated under CEQA to determine whether or not they had the potential to generate adverse environmental impacts. A Final EIR was certified and the Plan was adopted by the SMAQMD Board of Directors on January 22, 2009. The Final Environmental Impact Report (FEIR)²⁴, filed on January 23, 2009, concluded that the Plan would have no significant adverse environmental impacts.

The District evaluated the removal of IS-1, IS-2, and CM-1 rules under CEQA since removal of these measures is a discretionary action undertaken by a public agency²⁵. As discussed in the Plan Overview section of this report, emission reductions associated with IS-1, IS-2, and CM-1

²³ California Economic Forecast Annual Report, California Department of Finance, April 2011
http://www.dof.ca.gov/HTML/FS_DATA/LatestEconData/FS_Forecasts.htm

²⁴ Final Environmental Impact Report, Sacramento Regional Non-Attainment Area 8-Hour Ozone Attainment and Reasonable Further Progress Plan, State Clearinghouse No. 2006102136, Sacramento Metropolitan Air Quality Management District, December 2008

²⁵ Public Resources Code, State of California 21065(a).

rules were not included or considered in the emissions inventory, motor vehicle emission budgets, general conformity, or photochemical modeling elements of the Plan. In addition, as discussed in the Legal Mandates section, the removal of these measures do not change or alter the Attainment Demonstration, the Reasonable Further Progress demonstration, the Reasonably Available Control Measures, or Contingency Measures conclusions in the Plan and the Plan EIR. Rather, as discussed in the Plan and FEIR, the additional measures provide a safety margin to insure attainment in the unlikely event that existing proposed measures were not fully adopted or implemented.

In addition, these rules were identified as RACMs. The RACM analysis identified these rules that were not included in the Plan because they did not advance attainment date when they are considered either individually or collectively with the other measures. When the IS-1, IS-2, and CM-1 control rules are considered in conjunction with those excluded measures identified by the Plan's RACM analysis, the measures still do not advance attainment date and therefore should not have been included in the Plan. The remaining Plan measures after removal of IS-1, IS-2, and CM-1 still satisfy the RACM requirement and provide an adequate safety margin towards attainment. Accordingly, the Plan and FEIR anticipated that all or some of the new measures would not be adopted as noted in the Attainment Demonstration for the Final EIR²⁶. By definition, a margin of safety provides for contingencies, in this case, where the measure is not adopted or achieves fewer reductions than anticipated. The possibility that the IS-1, IS-2, and CM-1 rules would not be adopted was considered in the Final EIR.

This proposed Plan revision does not result in any changes to the previous EIR. Therefore, the proposed revision to the Plan is exempt from CEQA pursuant to California Code of Regulations Title 14, Chapter 3, Section 15162(a)(1) - Subsequent EIRs and Negative Declarations.

PUBLIC COMMENTS

The Placer County Air Pollution Control District's Board of Director's will hold a public hearing to discuss the proposed amendments. Public notices were published in the newspaper, and posted on the District's website (Attachment 1). The proposed revisions to the Plan and the staff report were available for public review.

CONCLUSION

The District proposes a Plan revision to remove the commitment to adopt three control rules (IS-1 Construction Mitigation Rule, IS-2 Operational Indirect Source Rule, and CM-1 Asphaltic Concrete Production Rule) for Placer County. The control rules IS-1 and IS-2 would require mitigating emissions from construction, building and use of new land use development projects. The control rule CM-1 would require equipment changes to reduce NOx emissions at asphalt

²⁶ Final Environmental Impact Report, Sacramento Regional Non-Attainment Area 8-Hour Ozone Attainment and Reasonable Further Progress Plan, State Clearinghouse No. 2006102136, Sacramento Metropolitan Air Quality Management District, December 2008. Section 2.7 – Attainment Demonstration, Page 2-26.

plants. Since the Plan's original approval, several factors have led Staff to recommend removing these three control rules from the Plan and to consider re-evaluating them at a later time.

The key reasons for removing these three control measures from the Plan include:

- 1. Uncertainties whether still necessary** – The lead agencies in Placer County are implementing similar mitigation under CEQA as proposed by the IS-1 and IS-2 control rules. The District is working with the other air districts in Sacramento Region to establish a regional GHG significant threshold for CEQA review. These CEQA related efforts would assist the District in achieving the reductions proposed by the IS-1 and IS-2 control rules. In addition, the emissions from off-road equipment have been substantially decreased as identified by the CARB's recent evaluation, which could affect the potential reduction from IS-1 rule implementation. Furthermore, the adopted regional GHG emissions targets under SB 375 requirements can be more beneficial in achieving the goal of IS-2 rule which would reduce VOC and NOx mobile emissions from land use development projects. Therefore, it may not be necessary to duplicate the efforts by implementing the proposed IS-1 and IS-2 control rules.
- 2. Potential cost impacts** – Implementing IS-1 and IS-2 control rules would require additional District resources to establish a quantifiable off-site mitigation program under EPA requirements along with imposing added costs on developers from additional administrative costs and potential mitigation fees. Implementing the CM-1 control rule may impose additional costs on the facility owners with the potential cost-effectiveness economically infeasible. In addition, Proposition 26 may limit the District's ability to recover costs due to the need for voter approval for a new fee regulation. Therefore, there would be potential significant financial impacts for both the District and targeted groups when implementing these three rules.
- 3. Potential emission reductions** – The economic downturn has caused the potential emission reductions to be less than what the Plan estimations were from the implementation of these three control rules. In addition, the EPA may not agree with the emission reductions from the implementation of IS-1 and IS-2 rules as creditable toward attainment or progress goals unless accompanied by an off-site mitigation program qualified by EPA guidelines. This would result in significant financial impacts to the District operation.

The proposed revision to the Plan to remove control measure IS-1, IS-2, and CM-1 complies with the CAA because it does not change the attainment demonstration, interfere with attainment, or change the RFP demonstration. In addition, the Plan revision does not change the RACM conclusions for removing those control measures since their emissions reductions would be considered insignificant and does not help to advance the region towards the attainment date.

Staff would consider re-evaluating the control measure IS-1, IS-2, and CM-1 as part of the process to evaluate and identify potential control strategies to meet future federal revised air quality standards. We anticipate that work to occur in 2014.

SUMMARY OF CHANGES

Staff is proposing to amend the 2009 Sacramento Regional 8-Hour Ozone Attainment and Reasonable Further Progress Plan by removing IS-1 Construction Mitigation Rule, IS-2 Operational Indirect Source Rule, and CM-1 Asphaltic Concrete Production Rule. The amendments will include all related changes to the attainment demonstration and RACM analysis. These changes to the Plan are in Chapters 1, 7, and 14, and its Appendices C and H. To clearly show the changes being made, deleted language is shown in strikeout format and new language is underlined as the Attachment 2.

Attachment 1: Notice of Public Hearing and Proof of Publication

Attachment 2: Strikeout Version of Revision to the Placer County Portion of the 2009 Sacramento Regional 8-hour Ozone Attainment and Reasonable Further Progress Plan for the Removal of Construction Mitigation Rule (IS-1), Operational Indirect Source Rule (IS-2), and Asphaltic Concrete Production Rule (CM-1).

