

NSR Roundtable Discussions

South Coast AQMD Auditorium
November 15, 2011

Cleaning the Air That We Breathe...

Background

- Offsets
 - Required element in federal NSR program
 - Practical means to meet state “no net increase” requirement
 - Tool to manage growth while making progress toward attainment

Offset Generation

- Real
- Quantifiable
- Permanent
- Surplus
- Enforceable

AQMD Offset Programs (cont)

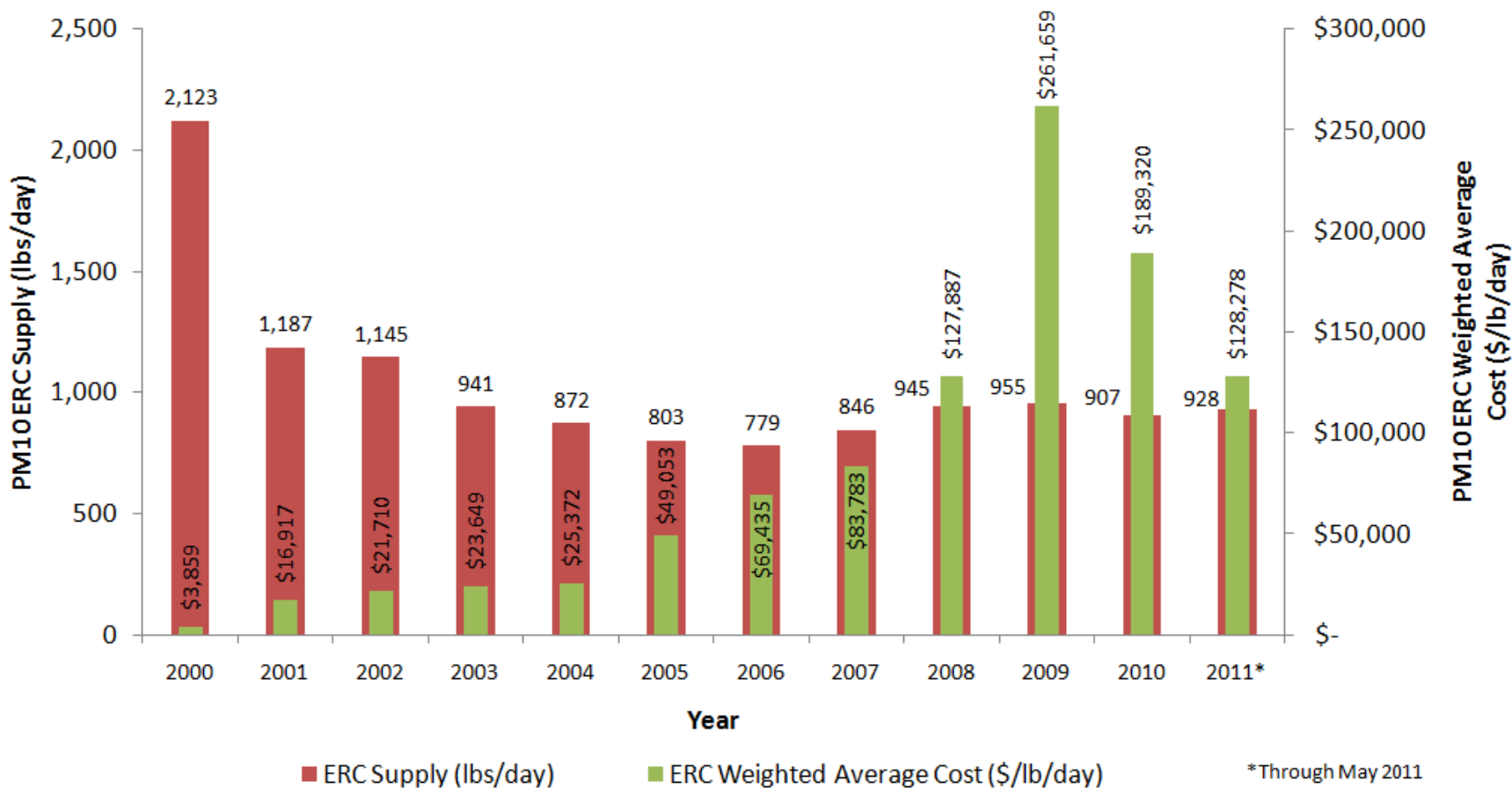
- Offsets needed for new and modified Sources at new and Existing facilities
 - Sources at BACT

PM10 ERC Supply & Cost 2000 – 2011*

Supply Dropped by 56% since 2000

Cost increased by 3,224% since 2000

Highest price of PM10 ERC sold in 2009 is \$350,000 per lb/day



Key Stakeholder Issues



Business Community

- Cost
- Availability



Environmental Community

- Banking
- Location
- Cumulative Impacts

Staff Observations

Credit Generation/Supply

- Almost all offsets from shutdowns
- Not all emission sources permitted by AQMD

Credit Use

- Cleanest equipment with BACT/LAER penalized by offset requirement
- NSR/offsets not designed to address EJ or cumulative impacts

Other

- Not a property right
- Permitted sources a small share of non-attainment problem

Ground Rules

- Think “outside of box”
- Constructive dialogue