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December 15, 2006

Mr. Joseph Cassinassi
Planning and Rules Manager
Planning, Rule Development and Area Sources
21865 Copley Drive
Diamond Bar, CA 91765

Re: Draft 2007 AQMP

Dear Mr. Cassinassi:

On behalf of the Orange County Business Council (OCBC), I appreciate the opportunity to provide written comments on the Draft 2007 Air Quality Management Plan (AQMP). OCBC is a non-profit trade association which represents approximately 300 member companies that employ over 200,000 men and women in Orange County, and 2 million worldwide.

OCBC is committed to helping the District achieve compliance with federal and state regulations concerning air quality. We also remain committed to maintaining the high quality of life we enjoy in Orange County, including a robust economic and strong base of employment.

OCBC encourages the District to offer incentives whenever feasible to help foster cleaner air throughout the basin. As the air quality in our region has dramatically improved through regulation and advanced technology, it has become more challenging to achieve further reductions for most businesses.

When evaluating potential emission control measures the District must make realistic predictions regarding timelines relating to technological advancement. When a timeline is unable to be met, such was the case with the rule governing low emission gas water heaters, it is extremely costly for business and industry to obtain the appropriate waivers or timeline variances. Hardest hit are small businesses and those industries that are required to produce a product for use in Southern California only, while they maintain product consistency in other marketplaces.

OCBC urges the District to remove the addition of any new fees from the draft 2007 AQMP. According to the California Air Resources Board (ARB), a recently released audit of the AQMD found that the District failed to spend \$10 million given the District from the Carl Moyer program. Until steps are taken to improve the spending procedures for existing programs fees, new fees should not be considered.

Draft QMP Comment

12/15/2006

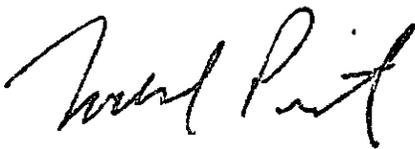
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The Business Council urges the District to avoid measures that will place California businesses and utilities at an economic disadvantage. While technology will undoubtedly provide the basin with cleaner burning gas and electric power, standards should not be set that would require the importation of power to our region.

OCBC opposes the creation of a control measure that would hold development projects responsible for off-site mitigation. The Business Council joins the Quality Planning Coalition in requesting that CEQA remain the preferred option for best achieving meaningful emission reductions. Given the lack of an appropriate nexus, new development projects should not be held responsible for activities outside their control. Such fees will unfairly increase the cost of desperately needed housing, as well as drive the cost higher for the development of commercial and industrial office space. We believe that through proper implementation of on-site emission controls, the development community is appropriately participating in clean air future of our basin. Again, the Carl Moyer funds are extremely critical to reducing development related emissions.

The Business Council appreciates the opportunity to provide our input. We look forward to working with the District on approaches that will not unfairly burden new home buyers, our healthy and growing business community, and the utility rate payers with the District.

Respectfully,



Todd Priest
Vice President, Government and Community Affairs