ATTACHMENT 1

SUBJECT

Notice of Public Hearing and Proof of Publication

**PLACER COUNTY
AIR POLLUTION CONTROL DISTRICT**

NOTICE OF PUBLIC HEARING

**PROPOSED REVISION TO THE PLACER COUNTY PORTION OF
CALIFORNIA'S STATE IMPLEMENTAION**

The Placer County Air Pollution Control District proposes a revision to the 2009 Sacramento Regional 8-hour Ozone Attainment and Reasonable Further Progress Plan. The revision will remove the commitment to adopt construction mitigation rule (IS-1), operational indirect source rule (IS-2), and asphalt concrete production rule (CM-1) for Placer County. This revision will be submitted to the U.S. Environmental Protection Agency as an amendment to the California State Implementation Plan (SIP).

The construction mitigation rule (IS-1) and operational indirect source rule (IS-2) would require mitigating emissions from construction and operation of new land use development projects. The asphalt concrete production rule would require equipment changes to reduce NOx emissions at plants that produce asphalt. Since the approval of the Plan, several factors have led staff to recommend these revisions. These factors include:

- the latest update of projected mobile source emissions by California Air Resources Board are lower than previous estimations;
- the current economic climate for the land use development industries and asphalt production plants;
- the estimated cost effectiveness of the equipment changes for the asphalt plants, in dollars per pound of NOx emission reduced, has more than quadrupled what was estimated in the Plan; and
- the other requirements such as SB375 and Proposition 26.

The revision complies with Clean Air Act (CAA) Section 110(l) because it will not change or interfere with the attainment demonstration (CAA Section 172 (c)(1) and 182 (c)(2)(A)) or reasonable further progress demonstration (CAA Section 182 (c)(2)(B) and (C)), and will not change the reasonably available control measure conclusion (CAA Section 172 (c)(1)) or contingency measure conclusion (CAA Section 172 (c)(9) and 182 (c)(9)).

The Placer County Air Pollution Control District Board of Directors will hold a public hearing to receive comments and consider the adoption of the revision of the Plan at their regular meeting beginning at 2:30 PM on Thursday, August 11, 2011. The hearing is to be held at the Placer County Board of Supervisors Chambers, 175 Fulweiler Avenue, Auburn, California.

All interested parties are advised of the opportunity to comment on the proposed revision. The proposed Plan revision and its support document can be viewed at the District's website at www.placer.ca.gov/apcd. Written comments should be addressed to Thomas J. Christofk, Air Pollution Control Officer, attention Yushuo Chang, Planning and Monitoring Section Manager, at the District office, located at 110 Maple Street, Auburn, CA 95603. The District phone number is (530) 745-2330.

NOTICE OF PUBLIC HEARING

16408033

NOTICE OF PUBLIC HEARING
PLACER COUNTY

AIR POLLUTION CONTROL DISTRICT
PROPOSED REVISION TO THE PLACER COUNTY PORTION
OF CALIFORNIA'S STATE IMPLEMENTATION

The Placer County Air Pollution Control District proposes a revision to the 2009 Sacramento Regional 8-hour Ozone Attainment and Reasonable Further Progress Plan. The revision will remove the commitment to adopt construction mitigation rule (IS-1), operational indirect source rule (IS-2), and asphalt concrete production rule (CM-1) for Placer County. This revision will be submitted to the U.S. Environmental Protection Agency as an amendment to the California State Implementation Plan (SIP).

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- the other requirements such as SB375 and Proposition 26.

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PUBLISHED IN AUBURN JOURNAL: JULY 10, 2011

The above space is reserved for Court/County Filed Date Stamp

PROOF OF PUBLICATION
(2015.5 C.C.P.)

STATE OF CALIFORNIA
County of Placer

I am a citizen of the United States and employed by a publication in the County aforesaid. I am over the age of eighteen years, and not a party to the mentioned matter. I am the principal clerk of **The Auburn Journal**, a newspaper of general circulation, in the City of Auburn, which is printed and published in the County of Placer. This newspaper has been judged a newspaper of general circulation by the Superior Court of the State of California, in and for the County of Placer, on the date of May 26, 1952 (Case Number 17407). The notice, of which the attached is a printed copy (set in type not smaller than nonpareil) has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

JULY 10

I certify, under penalty of perjury, that the foregoing is true and correct.



Terry Clark

Dated in Auburn, California

JULY 10, 2011

RECEIVED

JUL 18 2011

Placer County Air Pollution
Control District

PROOF OF PUBLICATION
THE AUBURN JOURNAL
1030 High Street
Auburn, CA 95604-5910

NOTICE OF PUBLIC HEARING

16408458

NOTICE OF PUBLIC HEARING
PLACER COUNTY

AIR POLLUTION CONTROL DISTRICT
PROPOSED REVISION TO THE PLACER COUNTY PORTION
OF CALIFORNIA'S STATE IMPLEMENTATION PLAN

The Placer County Air Pollution Control District proposes a revision to the 2009 Sacramento Regional 8-hour Ozone Attainment and Reasonable Further Progress Plan. The revision will remove the commitment to adopt construction mitigation rule (IS-1), operational indirect source rule (IS-2), and asphalt concrete production rule (CM-1) for Placer County. This revision will be submitted to the U.S. Environmental Protection Agency as an amendment to the California State Implementation Plan (SIP).

The construction mitigation rule (IS-1) and operational indirect source rule (IS-2) would require mitigating emissions from construction and operation of new land use development projects. The asphalt concrete production rule would require equipment changes to reduce NOx emissions at plants that produce asphalt. Since the approval of the Plan, several factors have led staff to recommend these revisions. These factors include:

- the latest update of projected mobile source emissions by California Air Resources Board are lower than previous estimations;
- the current economic climate for the land use development industries and asphalt production plants;
- the estimated cost effectiveness of the equipment changes for the asphalt plants, in dollars per pound of NOx emission reduced, has more than quadrupled what was estimated in the Plan; and
- the other requirements such as SB375 and Proposition 26.

The revision complies with Clean Air Act (CAA) Section 110(l) because it will not change or interfere with the attainment demonstration (CAA Section 172 (c)(1) and 182 (c)(2)(A)), or reasonable further progress demonstration (CAA Section 182 (c)(2)(B) and (C)), and will not change the reasonably available control measure conclusion (CAA Section 172 (c)(1)), or contingency measure conclusion (CAA Section 172 (c)(9) and 182 (c)(9)).

The Placer County Air Pollution Control District Board of Directors will hold a public hearing to receive comments and consider the adoption of the revision of the Plan at their regular meeting beginning at 2:30 PM on Thursday, August 11, 2011. The hearing is to be held at the Placer County Board of Supervisors Chambers, 175 Fulweiler Avenue, Auburn, California.

All interested parties are advised of the opportunity to comment on the proposed revision. The proposed Plan revision and its support document can be viewed at the District's website at www.placer.ca.gov/apcd. Written comments should be addressed to Thomas J. Christoff, Air Pollution Control Officer, attention Yushuo Chang, Planning and Monitoring Section Manager, at the District office, located at 110 Maple Street, Auburn, CA 95603. The District phone number is (530) 745-2330.

PUBLISHED IN PLACER HERALD: JULY 14, 2011

The above space is reserved for Court/County Filed Date Stamp

PROOF OF PUBLICATION
(2015.5 C.C.P.)

STATE OF CALIFORNIA
County of Placer

I am a citizen of the United States and employed by a publication in the County aforesaid. I am over the age of eighteen years, and not a party to the mentioned matter. I am the principal clerk of The Placer Herald, a newspaper of general circulation, in the City of Rocklin, which is printed and published in the County of Placer. This newspaper has been judged a newspaper of general circulation by the Superior Court of the State of California, in and for the County of Placer, on the date of September 12, 1990 (Case Number 090199). The notice, of which the attached is a printed copy (set in type not smaller than nonpareil) has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

JULY 14

I certify, under penalty of perjury, that the foregoing is true and correct.



Terry Clark

Dated in Rocklin, California

JULY 14, 2011

PROOF OF PUBLICATION
THE PLACER HERALD
5055 Pacific Street
Rocklin, CA 95677

NOTICE OF PUBLIC HEARING

16408460

NOTICE OF PUBLIC HEARING
PLACER COUNTYAIR POLLUTION CONTROL DISTRICT
PROPOSED REVISION TO THE PLACER COUNTY PORTION
OF CALIFORNIA'S STATE IMPLEMENTATION

The Placer County Air Pollution Control District proposes a revision to the 2009 Sacramento Regional 8-hour Ozone Attainment and Reasonable Further Progress Plan. The revision will remove the commitment to adopt construction mitigation rule (IS-1), operational indirect source rule (IS-2), and asphalt concrete production rule (CM-1) for Placer County. This revision will be submitted to the U.S. Environmental Protection Agency as an amendment to the California State Implementation Plan (SIP).

The construction mitigation rule (IS-1) and operational indirect source rule (IS-2) would require mitigating emissions from construction and operation of new land use development projects. The asphalt concrete production rule would require equipment changes to reduce NOx emissions at plants that produce asphalt. Since the approval of the Plan, several factors have led staff to recommend these revisions. These factors include:

- the latest update of projected mobile source emissions by California Air Resources Board are lower than previous estimations;
- the current economic climate for the land use development, industries and asphalt production plants;

- the estimated cost effectiveness of the equipment changes for the asphalt plants, in dollars per pound of NOx emission reduced, has more than quadrupled what was estimated in the Plan; and
- the other requirements such as SB375 and Proposition 26.

The revision complies with Clean Air Act (CAA) Section 110(l) because it will not change or interfere with the attainment demonstration (CAA Section 172 (c)(1) and 182 (c)(2)(A)) or reasonable further progress demonstration (CAA Section 182 (c)(2)(B) and (C)), and will not change the reasonably available control measure conclusion (CAA Section 172 (c)(1)) or contingency measure conclusion (CAA Section 172 (c)(9) and 182 (c)(9)).

The Placer County Air Pollution Control District Board of Directors will hold a public hearing to receive comments and consider the adoption of this revision of the Plan at their regular meeting beginning at 2:30 PM on Thursday, August 11, 2011. The hearing is to be held at the Placer County Board of Supervisors Chambers, 175 Fulweiler Avenue, Auburn, California.

All interested parties are advised of the opportunity to comment on the proposed revision. The proposed Plan revision and its support document can be viewed at the District's website at www.placer.ca.gov/apcd. Written comments should be addressed to Thomas J. Christofk, Air Pollution Control Officer, attention Yushuo Chang, Planning and Monitoring Section Manager, at the District office, located at 110 Maple Street, Auburn, CA 95603. The District phone number is (530) 745-2330.

PUBLISHED IN LOOMIS NEWS: JULY 14, 2011

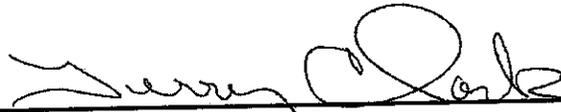
The above space is reserved for Court/County Filed Date Stamp

PROOF OF PUBLICATION
(2015.5 C.C.P.)STATE OF CALIFORNIA
County of Placer

I am a citizen of the United States and employed by a publication in the County aforesaid. I am over the age of eighteen years, and not a party to the mentioned matter. I am the principal clerk of **The Loomis News**, a newspaper of general circulation, in the **Town of Loomis**, which is printed and published in the **County of Placer**. This newspaper has been judged a newspaper of general circulation by the Superior Court of the State of California, in and for the **County of Placer**, on the date of May 26, 1952 (Case Number 17407). The notice, of which the attached is a printed copy (set in type not smaller than nonpareil) has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

JULY 14

I certify, under penalty of perjury, that the foregoing is true and correct.



Terry Clark

Dated in Loomis, California

JULY 14, 2011

PROOF OF PUBLICATION
THE LOOMIS NEWS
3550 Taylor Road
P.O. Box 125
Loomis, CA 95650

NOTICE OF PUBLIC HEARING

16408459

NOTICE OF PUBLIC HEARING
PLACER COUNTY

AIR POLLUTION CONTROL DISTRICT
PROPOSED REVISION TO THE PLACER COUNTY PORTION
OF CALIFORNIA'S STATE IMPLEMENTATION

The Placer County Air Pollution Control District proposes a revision to the 2009 Sacramento Regional 8-hour Ozone Attainment and Reasonable Further Progress Plan. The revision will remove the commitment to adopt construction mitigation rule (IS-1), operational indirect source rule (IS-2), and asphalt concrete production rule (CM-1) for Placer County. This revision will be submitted to the U.S. Environmental Protection Agency as an amendment to the California State Implementation Plan (SIP).

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- the current economic climate for the land use development industries and asphalt production plants;
- the estimated cost effectiveness of the equipment changes for the asphalt plants, in dollars per pound of NOx emission reduced, has more than quadrupled what was estimated in the Plan; and
- the other requirements such as SB375 and Proposition 26.

The revision complies with Clean Air Act (CAA) Section 110(l) because it will not change or interfere with the attainment demonstration (CAA Section 172 (c)(1) and 182 (c)(2)(A)) or reasonable further progress demonstration (CAA Section 182 (c)(2)(B) and (C)), and will not change the reasonably available control measure conclusion (CAA Section 172 (c)(1)) or contingency measure conclusion (CAA Section 172 (c)(9) and 182 (c)(9)).

The Placer County Air Pollution Control District Board of Directors will hold a public hearing to receive comments and consider the adoption of the revision of the Plan at their regular meeting beginning at 2:30 PM on Thursday, August 11, 2011. The hearing is to be held at the Placer County Board of Supervisors Chambers, 175 Fulweiler Avenue, Auburn, California.

All interested parties are advised of the opportunity to comment on the proposed revision. The proposed Plan revision and its support document can be viewed at the District's website at www.placer.ca.gov/apcd. Written comments should be addressed to Thomas J. Christofk, Air Pollution Control Officer, attention Yushuo Chang, Planning and Monitoring Section Manager, at the District office, located at 110 Maple Street, Auburn, CA 95603. The District phone number is (530) 745-2330.

PUBLISHED IN LINCOLN NEWS MESSENGER: JULY 14, 2011

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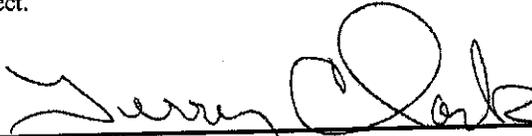
**PROOF OF PUBLICATION
(2015.5 C.C.P.)**

**STATE OF CALIFORNIA
County of Placer**

I am a citizen of the United States and employed by a publication in the County aforesaid. I am over the age of eighteen years, and not a party to the mentioned matter. I am the principal clerk of **The Lincoln News Messenger**, a newspaper of general circulation, in the **City of Lincoln**, which is printed and published in the **County of Placer**. This newspaper has been judged a newspaper of general circulation by the Superior Court of the State of California, in and for the **County of Placer**, on the date of April 3, 1952, Superior Court Order Number 89429. The notice, of which the attached is a printed copy (set in type not smaller than nonpareil) has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

JULY 14

I certify, under penalty of perjury, that the foregoing is true and correct.



Terry Clark

Dated in Lincoln, California

JULY 14, 2011

**PROOF OF PUBLICATION
THE LINCOLN NEWS MESSENGER
553 F Street
Lincoln, CA 95648**

ATTACHMENT #2

SUBJECT:

Strikeout Version of Revision to the Placer County Portion of the 2009 Sacramento Regional 8-hour Ozone Attainment and Reasonable Further Progress Plan for the Removal of the Construction Mitigation Rule (IS-1), the Operational Indirect Source Rule (IS-2), and the Asphaltic Concrete Production Rule (CM-1)

The following Table 1-3 contains a summary of the proposed new regional and local control measures and expected VOC and NO_x emission reductions for the Sacramento nonattainment area for the 2018 attainment demonstration year. Emission benefits from these new committal measures are estimated to provide reductions of 3 tons per day of VOC and 3 tons per day of NO_x in 2018. Some of these new local measures will be adopted by the end of 2008, and emission benefits from just these adopted new measures are estimated to provide reductions of 1 ton per day of VOC in 2018.

**Table 1-3
Summary of New Regional and Local Proposed Control Measures
Sacramento Nonattainment Area**

Control Measure Name	2018 Emission Reductions (TPD)	
	VOC	NO _x
Regional Non-regulatory Measures		
Regional Mobile Incentive Program – On-road	<0.1	0.9
Regional Mobile Incentive Program – Off-road	<0.1	<0.1
Spare The Air Program	<0.1	<0.1
SACOG Transportation Control Measures	-	-
Urban Forest Development Program	0 - 0.2	-
Total Regional Non-regulatory Measures	0.1	0.9
Local Regulatory Measures		
Indirect Source Rule - Construction	-	≤0.1
Indirect Source Rule - Operational	0-<0.1	0-≤0.1
Architectural Coating	1.5	-
Automotive Refinishing	0.2	-
Degreasing/Solvent Cleaning	1.4	-
Graphic Arts	na	-
Miscellaneous Metal Parts and Products	<0.1	-
Natural Gas Production and Processing	0.1	-
Asphalt Concrete	-	≤0.1
Boilers, Steam Generator, and Process Heaters	-	0.2
IC Engines	-	0.1
Large Water Heaters and Small Boilers	-	0.9
Total Local Regulatory Measures	3.2	1.43
Total Reductions*	3.4	2.76

Notes: Numbers are truncated to one decimal place. na = not available

*Total reductions are summed from untruncated values. See summary table in Appendix C – Proposed Control Measures.

Depending upon the size and type, the timeline for a construction project can vary from a few months to years.

This control measure will reduce NOx emissions from equipment associated with the construction phase of new land use projects. The requirements that are being considered for the control measure are based on the construction requirements of San Joaquin Valley Unified Air Pollution Control District (SJVUAPCD) Rule 9510, Indirect Source Review, which specifies that all applicable projects mitigate their NOx emissions by 20% less than the statewide average emission rates either by using cleaner construction equipment or modifying the construction equipment (through retrofits, replacements, or post-combustion controls), or by paying a fee that will be used by the districts to obtain emission reductions.

The proposed control measure commits to a framework that includes quantification of emissions before and after mitigation measures are applied, establishes appropriate levels to define who is subject to the rule and emission reduction requirements for affected sources. The proposed emission reduction requirements will include a fee option to achieve offsite reductions when onsite reductions are insufficient. The proposed control measure will be evaluated for adoption by districts noted in the table below.

The estimated emission reductions from the construction mitigation rule are provided in the following table.

Construction Mitigation Rule			Emission Reduction (TPD)	
District	Adoption Year	Implement Year	2018	
			VOC	NO _x
SMAQMD	2010	2011	---	<0.1
PCAPCD	2013	2014	---	<0.1
FRAQMD	2013	2014	---	unknown
Total			---	≤0.1

During the rule development process, staff will explore integration of this rule with CARB's offroad engine rule to ensure that the 20% requirement is feasible and cost effective through 2018 and beyond.

IS-2: Operational Indirect Source Rule

This control measure will reduce emissions generated during the operational phase of indirect sources. An indirect source is defined as any facility, building, structure or installation, or combination thereof, which generates or attracts mobile source activity that results in emissions of any pollutant for which there is a state ambient air quality

standard. The rule will require indirect sources to mitigate a portion of their emissions through a combination of on-site mitigation measures and/or, if onsite measures are insufficient, a contribution to an off-site mitigation fund that will invest in emission reduction projects.

On-site mitigation could include strategies that reduce vehicle trips or vehicle miles traveled (VMT). Other on-site mitigation measures could be considered, such as improved energy efficiency resulting in fewer power plant emissions or reductions in on-site combustion emissions. Off-site mitigation fees will be calculated based on the amount of required emission reductions that can not be achieved through on-site measures. This control measure will integrate with SACOG’s Blueprint Metropolitan Transportation Plan⁷³ and look for synergistic opportunities from AB 32 (Nunez) – California Global Warming Solutions Act of 2006⁷⁴ and SB 375 (Steinberg) – legislation to reduce greenhouse gases through land-use planning⁷⁵.

The proposed control measure commits to a framework that includes quantification of emissions before and after mitigation measures are applied, establishes appropriate levels to define who is subject to the rule and emission reduction requirements for affected sources. The proposed emission reduction requirements will include a fee option to achieve offsite reductions when onsite reductions are unavailable. The proposed control measure will be evaluated for adoption by districts noted in the table below.

The estimated emission reductions from the operational indirect source rule are provided in the following table.

Operational Indirect Source Rule			Emission Reduction (TPD)	
District	Adoption Year	Implement Year	2018	
			VOC	NO _x
SMAQMD	2012	2014	0-<0.1	0-<0.1
PCAPCD	2014	2016	0-<0.1	0-<0.1
Total			0-<0.1	0-<0.1

7.16 Stationary and Area-wide Source Control Measures

Historically, local air district regulatory control measures have been implemented to control emissions from stationary and area-wide type sources. In general, stationary

⁷³ Metropolitan Transportation Plan for 2035 (MTP2035), approved by SACOG Board of Directors March 20, 2008

⁷⁴ California Health and Safety Code, Section 38500-38599.

⁷⁵ Signed by Governor 9-30-08, and amends California Government Code and Division 13 of the Public Resources Code.

Natural Gas Production and Processing

There are several natural gas production fields within Sacramento County. Fugitive emissions of VOC from natural gas production occur from equipment leaks in valves, pumps, compressors, pressure relief devices, flanges, and threaded connections at gas wells and associated transmission systems. The proposed control measure would establish inspection and repair requirements for leaking components. Emission reductions would result from a reduction in the number of leaking components. The proposed measure would establish leak inspection frequencies and allowable repair periods.

Natural Gas Production and Processing Category			VOC Emission Reduction (TPD)
District Measure	Adoption Year	Implement Year	2018
SMAQMD-461	2011	2012	0.1
Total			0.1

7.18 NOx Emission Control Measures

Asphalt Concrete

Asphaltic concrete, or hot-mix pavement material, is produced in both continuous and batch plants; some of the latter are portable. The process involves heating aggregate in a rotary dryer to 300°F and mixing with melted asphalt cement refined from petroleum. This measure addresses NOx emissions from burners used to heat the dryer. Other ancillary NOx emissions come from heaters used to melt asphalt cement and from stationary internal combustion engines.

The control of dryer NOx emissions is accomplished by controlling the burners used to heat the dryer. The control measure will propose a NOx limit that may be complied with by retrofitting with low NOx burners and flue gas re-circulation.

Asphalt Concrete Category			NOx Emission Reduction (TPD)
District Measure	Adoption Year	Implement Year	2018
SMAQMD-471	2012	2014	0.1
PCAPCD-CM1	2013	2014	<0.1
Total			<0.1

**Table 7-4
Summary of New Regional and Local Proposed Control Measures
Sacramento Nonattainment Area**

Control Measure Name	2018 Emission Reductions (TPD)	
	VOC	NO _x
Regional Non-regulatory Measures		
Regional Mobile Incentive Program – On-road	<0.1	0.9
Regional Mobile Incentive Program – Off-road	<0.1	<0.1
Spare The Air Program	<0.1	<0.1
SACOG Transportation Control Measures	--	--
Urban Forest Development Program	0 - 0.2	--
Total Regional Non-regulatory Measures	0.1	0.9
Local Regulatory Measures		
Indirect Source Rule - Construction	--	≤0.1
Indirect Source Rule - Operational	0-<0.1	0-≤0.1
Architectural Coating	1.5	--
Automotive Refinishing	0.2	--
Degreasing/Solvent Cleaning	1.4	--
Graphic Arts	na	--
Miscellaneous Metal Parts and Products	<0.1	--
Natural Gas Production and Processing	0.1	--
Asphalt Concrete	--	≤0.1
Boilers, Steam Generator, and Process Heaters	--	0.2
IC Engines	--	0.1
Large Water Heaters and Small Boilers	--	0.9
Total Local Regulatory Measures	3.2	1.43
Total Reductions*	3.4	2.76

Notes: Numbers are truncated to one decimal place. na = not available

*Total reductions are summed from untruncated values. See summary table in Appendix C – Proposed Control Measures.

The following Table 14-1 contains a summary of the proposed new regional and local control measures and expected VOC and NO_x emission reductions for the Sacramento nonattainment area for the 2018 attainment demonstration year. Emission benefits from these new committal measures are estimated to provide reductions of 3 tons per day of VOC and 3 tons per day of NO_x in 2018. Some of these new local measures will be adopted by the end of 2008, and emission benefits from just these adopted new measures are estimated to provide reductions of 1 ton per day of VOC in 2018.

Table 14-1
Summary of New Regional and Local Proposed Control Measures
Sacramento Nonattainment Area

Control Measure Name	2018 Emission Reductions (TPD)	
	VOC	NO _x
Regional Non-regulatory Measures		
Regional Mobile Incentive Program – On-road	<0.1	0.9
Regional Mobile Incentive Program – Off-road	<0.1	<0.1
Spare The Air Program	<0.1	<0.1
SACOG Transportation Control Measures	-	-
Urban Forest Development Program	0 - 0.2	-
Total Regional Non-regulatory Measures	0.1	0.9
Local Regulatory Measures		
Indirect Source Rule - Construction	-	≤0.1
Indirect Source Rule - Operational	0-<0.1	0-≤0.1
Architectural Coating	1.5	-
Automotive Refinishing	0.2	-
Degreasing/Solvent Cleaning	1.4	-
Graphic Arts	na	-
Miscellaneous Metal Parts and Products	<0.1	-
Natural Gas Production and Processing	0.1	-
Asphalt Concrete	-	≤0.1
Boilers, Steam Generator, and Process Heaters	-	0.2
IC Engines	-	0.1
Large Water Heaters and Small Boilers	-	0.9
Total Local Regulatory Measures	3.2	1.43
Total Reductions*	3.4	2.76

Note: Numbers are truncated to one decimal place. na = not available

*Total reductions are summed from untruncated values. See summary table in Appendix C – Proposed Control Measures.

The following Table 14-2 contains a summary of SACOG transportation control measures (TCMs) that are included in the Sacramento region's federal 8-hour ozone plan. The TCMs include new and continuing projects and funding programs.

Stationary and Area-wide Source Control Measures

VOC Control Measures

Architectural Coatings	C-68
SMAQMD-442	
EDCAQMD-215	
FRAQMD-3.15	
PCAPCD-218	
YSAQMD-2.14	
Automotive Refinishing.....	C-92
SMAQMD-459	
FRAQMD-3.19	
PCAPCD-234	
YSAQMD-2.26	
Degreasing/Solvent Cleaning	C-102
SMAQMD-454/466	
EDCAQMD-225/235	
FRAQMD-3.14	
YSAQMD-2.24/2.31	
Graphic Arts.....	C-112
YSAQMD-2.29	
Miscellaneous Metal Parts and Products.....	C-115
EDCAQMD-246	
PCAPCD-CM3	
Natural Gas Production and Processing.....	C-120
SMAQMD-461	

NOx Control Measures

Asphalt Concrete	C-124
SMAQMD-471	
PCAPCD-CM1	
Boilers, Steam Generators, and Process Heaters	C-129
YSAQMD-2.27	

Summary Table of Emission Reductions by Control Measure

Measure Name	Emission Reductions (TPD)	
	2018	
	VOC	NO _x
<u>Non-regulatory Measures</u>		
Regional Mobile Incentive Program – On-road	0.060	0.910
Regional Mobile Incentive Program – Off-road	0.005	0.013
Spare The Air Program	0.059	0.046
SACOG Transportation Control Measures	tbd	tbd
Urban Forest Development Program	0 - 0.18	-
Total Non-regulatory Measures	0.12	0.97
<u>Regulatory Measures</u>		
Indirect Source Rule – Construction Mitigation	-	0.136 0.091
Indirect Source Rule – Operational ISR	0-0.043	0-0.130 9
Stationary and Area-wide Source Measures		
Architectural Coating		
SMAQMD-442	0.913	-
EDCAQMD-215	0.186	-
FRAQMD-3.15	0.004	-
PCAPCD-218	0.201	-
YSAQMD-2.14	0.214	-
Total Architectural Coating	1.52	
Automotive Refinishing		
SMAQMD-459	0.113	-
FRAQMD-3.19	0.001	-
PCAPCD-234	0.045	-
YSAQMD-2.26	0.058	-
Total Automotive Refinishing	0.22	
Degreasing/Solvent Cleaning		
SMAQMD-454/466	0.593	-
EDCAQMD-225/235	0.076	-
FRAQMD-3.14	0.001	-
YSAQMD-2.24/2.31	0.762	-
Total Degreasing/Solvent Cleaning	1.43	
Graphic Arts		
YSAQMD-2.29	---	-
Total Graphic Arts	---	
Miscellaneous Metal Parts and Products		
EDCAQMD-246	0.002	-
PCAPCD-CM3	0.014	-

Measure Name	Emission Reductions (TPD)	
	2018	
	VOC	NO _x
Total Miscellaneous Metal Parts and Products	0.02	
Natural Gas Production and Processing		
SMAQMD-461	0.116	-
Total Natural Gas Production and Processing	0.12	-
Asphalt Concrete		
SMAQMD-471	-	0.132
PCAPCD-CM1	-	0.036
Total Asphalt Concrete		0.173
Boilers, Steam Gen. and Process Heaters		
YSAQMD-2.27	-	0.288
Total Boilers, Steam Gen. and Process Heaters		0.29
IC Engines		
SMAQMD-412	-	0.013
FRAQMD-3.22	-	0.004
YSAQMD-2.32	-	0.118
Total IC Engines		0.14
Large Water Heaters and Small Boilers		
SMAQMD-414	-	0.708
EDCAQMD-239	-	0.003
FRAQMD-3.23	-	0.000
PCAPCD-CM2	-	0.030
YSAQMD-2.37	-	0.240
Total Large Water Heaters and Small Boilers		0.98
Total Stationary and Area Source Measures	3.30	1.584
Total Regulatory Measures	≤3.30	1.7267
Total Reductions	≤3.42	2.6957

tbd = to be determined

Summary Table of Emission Reductions by Air District

Air District Control Measure Name (Rule No.)	Emission Reductions (TPD) 2018	
	VOC	NOx
Stationary and Area Source Measures		
Sacramento Metropolitan AQMD		
Architectural Coating (SMAQMD-442)	0.913	-
Automotive Refinishing (SMAQMD-459)	0.113	-
Degreasing/Solvent Cleaning (SMAQMD-454/466)	0.593	-
Natural Gas Production and Processing (SMAQMD-461)	0.116	-
Asphalt Concrete (SMAQMD-471)	-	0.132
IC Engines (SMAQMD-412)	-	0.013
Large Water Heaters and Small Boilers (SMAQMD-414)	-	0.708
Total Sacramento Metropolitan AQMD	1.74	0.85
EI Dorado County AQMD		
Architectural Coating (EDCAQMD-215)	0.186	-
Degreasing/Solvent Cleaning (EDCAQMD-225/235)	0.076	-
Misc. Metal Parts and Products (EDCAQMD-246)	0.002	-
Large Water Heaters and Small Boilers (EDCAQMD-239)	-	0.003
Total EI Dorado County AQMD	0.26	0.00
Feather River AQMD		
Architectural Coating (FRAQMD-3.15)	0.004	-
Automotive Refinishing (FRAQMD-3.19)	0.001	-
Degreasing/Solvent Cleaning (FRAQMD-3.14)	0.001	-
IC Engines (FRAQMD-3.22)	-	0.004
Large Water Heaters and Small Boilers (FRAQMD-3.23)	-	0.000
Total Feather River AQMD	0.01	0.00
Placer County APCD		
Architectural Coating (PCAPCD-218)	0.201	-
Automotive Refinishing (PCAPCD-234)	0.045	-
Misc. Metal Parts and Products (PCAPCD-CM3)	0.014	-
Asphalt Concrete (PCAPCD-CM1)	-	0.036
Large Water Heaters and Small Boilers (PCAPCD-CM2)	-	0.030
Total Placer County APCD	0.26	0.073
Yolo-Solano AQMD		
Architectural Coating (YSAQMD-2.14)	0.214	-
Automotive Refinishing (YSAQMD-2.26)	0.058	-
Degreasing/Solvent Cleaning (YSAQMD-2.24/2.31)	0.762	-
Graphic Arts (YSAQMD-2.29)	---	-
Boilers, Steam Gen. & Process Heaters (YSAQMD-2.27)	-	0.288
IC Engines (YSAQMD-2.32)	-	0.118
Large Water Heaters and Small Boilers (YSAQMD-2.37)	-	0.240
Total Yolo-Solano AQMD	1.03	0.65
Total Stationary and Area-wide Source Measures	3.30	1.574

Emission Inventory

The SFNA planning emission inventory is presented below for the category associated with construction equipment emissions of NOx. The emissions already account for California Air Resources Board State Implementation Plan measures.

District	EIC Code	EIC Description	NOx Emission Inventory (tpd)
			2018
SMAQMD	860-887	CONSTRUCTION AND MINING EQUIPMENT	4.6081
PGAPCD	860-887	CONSTRUCTION AND MINING EQUIPMENT	0.9172
FRAQMD	860-887	CONSTRUCTION AND MINING EQUIPMENT	0.0722
TOTAL			5.5975 4.6803

Emission Reductions

Total NOx emissions from all phases of construction and all other associated emissions will be estimated using URBEMIS 2007, version 9.2 or another construction emission estimation model that the Air Pollution Control Officer deems appropriate. Emission reductions for this measure have been calculated assuming that new construction projects will be required to reduce total construction-related emissions of NOx by 20% below the statewide averages (as required by SJVUAPCD Rule 9510). Applicants will be able to reduce these emissions through either onsite or offsite mitigation. Onsite mitigation will consist of applicants replacing or retrofitting older, higher-emitting construction equipment. Offsite mitigation will allow applicants to pay a fee based on the cost effectiveness of the Carl Moyer, SECAT, or other approved program. The District will secure mitigation for those applicants by funding emission reduction projects elsewhere, following the guidelines of the approved funding program.

Construction projects will be required to comply with this rule if they equal or exceed any of the following thresholds (based on SJVUAPCD Rule 9510):

- 50 residential units;
- 2,000 sq. feet of commercial space;
- 25,000 sq. feet of light industrial space;
- 100,000 sq. feet of heavy industrial space;
- 20,000 sq. feet of medical office space;
- 39,000 sq. feet of general office space;
- 9,000 sq. feet of educational space;
- 10,000 sq. feet of government space;
- 20,000 sq. feet of recreational space; or
- 9,000 sq. feet of space not identified above

In order to estimate potential future emission reductions, District staff used the State Water Resources Control Board storm water permit data and the default assumptions built into the construction emissions model URBEMIS. The storm water data provided the acres and type (residential, commercial, industrial) for all projects occurring in the SFNA over two acres. In order to condense this data, projects were categorized by their size and averaged over a three-year period (2004 through 2006). Because the storm

water database does not give project specifics beyond the type and size, all projects labeled residential were assumed to be entirely residential and other projects not labeled residential were assumed to be entirely commercial.

Defaults from URBEMIS including average residential and commercial density, the type and amount of construction equipment used for different sized projects, and the construction phase timelines were used to estimate calendar year 2008 emissions for the projects obtained from the storm water database. The NOx emissions from all applicable project groups were totaled and reductions were assumed to be 20% of this total with an 80% compliance rate. The reductions were compared to the 2008 SFNA emission inventory to derive a percent reduction that could be applied to the 2018 inventory.

Annual NOx emission reductions are summarized below for the districts planning to adopt this control measure in the SFNA.

District	2018 (tpd)
SMAQMD	0.0905
PCAPCD	0.0462
TOTAL	0.1367 0.0905

There are no emission reductions estimated for the portion of FRAQMD in the SFNA because there were no new land use projects shown for 2004 to 2006 in the California storm water database for this area. It is assumed that new construction will occur and, therefore this control measure will achieve ozone precursor emission reductions from those future projects in the FRAQMD.

SMAQMD

Adoption year: 2010

Implementation year: 2011

~~**PCAPCD**~~

~~Adoption year: 2013~~

~~Implementation year: 2014~~

FRAQMD

Adoption year: 2013

Implementation year: 2014

Cost Effectiveness

It is anticipated that developers will not choose to perform onsite mitigation when the cost for doing so would exceed the cost of paying mitigation fees. Therefore, the upper bound of cost effectiveness for this measure is based on the mitigation fees. The fees have been estimated based on the current Carl Moyer program cost effectiveness of \$16,000 per ton of NOx reduced.

Authority

The districts are authorized to adopt and implement regulations to reduce or mitigate emissions from indirect and areawide sources of air pollution by Health and Safety Code Section 40716. In addition, SMAQMD is specifically authorized to adopt regulations to limit or mitigate the impact on air quality of indirect or areawide sources by Health and Safety Code Section 41013.

Implementation

This control measure will be implemented by SMAQMD, ~~PCAPCD~~, and FRAQMD.

References

CARB Ozone SIP Planning Inventory, Version 1.06, Sacramento NAA (RF#980), February 28, 2007

SJVUAPCD "Rule 9510, Indirect Source Review (ISR)." Adopted December 15, 2005

SJVUAPCD "Final Draft Staff Report – Rule 9510, Indirect Source Review (ISR), Rule 3180, Administrative Fees for Indirect Source Review." December 15, 2005

State Water Resources Control Board "[Statewide Construction Storm Water Database Active Notice of Intents \(NOIs\).](http://www.swrcb.ca.gov/stormwtr/databases.html)" <http://www.swrcb.ca.gov/stormwtr/databases.html>.

URBEMIS 2007, Version 9.2, July 2007.

District	EIC Code	EIC Description	2018 Inventory* (tpd)	
			NOx	ROG
PCAPCD	710	LDA	0.53	0.93
	722	LDT1	0.34	0.54
	723	LDT2	0.59	0.80
	724	MDV	0.38	0.41
	732	LHDT1	0.63	0.17
	733	LHDT2	0.25	0.05
	734	MHDV	0.53	0.06
	736	HHDV	6.48	0.52
	750	Motorcycle	0.20	0.74
	762	Urban-Bus	0.11	0.04
	770	School-Bus	0.11	0.04
	780	Motor Home	0.07	0.04
	010-045-0110-0000	Electric Utilities— Natural Gas Turbine	0.089	0.007
	610-610-0110-0000	Residential Fuel Combustion—Natural Gas-Cooking	0.029	0.004
	610-608-0110-0000	Residential Fuel Combustion—Natural Gas-Water Heating	0.263	0.013
PCAPCD Total			10.60	4.27

* all on-road emissions are based on EMFAC2007 with Feb. 08 SACOG activity data. Area source emissions are based on ARB CEFS_03SIP data.

Emission Reductions

In 2006, the existing California Environmental Quality Act mitigation program achieved 0.033 TPD of NOx and 0.035 TPD of ROG in the Sacramento district. These reductions represent 0.061% and 0.115% of the Sacramento 2005 affected NOx and ROG inventory, respectively.

The South Coast AQMD 2007 Air Quality Management Plan proposes an indirect source rule (2007EGM-01) with a commitment to achieve 1.0 TPD and 0.5 TPD of NOx and ROG, respectively, in 2020. This represents 0.17% of the ROG inventory and 0.36% of the NOx inventory. The San Joaquin Valley Unified APCD 2007 ozone plan includes a commitment to achieve 0.2 TPD reduction in on-road NOx in 2017 from their existing indirect source rule which represents 0.12% of the NOx inventory. (Note: South Coast inventory is based on ARB CEFS_03SIP data. San Joaquin inventory is based on 2007 Ozone Plan Appendix B.)

Sufficient data is not currently available to precisely quantify expected reductions. For example, the integrated iPlaces land use model and SACMET travel model expected to be used for emission reduction quantification is not yet available in final form. However, based on the ranges of reductions discussed above as applied to the affected inventory for SMAQMD and PCAPCD in 2018 results in the following expected emission reduction range:

District	2018 Reduction (tpd)	
	NOx	ROG
SMAQMD	0 - 0.09	0 - 0.03
PCAPCD	0 - 0.04	0 - 0.01
Total	0 - 0. 13 <u>09</u>	0 - 0. 04 <u>43</u>

Emission reductions from this rule will result from a combination of on-site mitigation implemented by project proponents and off-site mitigation projects. Depending on the type of mitigation strategies funded through the off-site mitigation program, emission reductions could apply to mobile, stationary, or area-wide source inventory categories.

SMAQMD

Adoption year: 2012

Implementation year: 2014

PCAPCD

~~Adoption year: 2014~~

~~Implementation year: 2016~~

Cost Effectiveness

The cost effectiveness of this rule is dependent on the type of on-site mitigation implemented by a developer, and whether or not the off-site mitigation fee option is chosen for some or all of the required emission reductions. Some on-site mitigation may result in a cost savings.

Authority and Resources

The districts are authorized to adopt and implement regulations to reduce or mitigate emissions from indirect and area-wide sources of air pollution by Health and Safety Code Section 40716. In addition, SMAQMD is specifically authorized to adopt indirect or area-wide source regulations by Health and Safety Code Section 41013.

Districts are authorized to recover costs associated with regulation of area-wide and indirect sources by Health and Safety Code Section 42311(g).

Implementation

This control measure will be implemented by SMAQMD ~~and PCAPCD~~.

Control Measure Number: PCAPCD-CM1

Control Measure Title: Asphalt Concrete Production

Date: February 5, 2007

Control Measure Description

Asphaltic concrete, or hot-mix pavement material, is produced in both continuous and batch plants; some of the latter are portable. The process involves heating aggregate in a rotary dryer to approximately 300 °F and mixing it with melted asphalt cement refined from petroleum. Most of the NOx emissions are from the burners used to heat the dryer, and those are the NOx emissions targeted by this control measure. Some ancillary NOx emissions come from heaters used to melt asphalt cement, and from stationary internal combustion engines.

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The control of dryer NOx emissions may be accomplished by controlling the burners used to heat the dryer. All the plants in the Placer County are fired with natural gas. The concentration of NOx discharged from uncontrolled burners is typically over 100 parts per million, volumetric dry (ppmvd), or about 0.016 pounds per ton. Use of low NOx burners and flue gas recirculation (FGR) is able to reduce these emissions to as low as 30 ppmvd. There is little to no fuel penalty as a result of these controls, but a reduction in burner capacity of up to 20 percent may be required to avoid flame impingement on the inner surfaces of the dryer. This could result in lost production for plants when they are producing at close to their rated capacities. In order to control NOx emissions, plants must be retrofitted with low NOx burners and FGR.

Emission Inventory – 2018

EIC Code	EIC Description	NOx Inventory for Control Measures (tpd)
		2018
430-424-7006-0000	Asphaltic Concrete Production	0.0624

Emission Reductions

EIC Description	Adoption Date	Implementation Date	NOx Emission Reduction (tpd)
			2018
Asphaltic Concrete Production	2013	2014	0.0364

Cost Effectiveness

It is assumed that the equipment has a 20-year life, an interest rate of 3%, and the cost of running two plants in Placer County is \$360,000. The estimated cost effectiveness is \$5,675/ton of NOx reduced.

Authority

~~California Health and Safety Code, Sections 40000, 40001, and 40702~~

Implementation

~~The Placer County Air Pollution Control District is the implementing agency.~~

References

- ~~1. References are shown in footnotes.~~
- ~~2. Draft Final Sacramento Off-road Measures, Control Measure SN-59, Asphalt Concrete Production, Sacramento Metropolitan AQMD, October 14, 2003.~~
- ~~3. "ARB Forecasted Emissions by Summary Category Ozone SIP Planning Projections v1.06 RF #980". www.arb.ca.gov/app/emsinv/0#sip/fcemssumcat_0#v106.php. November 16, 2006.~~
- ~~4. Control Measure, PCAPCD CM1, February 7, 2007~~

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Table H-5 PCAPCD Stationary/Area Source Control Measures Considered				
Measure No.	Title	Current Requirements	Opportunity for Strengthening	Conclusion
	Livestock Waste	None	Lower applicability threshold; Increase number of practices and control efficiency	Not Recommended - Evaluated for Attainment Advancement
	Wineries	None	Establish standards to reduce evaporative VOC emissions from the fermentation process at wineries	Not Recommended - Evaluated for Attainment Advancement
236	Wood Products Coatings	VOC limits on coatings and strippers	Reduce VOC limits for high solid stains, sealers, strippers and lower the applicability limit to 20 gal/year	Not Recommended - Evaluated for Attainment Advancement
	Natural Gas Production and Processing	None	Establish requirements to inspect and maintain equipment to reduce fugitive VOC emissions	Not Recommended - No sources
CM1	Asphaltic Concrete	None	Require limits for NOx emissions similar to a control measure adopted by SJVUAPCD	Control Measure Not Recommended -Evaluated for Attainment Advancement
	Other Dryers and Ovens	None	Require limits for NOx emissions that achieve 50 - 75% reduction similar to proposed measure in SCAQMD	Not Recommended - Evaluated for Attainment Advancement
243	Polyester Resin/Plastic Product Manufacturing	Limits monomer content and use of vapor suppressants	Reduce monomer limits to standards adopted by SCAQMD	Not Recommended - Evaluated for Attainment Advancement
237	Landfills	Collect and control ROG emissions from landfills containing approximately 2.75 million tons of waste or more	Lower applicability threshold to landfills containing approximately 0.5 million tons of waste or more	Not Recommended - Evaluated for Attainment Advancement
CM2/246	Water Heaters	NOx limits on water heaters with rated heat input capacity less than 75,000 Btu/hr	Require NOx limits on water heaters/boilers with rated heat input capacity between 75,000 Btu/hr and 1,000,000 Btu/hr, and reduce current NOx limits from 55 ppm to 15 ppm.	Control Measure
	Roofing Kettles	None	Establish VOC limits from roofing kettles	Not Recommended - Evaluated for Attainment Advancement
	Reactivity Based Standards	None	Require VOC limit of coatings to be based on a reactivity limit instead of a mass-balance limit	Not Recommended - Overlaps with Control Measure 218
	Using Greener Consumer Products	None	Promote the use of Low-VOC Consumer Product especially on Spare-the-	Not Recommended - Evaluated for Attainment

Table H-5 PCAPCD Stationary/Area Source Control Measures Considered				
Measure No.	Title	Current Requirements	Opportunity for Strengthening	Conclusion
	Polystyrene/ Poly Foam Blowing/Other	None	Require reduction of VOC emission from EPS molding by vented the emissions to an emission control device such as a thermal oxidizer	Not Recommended - No sources
229, 238	Production of Wood/paper products	Limit coatings and inks which contain 250 grams or less of VOC per liter	Require VOC limits for manufacturing wood/paper products.	Not recommended - already implemented
	Industrial Wastewater	None	Require VOC limits and control system from wastewater system	Not Recommended - No sources
	Wastewater Sewage Treatment	None	Require VOC limits and control system for wastewater sewage treatment plant	Not Recommended - No sources
	Lower permit exemption	Permit exemptions and thresholds	Lower permit threshold to bring more sources and equipment under permit program	Not Recommended - Evaluated for Attainment Advancement
	Composting Green Waste	None	Establish VOC limits similar to the rule adopted by SJVUAPCD	Not Recommended - Evaluated for Attainment Advancement
	Composting and Biosolids	None	Establish VOC reducing requirements equivalent to SJVUAPCD/SCAQMD	Not Recommended - Evaluated for Attainment Advancement
	Glass Furnaces	None	Establish NOx limits for glass furnaces	Not Recommended - No sources
	Central Furnaces	None	Establish NOx limits for central furnaces	Not Recommended - Evaluated for Attainment Advancement
IS-1	ISR Construction	None	Implement construction mitigation rule to reduce off-road construction Nox emissions associated with new land use development	Control Measure Not Recommended -Evaluated for Attainment Advancement
IS-1	ISR Construction	None	Implement construction mitigation rule to reduce off-road construction emissions associated with new land use development	Not Recommended - Evaluated for Attainment Advancement
IS-2	ISR Operational	None	Mitigate increased emissions associated with new land use/development projects	Control measure Recommended -Evaluated for Attainment Advancement